

DOLLAR\$ & \$SENSE

JUNE 2019

CONFERENCE TREASURER

2020 Proposed Annual Conference Budget

The Council on Finance & Administration will present the 2020 Proposed Budget at Annual Conference on Saturday, June 22nd. The budget is proposed to be \$31,450,000, which is a \$165,000 reduction from 2019. CFA is continuing to focus funds on Church Development and Capital Improvements for our Wesley Foundation properties in 2020. Conference Missions and Ministries decreased administrative expenses and the General Church Apportionments also decreased.

A budget summary can be found on page 2. Go to [2020 Proposed Conference Budget](#) to see the detailed budget.

Annual Conference Offering

The Annual Conference Offering (Fund # 5500) will be collected on the morning of Friday, June 21st. Be sure to note your GCFA# on your church check or cash envelope so we can reflect your contribution on your Apportionment Statement. You can also mail your check into our office. For more information about the Conference Offering, go to www.vaumc.org/AC2019.

New Treasurers

If you are a new treasurer, be sure to let our office know. Please email vatreasurer@vaumc.org with your name, address, telephone number and email address as soon as possible. You can make online payments for apportionments and other benevolences. Go to www.vaumcpayapp.org and register today. If you are interested in setting up recurring monthly apportionment payments, contact JenniferHoneycutt@vaumc.org in our office.

Accountable Reimbursement

If you have clergy moving to a new church, their accountable reimbursement should not exceed half of the annual amount agreed upon on the Charge Conference Form. Any unspent amount cannot be advanced to the pastor without reporting it as income on their W2 and approval of your church leadership.

Special Offerings

The Samaritan Fund Offering continues through Father's Day. Please designate **Fund #6411** Pinnacle Living (Samaritan Fund) if your church has funds to donate. Peace with Justice Sunday is June 16th. Please designate **Fund # 4433** for any monies collected.

IMPORTANT: Tax changes effect on moving expenses

Effective 1/1/2018, the Tax Cuts and Jobs Act removed the exclusion of moving expenses as a fringe benefit to employees. Employees (except for certain members of the Armed Forces) will now pay taxes on moving expenses provided by employers, whether the employer directly pays for the moving expenses or the employee is reimbursed from the employer for the moving expenses.

This change impacts our clergy and churches in two ways:

1. Treasurers must add the moving expenses to the W2 box 1 and box 16 at the end of the year, so it is reported properly as taxable income. Keep in mind that pastors have 'dual-tax status' by IRS rules, meaning that they are 'common law' employees of their church, so they must receive a W2 at the end of the year. Pastors are 'self-employed' for Social Security and Medicare purposes, meaning the church does not withhold or pay Social Security or Medicare. Pastors are individually responsible for filing a quarterly tax estimate on Form 1040 ES.
2. Moving expenses are now considered 'pensionable compensation' by Wespeth. Pastors and treasurers will receive instructions to report moving expenses on the EVC website, so the pension amount is properly calculated for your pastor. An additional pension bill will come from VUMPI in the fall with the amount due by the church.

Moving expenses cannot be reported as Accountable Reimbursement or as Housing Exclusion. Please be sure that moving expenses are properly handled by your church to avoid penalties by the IRS or misrepresentation of the pensionable compensation. If you have questions, please give us a call at 804-521-1100.

Second-Mile Giving to remember in June

We continue to receive monies for Kits for Conference. If you wish to contribute to kits, or need to send in money for toothpaste or shipping, please note **Fund #901440** on your check or apportionment statement.

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Council on Finance and Administration

SECTION I - Proposed Conference Budget for 2020

	Sch.	2019	2020	% of Budget	Inc.\(Dec.)	% Chg.
Conference Apportionments						
401 - Conference Mission & Ministries	A	3,225,000	3,140,000	9.98%	(85,000)	-2.64%
402 - Conference Services	B	1,875,000	1,990,000	6.33%	115,000	6.13%
403 - District Superintendents Fund	C	2,005,000	2,000,000	6.36%	(5,000)	-0.25%
404 - Equitable Compensation		300,000	250,000	0.79%	(50,000)	-16.67%
405 - Church Extension & Development		1,125,000	1,200,000	3.81%	75,000	6.67%
406 - Virginia Education Fund		700,000	600,000	1.91%	(100,000)	-14.29%
Total Conference Apportionments		9,230,000	9,180,000	29.18%	(50,000)	-0.54%
Clergy Benefits Apportionments						
407 - Active Clergy Health		9,710,000	9,710,000	30.89%	-	0.00%
408 - Retired Clergy Health		6,060,000	6,060,000	19.27%	-	0.00%
409 - Pension Liability Assessment - Pre 82		750,000	750,000	2.37%	-	0.00%
Total Clergy Benefit Apportionments		16,520,000	16,520,000	52.53%	-	0.00%
General & Jurisdictional Apportionments						
410 - Episcopal Fund		875,000	870,000	2.77%	(5,000)	-0.57%
411 - World Service		3,000,000	2,925,000	9.30%	(75,000)	-2.50%
412 - General & Jurisdictional Connectional Fund		420,000	400,000	1.27%	(20,000)	-4.76%
413 - Ministerial Education		1,000,000	990,000	3.15%	(10,000)	-1.00%
414 - Black College Fund		400,000	395,000	1.26%	(5,000)	-1.25%
415 - Africa University Fund		90,000	90,000	0.29%	-	0.00%
416 - Interdenominational Cooperation Fund		80,000	80,000	0.25%	-	0.00%
Total General & Jurisdictional Apportionments		5,865,000	5,750,000	18.29%	(115,000)	-1.96%
Total Apportionments		31,615,000	31,450,000	100.00%	(165,000)	-0.52%