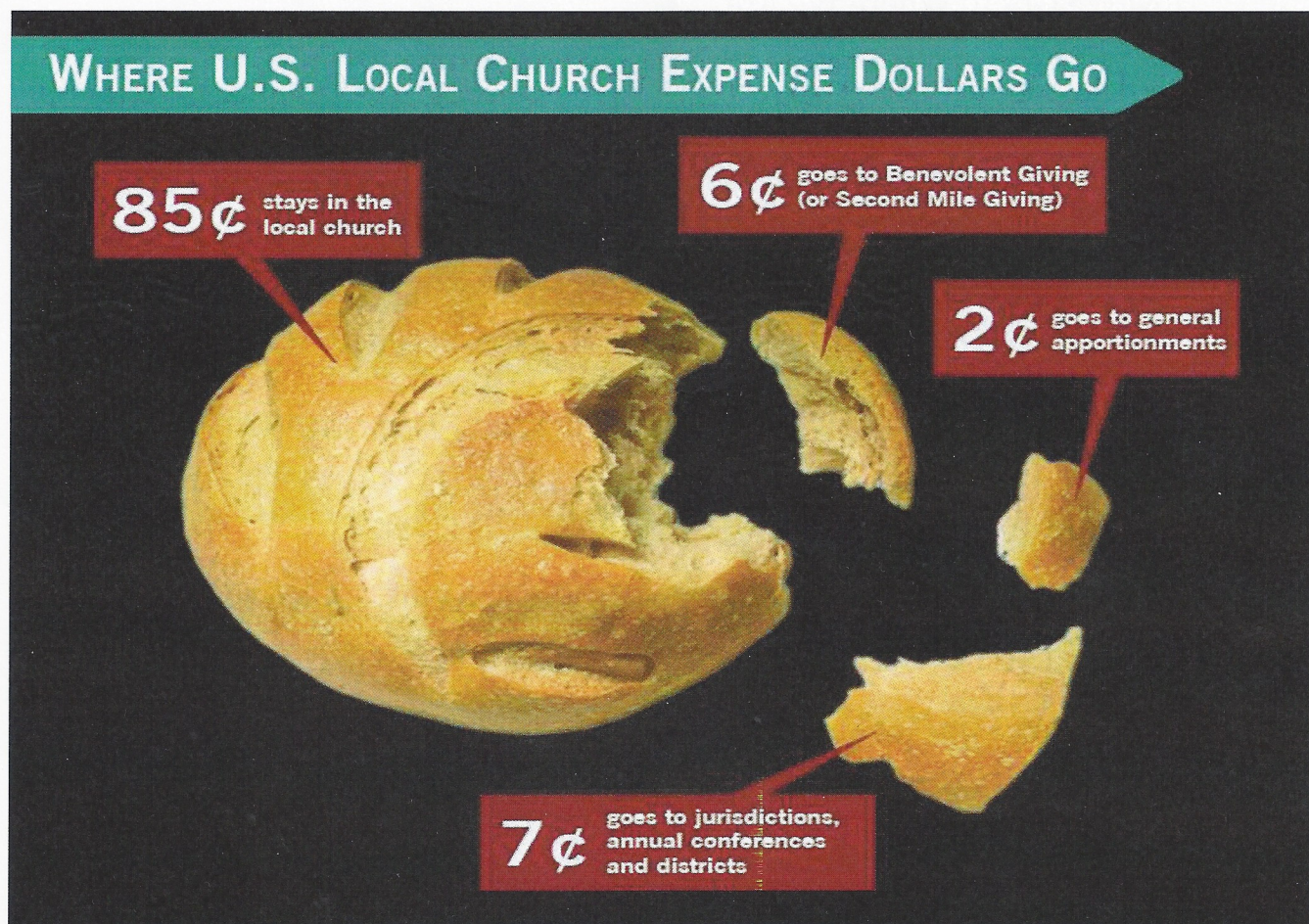


First Episcopal District Lay Organization
Mid-Year Teaching & Training
Friday, February 22, 2019

Embassy Suites, Philadelphia Airport, Philadelphia, PA
Bishop Gregory G.M. Ingram, Presiding Bishop, First Episcopal District
Rev. Dr. Jessica Kendall Ingram, Episcopal Supervisor
Sis. Cheryl Hammond Hopewell, President, First District Lay Organization

“What We Pay & Why: Understanding Denominational Obligations”



Facilitator:

Rev. Melvin E. Wilson, Pastor/Teacher
St. Matthew A.M.E. Church, Orange, NJ
Development Officer, First Episcopal District

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I. Purposes of This Workshop

1. To provide a brief history and overview of the very well-known but little understood “denominational assessments,” what their purposes are and how they are calculated.
2. To “begin the process” of eliminating the myriad of myths and untruths about these amounts.
3. To move us from Observation → Information → Application → Implementation

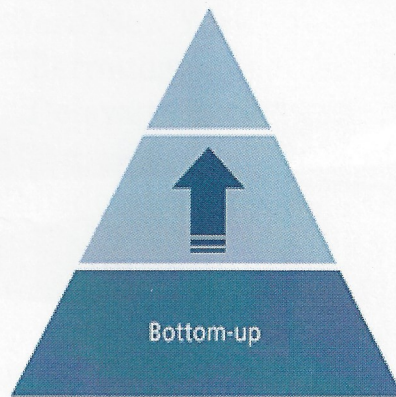
II. Establishing A Starting Point – History Is Important

- A. A book you should have: *The Connectional Budget of the African Methodist Episcopal Church, 2016 – 2020*, Bicentennial Edition
 - Why do you need it?
- B. How We Got to Where We Are
 - **Before 1868** – Every member was assessed two cents per year
 - **General Conference of 1868** – two cent assessment replaced with the one dollar system (25 cents to the General Book Steward in Philadelphia, 25 cents to Wilberforce University, 50 cents to the Annual Conference)
 - **1872** – Central Treasury (Financial Department) established to collect one dollar from each member for general purposes
 - **1956** – General Budget Fund established at the 35th General Conference in Miami, FL. Each member of the church now asked to pay two dollars. The General Budget was made up of 17 line items:
 1. Episcopal Fund
 2. Administration Fund
 3. Ministerial Salary Fund
 4. Publication Fund
 5. Conference Benevolence Fund
 6. Inter-Denomination Cooperation Fund
 7. Episcopal District Project Fund
 8. Evangelism Fund
 9. Historiographer Fund
 10. Secretary of the AME Church
 11. Pension Fund
 12. Mission Fund
 13. Church Extensions Fund
 14. Women’s Missionary Fund
 15. Religious Education Fund
 16. Educational Institutions Fund
 17. Reserve Fund
 - **1968** – Structural changes, but no changes to what members are asked to pay.

- **2004** – More structural and systemic changes, General Budget expanded to include 23 line items. 2004 General Budget totaled \$13,820,894.

But Wait...
THERE'S MORE!

- C. It is critical to understand that the A.M.E. Church is a **Connectional** Church. This means:
1. All parts of the church are connected.
 2. The bottom (local church) supports the top (the connectional church).



**Did You
KNOW**



This is true of **ALL connectional church organizations, other denominational bodies and even non-denominational churches!**

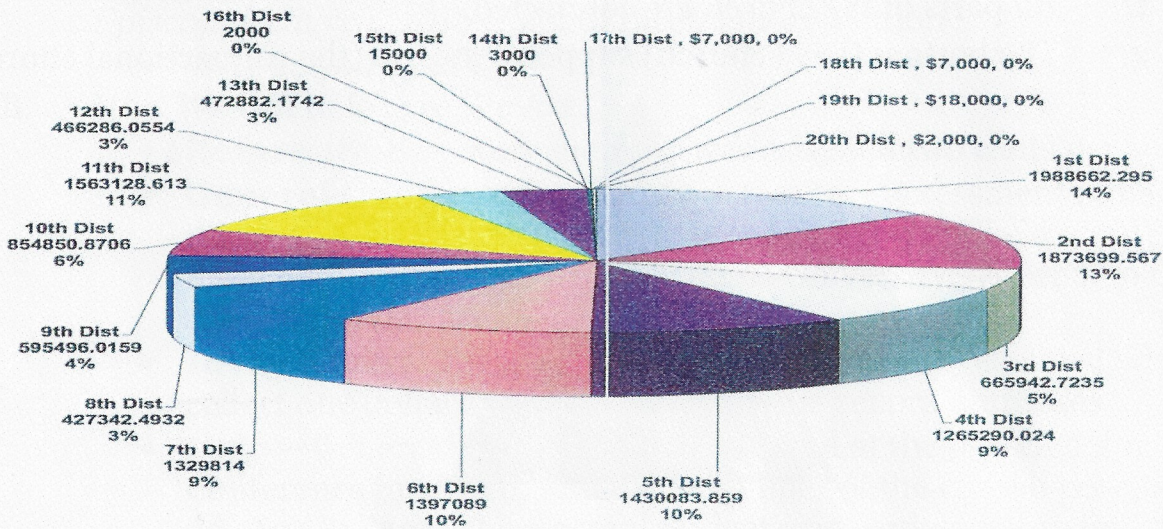
Myth Buster #1: **EVERYBODY PAYS!**

Where Does YOUR MONEY GO?

Every four years, the General Conference passes a connectional budget which is divided up between the 20 Episcopal Districts of the A.M.E. Church. Each Episcopal District is responsible for a portion of the connectional budget.



2016-2020 AMEC Annual Revenue

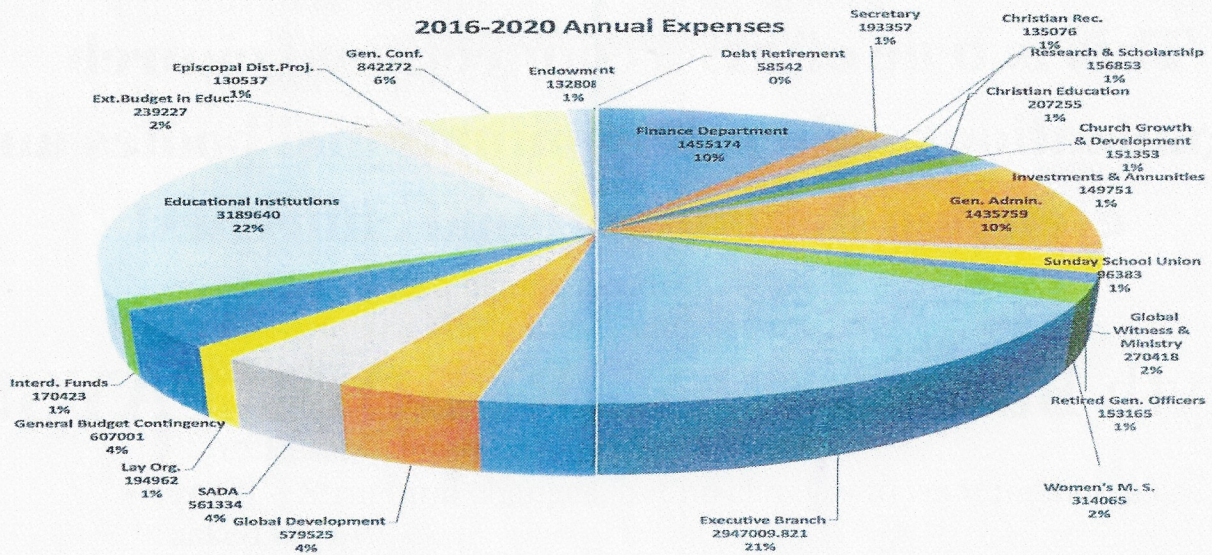


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How does the A.M.E. Church spend the money each year?



2016-2020 Annual Expenses



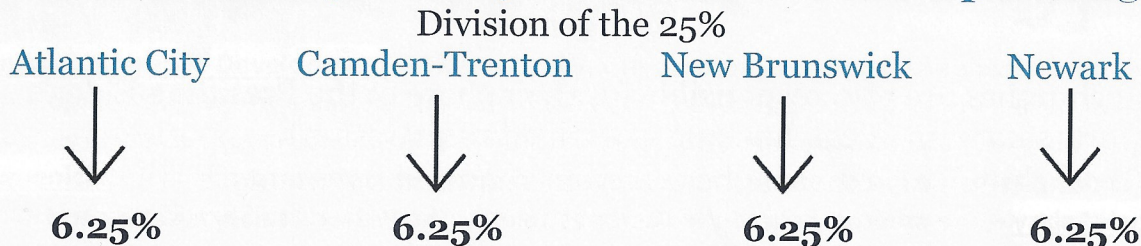
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How Does the First Episcopal District Pay Its 14% Share of the Connectional Budget?

You Already Know That:

- The First Episcopal District is made up of 7 Annual Conferences:
Bermuda Delaware New England
New York Western New York New Jersey Philadelphia
- There are approximately 300 congregations in the First Episcopal District.
- Each Annual Conference is assigned a percentage of the overall First District budget percentage received from the connectional church, **which is 14%**.
 - Western New York pays **3%** of the 14%
 - Bermuda pays **4%** of the 14%
 - Delaware pays **6%** of the 14%
 - New England pays **11%** of the 14%
 - Philadelphia pays **23%** of the 14%
 - New Jersey pays **25%** of the 14%
 - New York pays **28%** of the 14%
- Your Annual Conference percentage is divided between the number of Presiding Elder Districts in your Annual Conference.
 1. Example - New Jersey Annual Conference
 - Conference percentage – 25%
 - Presiding Elder Districts – 4 (Atlantic City, Camden-Trenton, New Brunswick, Newark)
 - The Presiding Elders of the New Jersey Annual Conference would then meet to determine how much of the 25% each District will assume. There is no set formula for this calculation because of a number of factors.

For Illustration Purposes Only. These Are NOT actual percentages.



2. From the Presiding Elder District percentage, each local church is assigned or receives a percentage. Each local church has a ranking or order based on a number of factors...

Myth Buster #2: Your local church payments are NOT based on your reported membership number only.

So, here's the thing...

The above example and percentages generally apply to the payment of the **General Budget amount only.**

Connectional payments on the General Budget are made 5 times per year. In the First District, we pay them at:

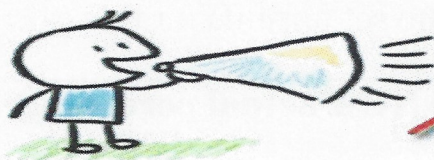
- Founder's Day (February)
- Annual Conference (March – May)
- Planning Meeting (June)
- Christian Education Congress (July)
- Fall Convocation (November)

BUT....There are **other payments** that the local church must also make at various times and for various reasons:

- First District Headquarters
- General Conference Sustentation
 - District Administration
 - District Programs
- Life & Disability Insurance Premiums

The connectional budget payments **do not include** assessment payments for:

- The Women's Missionary Society (WMS)
- The Young People's & Children's Division (YPD)
 - The Laymen's Organization
- The Ministry of Evangelism, Church School or Christian Education



**WAIT!
There's More!**

- Local churches are also responsible for their share of the Presiding Elder's Support (salary, medical, housing, travel, administration)
- The local church also makes these regular required payments:
 1. **Pastor's Salary** – The amount paid to the Pastor as salary. The Pastor's salary is set by and negotiated with the Steward Board annually.
 2. **Pastor's Retirement** – The Discipline requires that at least 12% of the Pastor's salary be paid into AME Church's Annuity Fund. The 12% total is paid twice per year; 6% at Fall Convocation & 6% at Annual Conference. This is a REQUIRED payment, and if it is not paid, the Pastor can be referred to the Ministerial Efficiency Committee of the Annual Conference and possibly not receive a Pastoral Appointment. The First Episcopal District also has a life insurance policy and now a disability policy for all Pastors. The premium is paid by the local church twice per year.

3. **Pastor's Housing** – If a church provides a parsonage for the Pastor and family, the total cost for the provision of this housing and all related expenses is the local church's responsibility. In this case, the amount on this line would be \$0. Pastors also have the option of receiving a housing allowance from the local church. If a housing allowance is paid, the total amount paid goes here.
4. **Pastor's Fringe Benefits** – This would include the amount of other negotiated items that are paid to the Pastor, i.e., medical premium costs, class dues, car allowance, etc. While the Book Of Discipline gives us guidelines on what the Pastor should be paid, the Discipline is not exhaustive. The Pastor can technically receive whatever can be negotiated and agreed upon.
5. **Presiding Elder's Salary** – This amount represents our portion of the Presiding Elder's salary. Each church in the conference pays a portion of the Presiding Elder's salary. The Presiding Elder's salary is set by the Presiding Elder's Support Committee at the Annual Conference.
6. **Presiding Elder's Retirement** – Our portion of the Presiding Elder's 12% AME Church retirement. Paid at Fall Convocation and Annual Conference.
7. **Periodicals** – Under Bishop Ingram, he requests that each church buy 2 subscriptions to AME Church produced periodicals per year. Ministers and members are also encouraged to buy the periodicals.
8. **District Administration** – This is the amount paid to assist with staff costs for the First Episcopal District (the Bishop's Office.) Churches pay this twice per year.
9. **Annual Conference Sustentation** – This amount buys 2 meal tickets for meals at the Annual Conference, one for the Pastor and one for the elected Delegate. This amount goes to the local church hosting the Annual Conference. Paid only at the Annual Conference.
10. **Roll Call** – Each person who is a member of the Annual Conference is listed on the Conference roll. When the Annual Conference opens and is organized, most of these names are called. Churches pay \$5 for each person who is on the roll (Pastor, Delegate, Ministers, Conference Officers). Churches also pay \$5 for each licensed missionary worker.
11. **Advance Offering** - This is an Offering collected in advance of the meeting, \$100 from the church, and a calculated amount for Pastor and ordained ministers.
12. **General Conference Sustentation** – Each Episcopal District is responsible for paying the travel and hotel costs for lay and ministerial persons who are elected as delegates to the General Conference which happens every four years. The next General Conference will be held in Orlando, FL in 2020. The total estimated cost for the 130 or so delegates that will be elected to represent the First Episcopal District is divided between the 300 churches in the District, and those churches pay this amount in the **PRECEDING 3 YEARS** before the General Conference. Churches pay this amount twice per year, and usually do not have to pay this amount the year before the General Conference.
13. **Headquarters** – This is the amount paid for the maintenance and operation of the First Episcopal District Headquarters building in Philadelphia where the Bishop's Office is located. This amount is paid twice per year.
14. **Annual Conference Development** – Theoretically, this amount is designated to assist with the "development" of churches in the Annual Conference. This amount has also been used to assist churches in various stages of "development." Churches pay this amount twice per year.
15. **Ecumenical** – As a denomination, we participate with other denominational bodies on the state and regional levels. Those bodies often require that an amount be paid for dues and/or membership. Churches pay this once per year at the Annual Conference.
16. **Lay Night** – This amount goes to the Lay Organization on Lay Night of Annual Conference to assist with ministerial education.
17. **Evangelist** – This amount is usually an offering which goes to the Conference Ministry of Evangelism on their Annual Day which is the Monday of Annual Conference week. There is another \$25.00 offering payment made on that day which does not appear here.
18. **Church School** – Same principle as Evangelist above. This is the Church School offering from the Church. The Conference Church School meets on the Sunday afternoon of Closing Day.

WHY DO MANY CONGREGATIONS AND MEMBERS HAVE A HISTORIC PROBLEM WITH ALL OF THIS?

- Lack of Understanding/Teaching (Folk Didn't Know/Don't Know). This is how the "myths" were created.
 - Most of us don't have a "connectional" mindset.
- There is no visible benefit to the local church. (What do we get for paying these monies? What were we promised? What are we supposed to get?)
- Local churches have their own "issues" which should be considered before these payments are made.
 - Lack of Proper Internal Financial Planning (Budgeting)

FACING ~~ALL THE~~ FACTS

1. Every church of every denomination, **even non-denominational churches**, pay some amount to some hierarchical body.
2. All the money **does not go** to the Bishop of the First Episcopal District or any Episcopal District. The Bishop "collects" the money on behalf of the connectional church.
3. The statistical reality for most local A.M.E. churches is that a total of **8 – 10% of your annual local church revenue** is paid out for denominational expenses. Essentially, we pay a tithe to support the operation of the connectional church (see cover picture).
4. The psychological problem for us is that we pay large sums **at one time**.
5. Presiding Elders and Pastors need to share information with their Pastors and people.
6. While being sensitive to our historical struggle, in many cases, we have ignored or refused to address the realities of our churches and communities (old buildings, need to relocate or sell, gentrification). We continue to "kick the can down the road" and resist making decisions.
7. If every attending member of every local church:
 - Trusted God
 - Totally "bought in" to the original idea of African Methodism
 - Paid honest tithes and offerings of time, gifts and money;

We would never have a problem making these or any other payments or meeting all of our needs.

Any questions?