

Ten Year Monetary Cost Projection: Post Separation UMC vs Global Methodist Church

Option 1: Remain in the Post Separation UMC

Current yearly Apportionments¹: \$179,708
Paid by Garber to the UMC

Projected Ten Year Cost³: \$1,797,080

In this option we do not own our property: we hold it in trust for the United Methodist Church.

It is also important to note that the Post Separation United Methodist Church will likely have unfunded pension liabilities² in the coming years. Since we cannot anticipate the cost of this, we cannot factor it in the calculation.

Option 2: Choose Global Methodist Church

Projected Yearly apportionments^{1&4}: \$89,854

Denominational Exit Fee: \$472,841

Projected Ten Year Cost⁴: \$1,236,600

In this option, we will own our property with no encumbrance to any denomination.

Since this is a new denomination, there will be no back funding of unfunded pension liabilities².

- 1) Both Options Assume no annual increase in apportionments. It is projected that the GMC apportionments will be one half of the Post Separation United Methodist Church apportionments.
- 2) Unfunded Pension Liability is a shortfall in pension funding. The United Methodist Church has demanded unfunded pension liability contributions in recent years to fund the pensions of retired pastors because of insufficient market returns in their pension investments.
- 3) The pace of increase of apportionments within the UMC will likely increase more than it has historically with the exiting of churches from the denomination. As an example, our apportionments from 2022-2023 will increase \$10,640. With a smaller group of churches paying apportionments, the cost the run an organization such as the UMC will be spread over fewer paying churches, likely increasing the cost of each church's share of the operating cost.
- 4) Prior to the convening of the first General Conference of the Global Methodist Church apportionment contributions are optional. We anticipate this period to be approximately 18 months from the end of this year. The Church Council may choose to contribute voluntarily during this period of time. The figures here reflect no contribution prior to the convening General Conference of the GMC.