

**The Connectional Table:  
Strengthening A Vital United Methodist Connection  
2019 Spending Plan Narrative Report**

**Purpose**

The Connectional Table serves a distinct role within the church as a body of laity and clergy from across our worldwide connection whose purpose, “... is for the discernment and articulation of the vision for the church and the stewardship of the mission, ministries, and resources of The United Methodist Church as determined by the actions of General Conference and in consultation with the Council of Bishops.” (United Methodist Book of Discipline, ¶906)

**Stewards of the Vision, Ministries and Resources**

Working in consultation with the Council of Bishops, The Connectional Table frames its roles and responsibilities through two working groups: Vital Congregations -> 4 Areas of Focus (VC->4AF) and Worldwide Nature.

The VC->4AF working group is comprised of 2 advisory groups: Agency Evaluation and Connectional Assessment. This group is leading efforts to improve the evaluation and assessment of connectional structures in order to create more relevant and effective ministry strategies. In 2019, the CT will continue to build upon the work of agency evaluation and further evaluate the data gleaned from both the beta phase of the Connectional Assessment Tool, as well as agency Learning Dialogues, which were conducted for the first time in 2018.

The CT will also continue to facilitate the work of discerning mission and vision in order to foster collaborative strategic planning by - and resourcing of - the agencies toward missional priorities into the next quadrennium and beyond. The VC->4AF group works in collaboration with the COB through the Strategic Team: the four lead program board executives and four bishops who chair COB leadership teams related to the Four Areas of Focus. The purpose of this group is to develop strategy, advance, engage, inspire, align and equip the Council of Bishops and the Connectional Table around the work of the four areas of focus with the purpose of increasing the number of vibrant congregations.

**THE ESSENTIAL FUNCTIONS OF THE CONNECTIONAL TABLE**

- 1) To provide a forum for understanding and implementing the vision, mission and ministries of the global church.
- 2) To enable the flow of information and communication among annual conferences, jurisdictions, central conferences, general agencies and the Council of Bishops.
- 3) To coordinate the program life of the church with the mandates of the gospel, the mission of the church, and the needs of the global community.
- 4) To review and evaluate the missional effectiveness of the general program-related agencies and connectional structures of the church as they collectively seek to aid annual conferences and local churches.
- 5) To recommend to the General Conference such changes and implementing legislation as may be appropriate to ensure effectiveness of the general agencies.
- 6) To provide leadership in planning and research, assisting all levels of the church to evaluate needs and plan strategies to carry out the mission of the church.
- 7) To be accountable with GCFA for the General Church Budget.

2016 Book of Discipline ¶ 905, paraphrased

---

The Worldwide Nature working group is comprised of three advisory groups: Chapter 5, General Church Council, and U.S. Contextual Ministries. These groups will continue to deepen the conversation about a vision for a worldwide connection and consider the needs for adaptive structures and systems in light of our shifting church membership.

The Chapter 5 group will continue to partner with the Standing Committee on Central Conference Matters and the Committee on Faith and Order to evaluate our administrative order as a church. This group will make recommendations toward a general Book of Discipline that is relevant for the global church.

The General Church Council group focuses on the work of The Connectional Table itself and is tasked with reimagining the responsibilities of the CT in light of the growing worldwide church. The group will continue to examine both the composition of a General Church Council and its roles and responsibilities in a worldwide United Methodist connection.

Finally, the U.S. Contextual Ministries advisory group is examining the need for the U.S. church to make decisions related to its regional missional needs as well as the need for a regional forum for contextual U.S. matters. The U.S. Contextual Ministries advisory group has created two sub-committees to better address this necessary work: the *Legal and Implications* sub-committee and the *Process and Legislation* sub-committee.

The U.S. Contextual Ministries advisory group is planning a forum on U.S. Contextual Ministries to be carried out in collaboration with the Council of Bishops and Directors of Connectional Ministries. In addition, this group anticipates training and sending members to meetings throughout the U.S. in 2019 to serve as ambassadors to raise awareness about the need for a forum for making decisions about ministry within a U.S. context. This ambassador program is reflected in the 2019 spending plan.

### **2019 Spending Plan**

The Connectional Table's 2019 Spending Plan reflects a near 19.5% reduction in dividends, interest, benefit trust income and World Service payout income. This reduction in revenue as well as responsibilities associated with General Conference 2020, the quadrennial budget, including the implications of the outcome of the Special Session, and other CT essential functions necessitates a further spending down of our reserves. We have, however, been cognizant of the need to maintain adequate reserves to sustain our work through the remainder of the quadrennium.

Several priorities for 2019 have emerged as the CT continues its adaptive work into the future, particularly in this time in the life of our denomination. Below are highlights of these priorities and their corresponding financial implications for the 2019 spending plan.

### **Special Session of General Conference**

The meeting expenses line item of the spending plan also includes \$13,200 for the travel, hotel and meal expenses for members of the CT staff, CT executive committee and CT Budget Advisory Team members. The aforementioned groups will meet in St. Louis following the Special Session to discuss implications and next steps.

### **The 2020 General Conference**

The CT has traditionally had responsibilities for General Conference, including helping to plan for and participate in Pre-General Conference briefings. For General Conference 2020, the CT will be involved in supporting the legislative work of the Standing Committee on Central Conference Matters, GCFA

---

(the quadrennial budget), as well as its own legislative proposals. In addition, the CT anticipates working closely with the Commission on the General Conference and the Council of Bishops to help ensure a General Conference that celebrates our connection and moves our church forward as we seek to live out our mission in uncertain times. We have included \$3,000 in the meeting expenses line item that would go toward expenses relating to General Conference 2020.

### **Adaptive Leadership Projects/Strategic Experiments**

With the guidance of Eric Martin of Adaptive Change Advisors, the CT has embraced the model of strategy development through experimentation. The CT has committed to the design and oversight of its first adaptive experiment with the General Commission on the Status and Role of Women as a partner. Such experiments will be pivotal in addressing ways of being in ministry that are strategic, contextual, and foster greater mutuality with annual conferences and local churches. The CT will use this experimentation modality to explore the larger questions related to connectionalism in a worldwide church. This adaptive work will require in-person meetings in the United States throughout 2019 and in North Katanga in June of 2019. \$10,000 has been designated in the 2019 meeting budget to go towards necessary travel, meeting expenses and relationship-building resources.

### **CT Office Space--Stewardship, Collaboration & Community-Building**

The current location of the CT office in the Evangelical Lutheran Church of America (ELCA) building has been a convenient location that has helped nurture ecumenical relationships. However, as The United Methodist Church continues to face decreasing resources, the CT staff is intentionally exploring ways of sharing space with others within the United Methodist connection. Namely, the staff is exploring the possibility of leasing office space in the building of the First UMC Chicago Temple in downtown Chicago. This building currently houses the Northern Illinois Annual Conference offices (18<sup>th</sup> & 19<sup>th</sup> floors) as well as the General Commission on the Status and Role of Women (15<sup>th</sup> floor). The CT is exploring space on the 19<sup>th</sup> floor.

The anticipated operating expenses for this move would be similar to what the CT is currently paying at its ELCA location, with the potential for a slight increase in rent and initial start-up costs. However, such a move would keep revenue within the United Methodist connection and open up possibilities for sharing services and facilities, which could produce a cost benefit for all. In addition, such a move could foster relationships within the United Methodist connection, strengthen our partnerships and open up possibilities for further collaboration. Note that other line-items have been adjusted to account for the higher rent costs for this move.

### **CT Communications Plan**

The CT has recently devoted a full-time staff position to communications and developed a communications plan. While we anticipate continuing to work in collaboration with UMCOM, the CT has determined a need to have more in-house capability for its own communication efforts. We are suggesting a conservative \$3,000 budget to help us begin to better engage these efforts on behalf of the CT and its work for our worldwide church.

### **Additional Anticipated Meetings**

The meeting expenses for 2019 are slightly higher than previous years to account for additional advisory group and denominational meetings. In addition to the work of the U.S. Contextual Ministries group and the Adaptive Leadership design meetings, the budget takes into consideration the possibility of General Church Council members attending the Standing Committee meeting in the Philippines in March of 2019. Other anticipated expenses include Chapter 5 members attending the

---

Standing Committee meeting in March, as well as budget process meetings that will occur throughout the year related to agency allocations and implications following Special Session. The total additional expense for the above meetings is \$15,167, which is added to the cost of the full CT Board meetings. The additional income required will be taken from reserves.

**Consultative Work**

The CT spending plan includes \$15,000 in the Consulting line item for the hire of continued consulting support related to CT work, including support for CT’s evaluation and assessment work. Though significant progress has been made on agency evaluation, in particular, the CT will continue to need consulting support as it refines its evaluation tools for the next quadrennium and offers support where there is need. Note that due to a change of this expenditure from the “independent contractors” line item, this actually represents a \$35,000 reduction from 2017.

Name of Agency:	The Connectional Table
President:	Christian Alsted
Officer of Agency (signature):	
Treasurer:	Dave Nuckols
Treasurer Signature	<i>David B Nuckols</i>
General Secretary:	Kennetha Bigham-Tsai
General Secretary (signature):	<i>Kennetha J. Bigham-Tsai</i>
Date submitted:	9-Oct-18

<b>Legend</b>
Data Entry Cells

**The Connectional Table  
2019 General Agency Spending Plans  
Key Assumptions**

Revenues comprising of more than 5% of total revenue:	% of Total Income	Possible factors causing significant revenue decrease	Offsetting cost reductions should revenues decrease

New significant sources of income in 2017	Total \$ of New Income
<b>Total</b>	<b>\$-</b>

Fund	Collection Rate Assumed in 2019	GCFA Recommendation
World Service	100.0%	80-90%
Africa University		80-90%
Black College		80-90%
Ministerial Education		80-90%
General Administration		80-90%
\$ Impact of a 1% lower payment rate		

Inflation Rates Assumed:	% Assumed in 2019	GCFA Recommendation
Active Healthcare	0.0%	0.0%
Retiree Health	0.0%	0.0%
Salaries	0.0%	
Other	0.0%	

**Investment Assumptions**

**The Connectional Table**  
**2019 General Agency Spending Plans**  
**Key Assumptions**

2017 Rate of Return on LI investments	0.0%
Impact of each 1 Percentage point variance	\$-

Capital Expenditures	2019 Amount
<b>Total</b>	<b>\$-</b>

**The Connectional Table  
2019 General Agency Spending Plans  
Key Assumptions**

		GCFR Recommendation
Benefit Trust Distribution - % Chg. from 2018	-3.0%	-3.0%
Change in Staff Headcount	3	Former ACCMO to new organization; anticipated new hire November 2018

Expenses comprising of more than 5% of total expenses:	% of Total Income
Administration	69.0%
Meetings/Staff Travel	31.0%
<b>Total</b>	<b>100.0%</b>

New significant expense line items in 2017	Total \$ of New Expense
<b>Total</b>	<b>\$-</b>

Legend
Data Entry Cells



**The Connectional Table**  
**2019 General Agency Spending Plans**  
**Spending by the Four Areas of Focus**

Focus Area	2017	2018			2019	
	Actual (Audit)	Budget	Forecast	Difference	Budget	Vs. 2018 Forecast
Leadership Development				\$-		\$-
Church Growth				\$-		\$-
Ministry With the Poor				\$-		\$-
Global Health				\$-		\$-
Disciplinary Responsibilities	\$592,551	\$674,735	\$643,410	\$(31,325)	\$671,250	\$27,840
Other Essential Ministries				\$-		\$-
<b>Total</b>	<b>\$592,551</b>	<b>\$674,735</b>	<b>\$643,410</b>	<b>\$(31,325)</b>	<b>\$671,250</b>	<b>\$27,840</b>

Check Calculation

\$-

\$-

\$-

\$-

<b>Legend</b>
Data Entry Cells

**The Connectional Table**  
**2019 General Agency Spending Plans**  
**Spending by Program Functions**

PROGRAM FUNCTIONS/ ADMINISTRATION	2017	2018			2019	
	Actual (Audit)	Budget	Forecast	Difference	Budget	Vs. 2018 Forecast
Administration	415,566	494,735	437,410	(57,325)	493,883	56,473
Meetings/Staff Travel	176,985	180,000	\$206,000	(26,000)	177,367	(45,850)





**The Connectional Table  
2019 General Agency Spending Plans  
Detailed P & L**

Revenue / Expense Items	2017	2018			2019	
	Actual (Audit)	Budget	Forecast	Difference	Budget	Vs. 2018 Forecast
<b>Other Income:</b>						
450 Sale of Literature & Publications				\$-		\$-
451 Sale/Rental of Films and AV				-		-
452 Special Gifts/Contributions				-		-
453 Grants				-		-
454 Dividends & Interest (from operations)	18,641	5,000	5,000	-	4,750	(250)
454 Dividends & Interest (from long term investment per spending policy or plan)				-		-
455 Income from Outside Trusts				-		-
456 Capital Gains (Realized/unrealized, per spending policy or budget plan)				-		-
457 Legacies & Bequests				-		-
459 Service Fees				-		-
460 Receipts from Other Agencies*				-		-
465 Benefit Trust Income	31,115	35,000	35,000	-	30,313	(4,687)
466 USPF Distribution				-		-
470 Miscellaneous Income*				-		-
480 Building Rental Income				-		-
490 Contra Income				-		-
<b>Total Other Income</b>	<b>\$49,756</b>	<b>\$40,000</b>	<b>\$40,000</b>	<b>\$-</b>	<b>\$35,063</b>	<b>\$(4,937)</b>
610 Operating Reserves-Unrestricted (Increase to)/Use of reserves	7,703	99,647	68,322	(31,325)	100,555	32,233
610 Temporarily Restricted (Increase to)/Use of reserves				-		-
<b>Total Use of Reserves</b>	<b>\$7,703</b>	<b>\$99,647</b>	<b>\$68,322</b>	<b>\$(31,325)</b>	<b>\$100,555</b>	<b>\$32,233</b>
<b>Total Income</b>	<b>\$592,551</b>	<b>\$674,735</b>	<b>\$643,410</b>	<b>\$(31,325)</b>	<b>\$671,250</b>	<b>\$27,840</b>

**The Connectional Table**  
**2019 General Agency Spending Plans**  
**Detailed P & L**

Revenue / Expense Items	2017	2018			2019	
	Actual (Audit)	Budget	Forecast	Difference	Budget	Vs. 2018 Forecast
<b>Expenditures:</b>						
501 Distribution & Grants - UMC				\$-		\$-
502 Direct Support of Persons in Mission				-		-
503 Grants - Outside UMC (see Form IV)				-		-
505 Program				-		-
510 Research and Program Development				-		-
520 Salaries	248,256	286,750	284,656	(2,094)	289,520	4,864
522 Pension Expense	26,812	32,100	29,224	(2,876)	31,847	2,623
524 Employer's Payroll Taxes	7,434	20,000	6,638	(13,362)	9,316	2,678
525 Retiree Insurance	-	-	-	-	-	-
526 Group Insurance & Hospitalization	38,559	46,485	44,130	(2,355)	45,000	870
527 Continuing Education	1,291	4,000	900	(3,100)	1,950	1,050
528 Moving Expense/Other		-		-		-
530 Rent	18,923	20,200	19,575	(625)	34,750	15,175
531 Building Management Expense	10,324	13,000	9,104	(3,896)		(9,104)
532 Utilities	1,072	1,600	1,104	(496)	1,250	146
534 Telephone	6,606	6,500	5,779	(721)	6,500	721
536 Postage & Freight	14	500	100	(400)	100	-
538 Printing & Duplication	73	100	-	(100)	100	100
540 Office Supplies	2,677	1,000	3,200	2,200	1,500	(1,700)
541 Equipment (items not capitalized)	333	1,500	-	(1,500)	1,000	1,000
542 Equipment Repair & Maintenance	-	500	-	(500)	500	500
543 Equipment Leasing				-		-
544 Building Repair/Maint/Leasehold Imp				-		-
546 Other Office Expense	-	500	-	(500)	500	500
548 Depreciation Expense				-		-
550 Audit Fees				-		-
552 Legal Fees	-	1,000	-	(1,000)	1,000	1,000
554 Consultant Fees		-	23,000	23,000	15,000	(8,000)
555 Independent Contractors	32,290	50,000	-	(50,000)	-	-
556 Investment Fees				-		-
558 Data Processing Rental & Service				-		-
560 Services Rendered by Other Agencies				-		-
562 Meeting Expense	168,288	150,000	171,000	21,000	177,367	6,367
564 Travel - Staff	8,697	30,000	35,000	5,000	43,000	8,000
566 Materials for Resale				-		-
568 Promotional & Informational Materials (not for resale)				-	3,000	3,000
570 Films & Audio-Visuals				-		-
572 All Other Insurance	17,288	6,000	6,000	-	5,550	(450)
574 Special Promotion				-		-
576 Taxes				-		-
578 Interest Expense(Incl. Capital Leases)				-		-
579 Allowance for Uncollectible Accounts				-		-
580 Miscellaneous	1,396	1,000	1,000	-	500	(500)



**The Connectional Table  
2019 General Agency Spending Plans  
Detailed P & L**

Revenue / Expense Items	2017	2018			2019	
	Actual (Audit)	Budget	Forecast	Difference	Budget	Vs. 2018 Forecast
<b>NON-OPERATING REVENUE &amp; EXPENDITURES</b>						
650 Non-Operating Realized and Unrealized Gains (losses)				\$-		\$-
655 Other Non-operating Revenue (List other non-operating revenue)				-		-
660 Other Non-Operating Expenses (List other non-operating Expenses)				-		-
<b>Total Non-Operating Revenue/(Expense)</b>	\$-	\$-	\$-	\$-	\$-	\$-

<b>Legend</b>
Data Entry Cells



**The Connectional Table**

**Reserve (Net Asset) Analysis**

**2019 Spending Plan Forms - Reserve Summary**

**Summary of Net Assets / Reserves**

Type of Reserve	Actual 2017	Budget 2018	Forecast 2018	Budget 2019	Projected 2020
<b>Total Net Assets</b>	\$340,222	\$257,322	\$271,900	\$134,779	\$-
<b>Restricted Net Assets</b>					
Temporarily Restricted Funds - See <b>Worksheet B</b>	\$-	\$-	\$-	\$-	\$-
Permanently Restricted Funds - See <b>Worksheet C</b>	\$-	\$-	\$-	\$-	\$-
<b>Total Restricted Net Assets</b>	\$-	\$-	\$-	\$-	\$-
<b>Unrestricted Net Assets</b>					
Unrestricted Designated - See <b>Worksheet D</b>	\$-	\$-	\$-	\$-	\$-
Unrestricted Undesignated - See <b>Worksheet E</b>	\$340,222	\$257,322	\$271,900	\$134,779	\$-
<b>Total Unrestricted Net Assets</b>	\$340,222	\$257,322	\$271,900	\$134,779	\$-
Assets not readily convertible to cash - See <b>Worksheet A</b>	\$-	\$-	\$-	\$-	\$-
<b>Available Unrestricted Net Assets</b>	\$340,222	\$257,322	\$271,900	\$134,779	\$-
<b>Available, Undesignated &amp; Unrestricted Net Assets</b>	\$340,222	\$257,322	\$271,900	\$134,779	\$-
Working Capital / Cashflow Requirements - See <b>Worksheet A</b>			\$-	\$-	\$-
Contractual Obligations or Requirements - See <b>Worksheet F</b>			\$-	\$-	\$-
Other Likely Contingencies - See <b>Worksheet F</b>			\$-	\$-	\$-
<b>Total other Requirements &amp; Contingencies</b>			\$-	\$-	\$-
<b>Available Unrestricted Net Assets after other obligations &amp; Contingencies</b>			\$271,900	\$134,779	\$-
<b>Available, Undesignated &amp; Unrestricted Net Assets after other obligations &amp; Contingencies</b>			\$271,900	\$134,779	\$-

**Legend**