

sion, attended by 335 UMWomen, helped us to “*expand our concepts of mission*” as we studied Shalom-Salaam-Peace, led by Bishop McCleskey; India and Pakistan; and Globalization. United Methodist Women also brought 2,499 health kits as their hands-on mission project. We repeated the theme of “Rise, Shine, Glorify God!” from Assembly for Annual Meeting in September, which was attended by 704 UMWomen. Officer training was held in October, with 161 UMWomen in attendance.

We rejoiced with the chartering of two new units: Smethport UMWomen, in the North Wilkesboro District, and a unit at Pfeiffer University, in the Albemarle District. The unit at Pfeiffer is the 14th unit in the nation located on a college campus. Our conference was one of ten conferences chosen to participate in a teen and college-age resource program with Women’s Division.

The scholarship program continues to give aid to persons seeking church-related careers, awarding nine students scholarships. These recipients are enrolled at Pfeiffer University and Bennett College.

The *Conference Gram*, as well as district newsletters, is published four times each year to keep the local woman informed of events and projects. The conference UMWomen website and listserv are also available to post the latest information.

I would like to take this opportunity to thank all of the local unit officers and members. YOU are the ones who make mission possible with your prayers, your giving, and the many ways in which you are in mission. It is my prayer that God will bless each of you as you continue to give of your time and talents as you serve in His name through UMWomen.

Amy L. Johnson, *President*

I. UNITED METHODIST YOUTH

My name is Chris Grimmert and I am the president of your conference Council on Youth Ministries (CCYM). I am soon to be a senior at Trinity High School, in Randolph County, and I have served as president of CCYM for this past year. I have been actively attending events in our conference now for about four years. Growing up in such a youth-oriented conference has made me what I am today. Being president this past year has taught me so many valuable lessons I can use throughout me my life. I have been so affected by each youth I have met, and I feel so honored to be able to represent each one’s voice to you, the conference. I have come to the realization that, of any title I have received in my lifetime, this is, by far, the one of which I am most proud. This job has taught me to act as a parent to the youth I represent and to do anything in my power to give them the best.

I have spoken to one of our youth in the conference of how SpiritUs, our summer retreat, has affected her. She said, “Before going to SpiritUs, I had slowly slipped in my faith and had tried smoking and drinking a few times. It made me realize how dumb I had been and how I was hiding behind a mask. It made me understand I needed to do things for God because **I wanted to**, not because **I am supposed to**.”

This is just one of many testimonies we get to hear at our youth retreats. Our youth retreats are designed for different age groups and different purposes. We have retreats for first-time believers and recommitters, retreats for those who want to learn how to share their faith, and even retreats for those called into ministry.

Though we have, over the years, focused youth ministry towards big conference events, we have changed our youth leadership and our direction. Our director of ministries with young people for the past eight years, Katie S. Fralic, resigned at the end of the year and for the next year will be replaced by Kimberly T. Ingram. In our new direction, we are not forgetting about the big events; we are now just putting in extra effort so we can also help the local churches. We want to help strengthen and empower the local churches, because we feel they need help from their conference to have their youth ministry flourish, and that is what your conference Council on Youth Ministries intends to do.

Chris Grimmert, *President*

J. BOARD OF ORDAINED MINISTRY

The Board of Ordained Ministry consists of clergy and laity from the annual conference, nominated by the bishop. These 51 persons have the primary responsibility for the recruitment of men and women to serve as elders and deacons in the church; for the examination of their calls to ministry, their skills in teaching and preaching, and their adherence to the doctrines of our tradition; and for the evaluation of their effectiveness and character. These responsibilities require a balance of support and accountability, grace and judgment. We also continue to work our way through the implications of the changes in the meaning of the two orders of ministry, deacon and elder, over the past twelve years.

A number of initiatives comprise the work of the board; some are formational, while others are in response to current trends and issues. The Residency in Ordained Ministry (RIOM) process continues to bring together commissioned clergy to “support the practice and work of their ministry as servant leaders, to contemplate the grounding of ordained ministry, and to understand covenant ministry in the life of the conference” (*The Book of Discipline*, ¶ 326). There was one training session held for those who mentor our candidates for ministry. We had an assessment workshop in September 2006, led by Rev. Jim Griffith, in conjunction with the Council on Congregational Development and the Cabinet. Our board met in October 2006 at Duke Divinity School with the North Carolina Conference Board of Ordained Ministry and the faculty of Duke Divinity School, for the purpose of opening up lines of communication between the two boards and the Duke faculty concerning our common areas of responsibility. Our fall meeting on October 24, 2006, was held at Givens Estates and included a panel discussion concerning racial and cultural sensitivity. The board ensures that background checks are conducted on entering clergy, so that patterns of behavior that might be obstacles to effective ministry might be identified. Candidates also receive psychological evaluations, and we encourage sponsoring congregations to help men and women called to ministry with this expense. Three retreats for probationary clergy will be held in 2007 on the themes of call and disciplined life, preaching, and theology and doctrine.

There is a great need for compassionate, committed, and competent leadership in the church. We are grateful to local congregations across the conference that help in identification of those who might be called to full-time Christian service. The board encourages clergy in their lifelong education and provides grants to those who serve in churches with fewer financial resources allocated for this purpose. We also meet the clergy around issues of vocational ineffectiveness and moral impropriety, and seek to provide guidance and support.

Finally, we give thanks for the work of Charles D. (Denny) White, Jr., our registrar, for his knowledge of the annual conference and *The Book of Discipline*, and for his faithful service to the work of the board.

J. Thomas Stinson-Wesley, *President*
Shirley L. Canty, *Vice-President*
Jeffrey S. Patterson, *Secretary*
H. Donnell FitzJefferies, *Treasurer*

Diaconal Ministry and Church-Related Careers

The Board of Ordained Ministry recommends the following persons for continuation as diaconal ministers at the 2007 annual conference:

Edward W. Allred, Zeb E. Barnhardt, Rebecca G. Bingham, John L. Borchert, M. Susan Carmichael, Mark H. Christy, Marion C. Clark, W. Howard Coble, Doris H. Cornelius, Barbara A. Cox, Sarah Reynolds Dixon, Michael P. Dougherty, Carolyn Eargle, Catherine Ritch Guess, Peggy L. Hina, David M. Hines, Janet M. Hitch, Mary Margaret Houk, William H. Jordan, Rebecca K. Lile, Sandra M. McGarrah, Jean M. Morgan, Susan F. Osterberg, Kathryn E. Quick, Bonnie Schuldt Shinneman, Mavis C. Thompson, and Ann Tyler.

The following have fulfilled requirements for certification or re-certification in the categories specified (* indicates retired):

(a) Christian Education

Edward W. Allred, 208 Spring Creek Rd., Summerfield 27358
Betty S. Armstrong (*), P.O. Box 658, Winston-Salem 27102
Anna L. Barden, 909 Chipola St., Kannapolis 28083
Barbara J. Barden, P.O. Box 6161, Charlotte 28207
William G. Benfield (*), 122 N. Elm St., Statesville 28677
Rebecca G. Bingham, 4012 Central Ave., Charlotte 28205
Paul M. Bradley, Jr. (*), 4304 Dogwood Dr., Greensboro 27410
Charlotte G. Brendel, 52 16th Ave., N.W., Hickory 28601
Peggy DeLoatch Bridgers, 2434 Commonwealth Ave., Charlotte 28205
Amy W. Burton, 8122 Strandhill Rd., Huntersville 28787
M. Susan Carmichael (*), 266 Merrimon Ave., Asheville 28078
Ramona M. Clapp (*), 211 Day Break Dr., Kernersville 27284
Marion C. Clarke (*), 414 Lee St., Wadesboro 28170
Doris H. Cornelius (*), 104 S. Westover Dr., Monroe 28112
Barbara A. Cox (*), 3516 Clardy Ct., Charlotte 28205
Katherine K. Crain, 290 Azalea Dr., Maggie Valley 28751
Ben W. Curry (*), 298 Tillman Rd., Lake Junaluska 28745
Pamela Deck, 2026 N.C. Highway 108, Rutherfordton 28139
Brandon K. Dirks, 6800 Sardis Rd., Charlotte 28270
Sarah R. Dixon (*), 1244 Arbor Rd., Box 140, Winston-Salem 27104
Kimberlee J. Dodson, 41 Ridgewood Place, Brevard 28712
Anne C. Dooley, 410 N. Holden Rd., Greensboro 27410
Mary L. Doub, 4262 Grace Chapel Rd., Granite Falls 28630
Bernard G. Dougherty, 663 New Salem Rd., Randleman 27317
Donna Gottschalk Ford, 5614 Underwood Dr., Greensboro 27409
Deborah E. Foust, 306 S. Main St., Kernersville 27284
Cynthia Core Furr, 85 N. Main St., Weaverville 28787
Ron L. Hall (*), 305 Kings Marsh Way, Saint Simons Island, GA 31522
Dana Hanlon, 2424 Oak Ridge Road, Oak Ridge 27310
Elinor D. Heermans, 6401 Hickory Grove Rd., Charlotte 28215
Virginia Cox Herron, 913 Hanover Dr., Concord 28027
Peggy L. Hina (*), 1506 Walnut Ridge Rd., Brevard 28712
R. Harold Hipps (*), 1203 Shiloh Dr., Nashville, TN 37205
Mary Margaret Houk (*), 267 Rocky Mt. Way, Arden 28704
Kimberly T. Ingram, P.O. Box 18005, Charlotte 28218
Sandra H. Jahn, 311 3rd Ave., N.E., Hickory 28601
Ellen Sapp Johnson, P.O. Box 718, Davidson 28036
Sarah B. Kalish, 301 N. Main Ave., Maiden 28650
R. Mark King, P.O. Box 658, Winston-Salem 27102
Thomas S. Lee, Jr. (*), 610 Carrington Place, Lewisville 27023
Sandra M. McGarrah, 2916 Tarrymore Place, Charlotte 28270
Cecilia Brown McGee, 3835 West W.T. Harris Blvd., Charlotte 28269
Sarah Hanko McKinney, 401 6th St., North Wilkesboro 28659
Sallyanne Irwin McVay, 300 Smith Knolls Rd., Fairview 28730
Elizabeth H. Orrell, 130 Creekstone Court, Winston-Salem 27104
Beverly L. Parker-Reece, 1915 Oakdale Rd., Charlotte 28216

Sybil R. Parks, 204 6th Ave., W., Hendersonville 28739
 Mary Lynne Peterson, 1320 Fernwood-Glendale, Spartanburg, SC 29307
 Lewis L. Poag, 495 Highway 194, S., West Jefferson 28694
 Gayle J. Quay, 200 Buncombe St., Greenville, SC 29601
 Jennifer S. Reilly, 378 N. Pilot Knob Rd., Denver 28037
 Gail W. Rose (*), 276 Crepe Myrtle Circle, Winston-Salem 27106
 Gloria D. Simmons (*), 236 Union St., S., Concord 28025
 Deborah K. Sluder, 20 Oneida Heights, Huntingdon, PA 16652
 Alberta Y. Spencer, P.O. Box 718, Davidson 28036
 Elizabeth G. Taylor, 5095 LaVista Rd., Tucker, GA 30084
 Reuellynn Pletcher Thomas, 128 Westwood Lane, Elkin 28621
 Edward A. Trimmer, 178 Stone Country Lane, Asheboro 27205
 Ann Tyler (*), 3800 Shamrock Dr., Charlotte 28215
 Susan E. Norman Vickers, 410 North Holden Rd., Greensboro 27410
 Yvonne L. Vredenburg, 801 W. Franklin Blvd., Gastonia 28052
 Katie Sigmon Warren, 146 Westwood Rd., Asheville 28804
 Douglas L. Watts, 794 Sedge Garden Rd., Kernersville 27284
 Jane S. Webb, 507 E. Center St., Lexington 27292

(b) Youth Ministry

Charles T. Brown, P.O. Box 661, Denver 28031
 Amy W. Burton, 8122 Strandhill Rd., Huntersville 28787
 Brandon K. Dirks, 6800 Sardis Rd., Charlotte 28270
 Bernard G. Dougherty, 663 New Salem Rd., Randleman 27317
 Dana Hanlon, 2424 Oak Ridge Road, Oak Ridge 27310
 Kimberly T. Ingram, P.O. Box 18005, Charlotte 28218
 Kathleen H. Kilbourne, 4701 Park Rd., Charlotte 28209
 Sarah Hanko McKinney, 401 6th St., North Wilkesboro 28659
 Reuellynn Pletcher Thomas, 108 Reeds Lane, Elkin 28621
 Edward A. Trimmer, 178 Stone Country Lane, Asheboro 27205
 Susan E. Norman Vickers, 410 N. Holden Rd., Greensboro 27410
 Douglas L. Watts, 794 Sedge Garden Rd., Kernersville 27284

(c) Older Adult Ministry

Dana Hanlon, 2424 Oak Ridge Road, Oak Ridge 27310
 Douglas L. Watts, 794 Sedge Garden Rd., Kernersville 27284

(d) Music

Barbara C. Basham, 305 N. Main St., Mocksville 27028
 W. Ashby Brown, Jr., 403 E. Main St., Jamestown 27282
 W. Howard Coble (*), 515 W. Parkway Ave., High Point 27262
 Edna Bradley Johnson, 3815 Cranwell Court, Greensboro 27407
 William H. Jordan (*), 303 North Main St., Greer, SC 29650
 Saxon C. Scarborough, P.O. Box 218, Gastonia 28053
 Bonnie S. Shinneman, (*), 9153 Yarrow St., Apt. 162, Westminster, CO 80021

(e) Camping and Retreat Ministries

Kent L. Shrader, 1045 Mount Shepherd Rd. Ext., Asheboro 27205

Although the Board of Ordained Ministry does not certify persons in other areas of ministry, the responsible agencies report to our board for acknowledgment in the conference journal concerning the following categories:

(f) Christian Communicators

John L. Borchert (*), 2605 Quail Rush Rd., Charlotte 28226
 Kenneth A. Horn (*), 140 Summerlea Dr., Charlotte 28214
 Ruth W. Laughlin (*), 114 Ward Rd., Greensboro 27405

(g) Church Business Administrators

Zeb E. Barnhardt (*), 1244 Arbor Road, No. 241, Winston-Salem 27104
 Robert H. Barnhill (*), 817 S. Jackson St., Gastonia 28052
 R. Mark King, P.O. Box 658, Winston-Salem 27102
 Suzanne B. Northcraft (*), 3513 Waterway Dr., Pfafftown 27040

(h) Commissioned Deaconesses

Lynn S. Barnes, P.O. Box 69, Elkin 28621
 Barbara Blevins, 108 Montford Ave., No. 7, Asheville 28801
 Arthelia H. Brooks (*), 266 Merrimon Ave., Asheville 28801
 M. Susan Carmichael (*), 266 Merrimon Ave., Asheville 28801
 Debra Sue Chenault, 252 Riverview Dr., Apt. 1, Asheville 28806
 Sybil M. Dodson (*), P.O. Box 367, Balsam 28707
 Esther Jones (*), 266 Merrimon Ave., Asheville 28801
 Robin R. Minick, 290 Chambers Rd., Waynesville 28786
 Jean M. Morgan (*), 266 Merrimon Ave., Asheville 28801

Mary Lou Roller (*), 4701 Chuckwood Dr., Charlotte 28227
 Diane K. Stanton, 312 Tillman Rd., Lake Junaluska 28745
 Nazgul William, 266 Merrimon Ave., Asheville 28801

Ellen Sapp Johnson
 Cecilia Brown McGee
 Kathleen H. Kilbourne
Associate Registrars for Certification

K. BOARD OF PENSION AND HEALTH BENEFITS

The Western North Carolina Conference Board of Pension and Health Benefits budget for 2008 is summarized below.

Clergy Retirement Security Program (CRSP):

Costs of the Board:

Clergy Retirement Security Program		\$ 8,248,070
Administrative costs		60,000
Total costs		<u>\$8,308,070</u>

Billings:

Billings to churches	\$6,803,116	
Appointments to extension ministries	249,000	
Redirected from pre-1982 surplus	<u>1,255,954</u>	
Total billings		\$ 8,308,070

Other Activities of the Board:

Interest income		\$ 21,000
Earnings from various invested funds		400,000
Gifts to the board		<u>25,000</u>
Total other income		\$ 446,000
Expenses of board operations	\$ 25,000	
Grants to mentally challenged dependent children	<u>30,483</u>	
Total other expenditures		<u>55,483</u>
Estimated excess funds to be invested		\$ 390,517

On January 1, 2007, the board began to administer the billings to the churches for the Clergy Retirement Security Program (CRSP) adopted by The United Methodist Church, in accordance with the Western North Carolina Conference paradigm for the cost of such benefits.

The CRSP provides that the Past Service Annuity Rate for service years prior to 1982 will increase 2% per annum, effective January 1, 2007. The conference board, however, is proposing that the 2008 rate be \$629.00 per service year, which represents 1% of the Conference Average Compensation.

Mark B. Edwards, *President*

Proposals: Pension Programs and Policies

(Petition 13)

(Adopted on June 8, 2007)

The conference Board of Pension and Health Benefits proposes:

- That \$6,803,116 be billed to the churches in 2008 as pension responsibility to support the Clergy Retirement Security Program.
- That the Past Service Annuity Rate for service years prior to 1982 be set at \$629.00 per service year, effective January 1, 2008.
- That the following resolution be adopted:

Resolution Relating to Rental/Housing Allowances for Retired or Disabled Clergypersons of the Western North Carolina Conference

The Western North Carolina Conference (the "Conference") adopts the following resolution relating to rental/housing allowances for retired or disabled clergypersons of the conference:

Whereas, The religious denomination known as The United Methodist Church (the "Church"), of which this Conference is a part, has in the past functioned and continues to function through ministers of the gospel (within the meaning of Internal Revenue Code section 107) who were or are duly ordained, commissioned, or licensed ministers of the Church ("Clergypersons"); and

Whereas, The practice of the Church and of this Conference was and is to provide active Clergypersons with a parsonage or a rental/housing allowance as part of their gross compensation; and

Whereas, Pensions or other amounts paid to retired and disabled Clergypersons are considered to be deferred compensation and are paid to retired and disabled Clergypersons in consideration of previous active service; and

Whereas, The Internal Revenue Service has recognized the Conference (or its predecessors) as the appropriate organization to designate a rental/housing allowance for retired and disabled Clergypersons who are or were members of this Conference; now, therefore, be it

Resolved, That an amount equal to 100% of the pension or disability payments received from plans authorized under *The Book of Discipline of The United Methodist Church* (the "Discipline"), which includes all such

payments from the General Board of Pension and Health Benefits ("GBOPHB"), the Western North Carolina Conference Superannuate Endowment Fund, and The Duke Endowment during the year 2008 by each retired or disabled Clergy person who is or was a member of the Conference, or its predecessors, be and hereby is designated as a rental/housing allowance for each such Clergy person.

Resolved, That the pension or disability payments to which this rental/housing allowance applies will be any pension or disability payments from plans, annuities, or funds authorized under the *Discipline*, including such payments from the GBOPHB and from a commercial annuity company that provides an annuity arising from benefits accrued under a GBOPHB plan, annuity, or fund authorized under the *Discipline*, that result from any service a Clergy person rendered to this Conference or that a retired or disabled Clergy person of this Conference rendered to any local church, annual conference of the Church, general agency of the Church, other institution of the Church, former denomination that is now a part of the Church, or any other employer that employed the Clergy person to perform services related to the ministry of the Church, or its predecessors, and that elected to make contributions to, or accrue a benefit under, such a plan, annuity, or fund for such retired or disabled Clergy person's pension or disability as part of his or her gross compensation.

NOTE: The rental/housing allowance that may be excluded from a Clergy person's gross income in any year for federal income tax purposes is limited under Internal Revenue Code section 107(2) and regulations thereunder to the least of: (1) the amount of the rental/housing allowance designated by the Clergy person's employer or other appropriate body of the Church (such as this Conference in the foregoing resolution) for such year; (2) the amount actually expended by the Clergy person to rent or provide a home in such year; or (3) the fair rental value of the home, including furnishings and appurtenances (such as a garage), plus the cost of utilities in such year.

HEALTH BENEFITS COMMITTEE

The Health Benefits Committee serves as a sub-committee of the Board of Pension and Health Benefits (BOPHB), with responsibility in three specific areas: health benefits, group term life insurance, and casualty insurance.

The committee is composed of at least 12 members appointed by the board to quadrennial terms, as follows: three from BOPHB, one serving as chair of the committee, one being an officer of BOPHB, and one being the Cabinet representative to BOPHB; one from the conference Board of Ordained Ministry; one from the conference Council on Finance and Administration; two retired clergy persons; and five professional persons involved in the insurance industry. Typically, there are six lay members and six clergy members. The various agencies represented nominate their representatives to BOPHB for appointment.

Group Life Insurance

The General Board of Pension and Health Benefits, through the Comprehensive Protection Plan, provides a death and disability benefit for eligible clergy, along with death benefits for members of clergy families. In addition to this coverage, the conference offers basic life insurance coverage of \$10,000 for active clergy enrolled in the conference group health plan, with premiums for this coverage collected through the insurance apportionment. Clergy members may elect to increase their coverage by enrolling in additional coverage in the amounts of \$25,000, \$50,000, or \$75,000. As an added benefit, a clergy member may elect to enroll his/her spouse and dependent children. This additional coverage is available from a group policy secured by the committee for a quarterly premium to be collected by the insuring company. The continuation of this optional benefit is dependent on normal participation of those eligible. Newly eligible clergy will receive information about this coverage from the Treasury Services Office. To obtain coverage without evidence of insurability, enrollment must be made within 30 days of eligibility.

Enrollment Deadlines for Health and Life Insurance

Responsibility rests with the individual to make application in writing for the group health insurance and the group life insurance. In addition, any changes in dependents' status must also be submitted in writing. The effective date of coverage for new applicants is July 1 following the session of annual conference. Applications must be made within 30 days of appointment at annual conference. Anyone seeking to apply following the 30-day grace period will have a 12-month waiting period for all pre-existing conditions.

Health Benefits Continuation Policy

The conference benefits plan provides for group members and eligible beneficiaries to continue coverage if they become ineligible for the plan. The policy is available from the plan administrator.

Premium Collection Policy

Payment of the medical/health insurance premiums for pastors is the responsibility of the local church(es). This premium payment is an apportioned item. For churches with more than one pastor on the staff, the church is responsible for the payment of the insurance premium for each eligible pastor. It is the responsibility of the pastor to pay the premium costs for dependents.

The Health Benefits Committee requires the conference treasurer to notify dependent accounts which are delinquent by sixty (60) days or more that their coverage is immediately subject to termination. If full payment is not made by thirty (30) days after the delinquency, coverage will be terminated.

2006 Financial Summary of Health Benefits Plans through December 31, 2006

	Fund 575 Active	Fund 125 Retirees	Total
Asset Accounts			
Investment Accounts:			
Claims Reserve	\$2,228,331	\$ 504,999	\$2,733,330
Premium Stabilization	0	0	0
FASB 106 Reserve	0	1,654,966	1,654,966
Fund Balance, 1.2006	2,228,331	2,159,965	4,388,296
Excess/Deficit	- 756,495	1,642,116	885,621
Fund Balance, 1.2007	\$1,471,836	\$3,802,081	\$5,273,917
Sources of Funds			
Premiums:			
Church Contributions – Active	\$4,640,232		
Dependent Coverage – Active	2,697,663		
Conference Center – Personnel	304,396		
Retiree Contributions		\$ 558,163	
Cole Foundation		204,000	
Investments:			
Reserves Investment Income	27,190	91,027	
FASB 106 Reserve	0	23,785	
Other:			
Employee Life Contributions	6,389	0	
Budget Credits	170,250	1,500,000	
Drug Rebates	157,076	98,783	
Total Sources	\$8,003,196	\$2,475,758	\$10,478,954
Uses of Funds			
Benefit Payments	\$7,623,639	\$ 666,751	
Administrative Charges	268,445	131,235	
Life Insurance Premium	45,697	0	
Operating Expenses	51,394	23,190	
Miscellaneous 21,418	0		
Stop-Loss Fees (Sun Life Canada)	324,108	12,466	
Dental Claims	424,990	0	
Total Uses	\$8,759,691	833,642	\$9,593,333
Sources less Uses	\$ - 756,495	\$1,642,116	\$ 885,621

Words of Appreciation

We express our gratitude and that of the conference to Dale C. Bryant, who came to the conference as benefits administrator in October 1998, and to his assistant, Krishna Moore.

Questions dealing with either health insurance or group life insurance should be directed to Mr. Bryant or Ms. Moore at 704-535-2260 or 800-562-7929; e-mail dbryant@wnccumc.org or kmoore@wnccumc.org.

Conclusion

We appreciate the fine spirit in which subscribers and local churches are supporting the work of the Health Benefits Committee. We seek your continuing support as we make every effort to provide an insurance program that meets your particular needs. Members of the committee are: Larry D. Wilkinson (chairperson), Donald Lineberger, Robert E. Roach, Phillip B. Cole, Al Jones, E. Wannamaker Hardin, Jr., Frank H. Edwards, Patricia K. Suggs, Kim Hockett, Donald G. Matthews, Eddie Allred, and W. Greg Light. William C. Wyman, Jr., Dale C. Bryant, and Krishna Moore are our conference staff representatives.

Proposals: Conference Insurance Program**(Petition 14)****(Adopted on June 8, 2007)**

The Health Benefits Committee proposes:

1. That the Board of Pension and Health Benefits be authorized to secure a hospital/medical insurance contract for 2008 that will be advantageous in terms of coverage, premium rates, and administrative costs.
2. That the hospital/medical insurance program be continued for all eligible persons working 30 hours or more per standard workweek.
3. That each local charge be expected to participate in the conference program of hospital/medical insurance by contributing an amount equal to the pastor's coverage premium for each eligible pastor appointed to that charge and that these premium payments be remitted to the conference Treasury Services Office rather than to the pastor or other insurance carrier.
4. That premium cost information be mailed to local churches and pastors immediately after the 2008 contract has been negotiated.
5. That a pastor may exclude himself/herself from coverage by signing a written waiver, releasing the conference and any local church from legal or moral responsibility for medical or accident claims.
6. That, in the discussion of salaries and benefits for 2008 and all succeeding years, local church committees on staff-parish relations consider designating a portion of compensation for dependents' health care coverage.

7. That medical/hospital coverage be provided for persons terminated from the plan for not more than a 12-month period, with the premium costs to be paid by the person terminated.
8. That continued endorsement be given to the optional life insurance program provided by a top-quality life insurance company as supplemental coverage for active clergy.
9. That the following Retired Clergy Medical Plan, which became effective on January 1, 2003, be continued:
 - a. *Benefit Design:* The basic benefit design for all participants has benefits similar to Medigap Plan F, as approved by the Medicare Administration (complete benefit description available from the conference Treasury Services Office).
 - b. *Funding Design:*
 - (1) Participants enrolled prior to January 1, 2003, will contribute 60% of the plan year's estimated cost.
 - (2) Participants enrolled in the retiree plan on or after January 1, 2003, will make contributions based on "years enrolled in the Active Health Benefits Plan." The contribution will be based on a percentage of the plan year's estimated costs, as follows:
 - 1-10 Years: 100% of estimated plan cost.
 - Beginning in the 11th year, the contribution will decline 1% per year to a maximum of 50 years, or 60% of estimated plan cost.

All of the years prior to 2003 that a clergyperson has been appointed to a local church or conference position will be considered "years enrolled in the Active Health Benefits Plan."
 - c. Participants must be enrolled in Medicare to be eligible for the plan.
10. That each participant electing dependent coverage be required to remit premium payments in the method established by the Health Benefits Committee and that dependent coverage remain in effect only when premium payments are current.
11. That sufficient funds for hospital/medical coverage be included in the appropriate 2008 apportioned funds to pay premiums for district superintendents and administrative, program, and support staff members of the conference headquarters.
12. That supplemental funds for the Retiree Plan Unfunded Liability and for insurance for clergy on incapacity leave be included in the 2008 conference budget at Fund 507, named Insurance Supplement Retired/Incapacity Leave. The 2008 budget request for the Retiree Plan Unfunded Liability is \$1,874,000 and that for incapacity-leave clergy is \$340,000.

Larry D. Wilkinson, *Chairperson*

L. CONFERENCE BOARD OF TRUSTEES, INC.

The Board of Trustees of the Western North Carolina Conference of The United Methodist Church, Inc., is a chartered corporation under North Carolina law, in accordance with *The Book of Discipline* of The United Methodist Church, subject to the instructions of the annual conference and its officers.

Investments:

- a. Four funds under trustee management are invested through The United Methodist Foundation of our conference.
- b. The yearly distribution of earnings from these funds is based on the following scale: The General Fund, 35.8%; the Higgins Fund, 31.3%; the Centenary-Rutherford Fund, 12.9%; and the Jesse Spencer Bell Fund, 20.2%. Earnings during 2006 were distributed to the following designated beneficiaries:

Western North Carolina Conference Board of Pensions.....	\$ 4,714.98
Western North Carolina Conference United Methodist Women.....	2,660.41
Brevard College	<u>5,794.95</u>
Total Distribution	<u>\$13,170.34</u>

The Conference Memorial Center:

The trustees continue to monitor the operational expenses of the Conference Memorial Center in Charlotte, keeping in close touch with the conference treasurer-director of administrative services, who manages the building on our behalf. We receive monthly reports from the Treasury Services Office, and we seek to work with that office for efficient operation of the center. The financial items concerning the Memorial Center reported by the Council on Finance and Administration reflect the recommendations of the trustees.

At its February 10, 2004, meeting, the Board of Trustees requested that a letter be written to the presiding bishop, requesting appointment of a Memorial Center Location Study Committee. The bishop reported to the board at the February 2007 meeting that the Conference Reorganization Task Force has taken up the task anticipated for the Memorial Center Location Study Committee. Any recommendations to the conference or trustees would come from future reports of that task force.

The Episcopal Residence:

The conference-owned episcopal residence is cared for through the Episcopal Residence Committee, constituted according to the provisions of the *Discipline*. Julia M. Hite, of our board, serves as our representative on this committee.

Risk Management Sub-Committee:

After meeting with representatives of the United Methodist Property and Casualty Trust (PACT) in 2006 and further study of the positive effects of risk management in lowering insurance costs, the board appointed a Risk Management Sub-Committee. The three members of the committee are Roslyn Harris (chairperson), Eddie Allred, and J. Hurley Thomas III, all of whom have insurance industry experience and/or high interest in the benefits

of risk management. The sub-committee hopes to provide helpful resource information to local-church trustees via district leadership conferences, collection of insurance data, and a simple survey of coverage.

Other Concerns of the Board:

- a. The board and its legal counsel as necessary review property matters involving local churches, districts, and institutions of the conference. These matters are then reviewed by the full board at its meetings in February, June, and November.
- b. We call to your attention ¶ 2532.2 of *The Book of Discipline* (2004), which describes specifically the responsibilities of the local church board of trustees for the risk management of church property and personnel. The Board of Trustees encourages the Council on Finance and Administration to adopt an administrative program that provides to local trustees, treasurers, finance chairs, and pastors the risk-management memos from the General Council on Finance and Administration. These plans will be very beneficial to the local churches and assist in risk management and loss control.
- c. We also call to your attention the *Guidelines for Local Church Incorporation*, with advisory letter. The board understands that the "Safe Sanctuaries" program encourages local-church incorporation and, further, that incorporated local churches need to have support from the conference to maintain their records in accordance with North Carolina state law. The guidelines have been revised to include a step sheet, information on conveying church real property with the trust clause to the new corporation, conveying the church bank and securities accounts to the corporation, and obtaining new state and federal tax-identification numbers for the new corporation.
- d. The conference Board of Trustees is often asked to take action on abandoned buildings and cemeteries. Much of our work involves determining conference responsibility for maintaining these properties and/or the legal authority to transfer or sell them, consistent with actions of the annual conference. The board will continue to work with the cabinet in taking necessary action on abandoned properties, consistent with *The Book of Discipline* and North Carolina state laws. The board has authorized support for a property facilitator to assist district offices with property management details. The property facilitator and management expenses are funded from property sales proceeds and the balance remaining split between the district and conference congregational development, 75% and 25%, respectively.
- e. The cabinet and the conference Board of Trustees have worked together on a policy providing for trustee review and approval of disposition of all church properties that are discontinued or abandoned before action is taken by the annual conference.
- f. Please note ¶ 2548.4 of *The Book of Discipline*, which specifies that all deeds, records, and other official and legal papers of an abandoned or otherwise discontinued church shall be deposited for permanent safekeeping with the Commission on Archives and History of the annual conference. The Board of Trustees has entered into a cooperative arrangement with the Commission on Archives and History which will make the conference archives office in Charlotte a much more effective central repository for such information. We encourage all district boards of trustees, cabinet members, and others to keep the conference archives office informed about such properties and to call the archives office when information is needed. The property project to index all discontinued, abandoned, and active property in our conference has been completed, and we anticipate that these files will be of great benefit to our conference.
- g. The board has prepared a *Property Matters* binder and distributed to district offices a step sheet, based on *The Book of Discipline* and the 2001 *Legal Manual* of the General Council on Finance and Administration, to be used by all parties in the event of the discontinuation or abandonment of local church property.

Joseph P. McGuire, *President*
Doris P. Loomis, *Vice-President*
Charles D. White, Jr., *Secretary*

M. COMMITTEE ON THE ANNUAL CONFERENCE MEETING

"Follow Jesus – Make Disciples – Transform the World," the conference vision for the 2005-08 quadrennium, has taken living form in the people and local churches of western North Carolina in marvelous ways. As the conference gathers in June 2007 for its third session under this theme, your Committee on the Annual Conference Meeting invites you to join us in continuing to explore ways in which this shared vision may find expression in our midst.

Each year this quadrennium, Bishop J. Lawrence McCleskey is selecting clergy members of our own conference as our preachers and Bible lecturers. With Donald Jenkins, James C. Howell, Elizabeth O. Coppedge-Henley, and Scott A. Osterberg in that role this year, we anticipate inspiring opportunities for worship and study. We also welcome Beverly Hill, of Black Mountain, as the Laity Address speaker this year, and celebrate the ministries of the laity which this address represents.

We give special thanks for the dedicated service of so many persons who labor on our behalf. Among these are our 2007 host district, the Salisbury District, and its superintendent, Sally O. Langford. Our three chief ushers—Rachel C. (Millie) Orbison, Douglas Almond, and Michael Penninger—are from that district, and the 13 other districts will also be providing three ushers each. Les Ackerman, director of music and organist at Myers Park Church, Charlotte, and Adam Micah Ward, director of music and organist at First Church, Salisbury, will be leading us in music. To all of these, along with our speakers, worship planning team members, tellers, secretarial and Treasury Services staff members, communications team, registration volunteers, and so many others, we extend our heartfelt thanks.

Again this year, we invite you to visit the displays which various program ministries of our church will be setting up in the lobbies of the Terrace Hotel (with overflow space in the lobby of Lambuth Inn). Please take time to have a look at the many exciting ministries in which our conference and its agencies are engaged. And confer with Mark L. Barden, conference director of communication, if your group has needs for display space.

In 1998, the conference first provided opportunity for conference members to donate their per-diem payments

to the special offerings being taken during the session. We encourage you to make this contribution this year if it is possible without undue hardship.

When you as a conference member come to the registration area, please remember that acceptance of the per-diem allowance means that you will attend all conference sessions for the full time for which the allowance is accepted. We urge you to regard this matter with seriousness and a commitment to fulfill the obligations which acceptance of the per-diem allowance entails.

At the 2002 conference session, at the request of numerous conference members, we instituted a system of providing child care during conference. That system of pre-registration is being continued this year. Conference members needing this service should take care to follow the instructions mailed them in April. Children not pre-registered by the deadline given in that mailing may be accommodated at a somewhat greater cost. We thank Janet M. Hitch, conference coordinator of nurture and Christian education, for coordinating this important aspect of our common life.

By action of the 2006 conference, we are continuing the system, in use since 1988, of assigning housing priority in facilities owned by Lake Junaluska Assembly according to a rotating list of the districts:

Preference in 2007

Salisbury District
Winston-Salem District
Northeast District
North Wilkesboro District

Preference in 2008

Marion District
Waynesville District
Statesville District
Asheville District

Preference in 2009

Albemarle District
Charlotte District
Gastonia District

Preference in 2010

High Point District
Greensboro District
Lexington District

The committee reminds the conference that the number of applications requesting lodging at the Terrace Hotel because of conditions that limit mobility greatly exceed the number of rooms available. Junaluska staff do their best to care for the most urgent needs, but it is not possible to honor every request for special consideration. Thank you for your understanding and patience.

The committee works with and oversees the conference secretary-statistician in the publication of the conference journal and the *Program and Reports* and *Celebration of Life Service* booklets. It receives bids for the publication of these materials and awards the annual publication contract. This year, we extend our heartfelt thanks to Nick and Meg Madaloni, owners of M.A. Publishing, Mobile, Alabama, for the 21 years of excellent service they have given as our publisher. They found it necessary to close their business and retire this winter, and we have worked with the conference secretary to secure a new publisher for the first time in over two decades. We have awarded the contract for our 2007 publications to United Printing Company, of Charlotte, Jeff Buseick, president, a firm with which the conference already has considerable experience. We look forward to the excellent work they will be doing for us.

We remind you that, by action of the 2006 conference, the conference journal in printed form is published as one volume, combining the "proceedings" of the June session with the "statistics" of the preceding year. We are also, of course, continuing to make the journal available on compact disc and on the administrative website of the conference (www.wnccadmin.org). The online publication allows us to put the preceding year's statistical data up on the site in early April, so that persons needing that data do not have to wait until mid-September when the printed book appears.

In 2007, we will be electing our lay and clergy delegates to the General and Southeastern Jurisdictional conferences. We are very much aware of the time constraints which this will place upon our plenary business sessions. We believe that two changes we are proposing this year will help to address this concern.

First, we are asking you to approve a conference program which has each of the ballots assigned to a specific time. We believe that this will bring order to the process by allowing conference members to know when to expect ballot reports and the taking of additional ballots. By intentionally not scheduling any balloting for Saturday morning, we are attempting to keep faith with the various groups of persons who will be presented and recognized during that time. If the election of delegates is not completed on Friday night, there will be ample opportunity on Saturday afternoon for delegates to complete the election.

Second, we are proposing that consideration of legislative matters in forum groups be suspended for the 2007 session, and we are asking for your approval to proceed to eliminate that method of doing our work in coming years. We no longer believe that forum groups are the most efficient and helpful way of dealing with our legislative agenda. There was a time in our history when such a procedure was the only way in which the conference could deal with the large number of often controversial petitions which came to it each year. That kind of workload is no longer an issue. Most petitions from conference agencies and related institutions are routine and scarcely require taking 90 minutes or more to hold forum-group meetings all around Lake Junaluska. If, instead, we give that kind of time to plenary sessions, and place "routine" petitions on the consent calendar from the beginning, we will have ample opportunity to deal with the "non-routine" petitions that will come to us in a way which might even give rise to creative and meaningful debate in which all can share. We hope you will support us in this intention.

We have received two referrals from the 2006 conference session. The first asked the bishop to appoint a task force to look into the possibility of scheduling annual conference later in June than has been our practice. The bishop appointed that task force, which, following consultation with Junaluska personnel, has advised him that the schedule at the Assembly, especially the scheduling of the Holston Conference immediately after our sessions, will not permit a change to a later date so long as the conference continues to meet at Lake Junaluska.

The second referral directed the committee to confer with Junaluska personnel about improvements which would enhance accessibility at Junaluska facilities before the 2007 session. The committee has assigned this task to the conference secretary, who has engaged in that conversation. While little can be done by way of structural alterations by June, the Assembly will be attempting to provide more options for shuttle and van service for persons who need that service as they move around the grounds.

J. Lawrence McCleskey, *Chairperson*

Proposals: The Annual Conference Meeting**(Petition 15)
(Adopted on June 8, 2007)**

The Committee on the Annual Conference Meeting proposes:

1. That the conference accept the invitation of Lake Junaluska Assembly to hold the 2008 session of the annual conference at Lake Junaluska.
2. That the system of rotating priority for housing reservations in Assembly-owned facilities at Lake Junaluska during annual conference week, in use since 1988, be continued in 2008.
3. That the Marion District serve as the host district for the 2008 session of the annual conference.
4. That each district provide three persons to serve as ushers for the 2008 conference session, with the ushers from the host district being designated as chief ushers.
5. That the conference secretary be directed to present to the fall 2007 meeting of the Committee on the Annual Conference Meeting, for its action and presentation to the 2008 conference session, such amendments to the Plan of Organization and Rules of Order and Procedure of the conference as may be needed to delete from that document all references to forum groups as part of the annual sessions of the conference.
6. That the 2007 conference journal be produced in both printed form and on compact disc and posted on the administrative website of the conference, and that the price of the 2007 journal be \$20 in printed form and \$10 on compact disc.
7. That reputable companies be invited to make inquiries and/or submit bids to the conference secretary for the production of the 2008 conference journal and related materials by December 1, 2007.

N. COMMITTEE ON APPEALS**Hearing and Decision of May 30, 2007, in re Division of Parsonage Assets of Centennial, Mt. Hebron, and Pisgah United Methodist Churches (Marion District)**

On Wednesday, May 30, 2007, the Western North Carolina Conference Committee on Appeals convened in the Marion District Office for a hearing on the appeal of Pisgah United Methodist Church from a decision of a district-appointed committee ("the Parsonage Resolution Committee") regarding the distribution of parsonage assets between Centennial, Mt. Hebron, and Pisgah United Methodist churches, pursuant to ¶ 2527.4 of *The Book of Discipline*. Committee on Appeals members present were Judge Jimmy L. Myers, chair; Glenn L. Myers, Jr.; and Randolph H. Harry. Attorney Everette C. (Buddy) Carnes was present on behalf of the Parsonage Resolution Committee, and one representative each was present on behalf of the respective churches involved. Marion District Superintendent Robert E. Roach was also in attendance.

All parties involved were heard, as well as the representative of the Parsonage Resolution Committee (hereinafter the "PRC"). Certain facts were not in dispute, among them that in 1954, the three churches involved, all part of one charge, received by donation from a member of Mt. Hebron Church, a parcel of real property on which they constructed a parsonage. Centennial Church contributed \$707 (or 7.7% of the total) toward the cost of construction, Pisgah Church paid \$606 (6.6%), and Mt. Hebron Church paid \$7,844 (85.7%). Of no dispute at the hearing before the PRC, but now contested by Centennial Church, is that in 1988, a \$60,000 addition to the parsonage was constructed, of which Pisgah Church paid \$30,000 and Mt. Hebron Church paid \$30,000. The facts presented to the PRC indicated nothing contributed by Centennial Church toward this addition, but now Centennial Church asserts that records indicate that it did, in fact, help pay for the addition.

According to a memorandum from the district superintendent dated August 24, 2006, the PRC had concluded that the fair market value of the subject property was \$100,000. Initially, a division of the parsonage assets was made based on that valuation, but, subsequently, the PRC deducted from that total \$6,000, representing a typical real estate commission for the sale of such a home (see the memorandum of November 16, 2006 from the district superintendent) and, later, another \$1,300, to compensate Mt. Hebron Church for monies paid by that church in 2006 on capital improvements (see district superintendent memorandum of March 12, 2007), thus reducing the fair market value of the subject property to \$92,700 for purposes of division of the assets. With each adjustment in the fair market value, different totals were assigned to each church. Additionally, the PRC, at the urging of Mt. Hebron Church, factored in inflation at a rate of 2.0% from 1954 until 1988, and 1.5% from 1988 until 2006. According to a memorandum from the district superintendent dated March 12, 2007, the PRC determined that the parsonage assets should be divided as follows:

Centennial	(2%)	\$ 1,854	based on investment of \$707 (1954)
Pisgah	(40%)	37,080	based on investments of \$606 (1954) and \$30,000 (1988)
Mt. Hebron	(58%)	53,766	based on investments of \$7,844 (1954) and \$30,000 (1988)
Total:		\$92,700	

Centennial Church and Mt. Hebron Church accepted the aforesaid division of assets, but Pisgah Church did not and appealed the decision of the PRC, pursuant to ¶ 2527.4 of *The Book of Discipline*. At the hearing before the Committee on Appeals, Centennial Church also objected to the PRC's decision, based on what its representative said was newly-discovered evidence supporting its contention that it had contributed more to the total cost of the parsonage capital improvements than previously presented to the PRC. Mt. Hebron Church has indicated a desire to purchase the subject parsonage and real property from the other two churches once this dispute is resolved.

During the hearing before the Committee on Appeals, the PRC representative said that, based on the discussion which was then taking place, he now was of the opinion that his committee should not have deducted \$6,000, based on a real estate commission from the total valuation of the subject property, so that the correct sum to be divided should have been \$98,700 (\$100,000 fair market value, less \$1,300 to be reimbursed to Mt. Hebron Church for capital improvements paid solely by that church in 2006).

Decision

After hearing from each of the parties and reviewing the evidence presented to the Parsonage Resolution Committee, the Committee on Appeals decided to approve the decision of the Parsonage Resolution Committee *contingent upon* that committee's revising its final decision to include as the fair market value of the property the sum of \$98,700 for purposes of dividing the assets, because ¶ 2527.4 of *The Book of Discipline* states that "each such local church shall be entitled to receive its just share of the then reasonable value of the parsonage...", which the Committee on Appeals hereby concludes is \$100,000, less the \$1,300 reimbursement to Mt. Hebron Church. Therefore, the Committee on Appeals approves a PRC decision which reflects the following division of parsonage assets:

Centennial	(2%)	\$ 1,974	based on investment of \$707 (1954)
Pisgah	(40%)	\$39,480	based on investments of \$606 (1954) and \$30,000 (1988)
Mt. Hebron	(58%)	\$57,246	based on investments of \$7,844 (1954) and \$30,000 (1988)
Total:		\$98,700	

If the Parsonage Resolution Committee is unwilling or unable to amend its decision accordingly, the Committee on Appeals hereby reverses the decision of the PRC because of its error in valuation of the subject property, pursuant to *Discipline* ¶ 2527.4.

Jimmy L. Myers, *Chairperson*
Randolph H. Harry
Glenn L. Myers, Jr.

O. COMMISSION ON ARCHIVES AND HISTORY

This year is a landmark year for all churches in Methodism, for 2007 is the 300th anniversary of the birth of Charles Wesley. The younger brother of John Wesley, Charles was also a priest in the Church of England and worked closely with his brother in the formation of the Methodist movement. Charles Wesley's greatest contribution to Methodism (and to all of Christendom) came through his hymns. He wrote more than 6,000 hymn texts, many of which can be found in hymnals of all denominations. In effect, Charles Wesley put into verse the theology of his brother, John, and of the Methodist movement.

In celebration of this anniversary, several special events have been scheduled. The Sixth Historical Convocation of The United Methodist Church will be held Friday-Sunday, July 20-22, 2007, at the 4-H Conference Center in Chevy Chase, MD. Sponsors of this event include the General Commission on Archives and History, The Historical Society of The United Methodist Church, the Charles Wesley Society, the Southeastern Jurisdiction Historical Society, the World Methodist Council, the North American Section of the World Methodist Historical Society, and Wesley Theological Seminary. Speakers at this event will include Karen Westerfield Tucker, Timothy Macquiban, S T Kimbrough, Carlton Young, Dennis Dickerson, Thomas Albin, and Paul Chilcote. Registration information for this convocation can be found at <http://www.gcah.org/HISTORICAL%20CONVOCATIONREG.pdf>. Duke Divinity School and the General Board of Discipleship are sponsoring a 10-day Charles Wesley pilgrimage to England, July 31-August 10, 2007. Leaders for this event include Paul Chilcote, Steve Manskar, and Timothy Macquiban. Further details and registration information can be found at <http://www.gbod.org/charleswesley300>. In addition, the General Board of Discipleship has compiled a list of resources related to Charles Wesley; see http://www.gbod.org/worship/default.asp?loc_id=639&act=nav_loc. Another list of resources has been prepared by the General Commission on Archives and History is available at <http://www.gcah.org/HeritageSunday2007.htm>. An additional worship service will be developed by this commission and will be available to local churches through the chairperson. We recommend that every local church celebrate the birthday of Charles Wesley, whether it be as part of that congregation's observance of Heritage Sunday or on the Sunday closest to Charles Wesley's birthday (December 18).

As part of our report at annual conference, we will lift up the significance of Charles Wesley upon the Methodist movement. We will also recognize those churches which are celebrating their centennial or sesquicentennial during 2007. A special display highlighting the life and ministry of these churches can be seen during annual conference in the Heritage Center on the lower level of Harrell Center. We invite everyone attending annual conference to come to the Heritage Center to see this display.

The Commission on Archives and History is working with our conference historian, Dr. Linda P. Addo, in preparing a revised second edition of a book which she co-authored, *To Be Faithful to Our Heritage*. The first edition is out of print. Additional information has come to light during the past 25 years which adds to the story of African-American United Methodists in North Carolina, and we need to make sure that this part of our annual conference's story is told.

The commission is also working with our archival staff to determine our spatial needs for the future. Our present space in the conference Memorial Center is full, additional materials are being sent to the archives, and we want to fulfill our disciplinary mandate as the keeper of the records. We plan to work with other conference boards and agencies to address this issue.

Our conference archives are for churches and individuals doing historical research, and our staff members are ready and willing to provide assistance. The conference archives are located in the Memorial Center in Charlotte and are open on Tuesdays and Wednesdays. A call or e-mail prior to your arrival may expedite research by giving the staff time to search for the data being sought prior to your arrival.

May we continue "to spread through all the earth abroad the honors of [Jesus'] name."

James L. Pyatt, *Chairperson*

CONFERENCE HISTORICAL SOCIETY

The Western North Carolina Conference Historical Society is in a period of rebuilding, working to increase membership and become more active as an advocate for historical initiatives within the conference. A serious obstacle to this effort has been a lack of communication resources to publicize the society, other than direct contact with specific persons whose addresses and phone numbers are known to the society.

A meeting of the executive committee was held in September 2006, at which plans and goals for the year were discussed. Among suggestions were training for church historians, history workshops, and creation of a traveling exhibit on Methodist history. As this went to press, an annual meeting of the general membership was proposed for May 2007 in Charlotte.

As of March 2007, the society counts 38 persons in its paid membership. The society has accumulated a fund of about \$1,000, primarily from \$10 annual-membership dues. Expenses are nominal, consisting mainly of mailing costs for the newsletter. Arthur Swarthout, secretary of the society, has created a very attractive newsletter, which is being published and mailed periodically to the members.

Particular appreciation is also expressed to the society's treasurer, Nancy Keever Andersen, who has received and accounted for the society's funds, while continuing her challenging responsibilities as the conference archivist.

The society's other officers include Russell Ford, president; Randy H. Tarleton, vice-president; James L. Pyatt, ex officio as chair of the conference Commission on Archives and History; Linda P. Addo, ex officio as conference historian; and Janet B. Pyatt, immediate past president of the society. All of the elective officers were elected at the annual meeting in June 2006 and, under the bylaws, are serving terms of four years.

Russell Ford, *President*

P. CHRISTIAN EDUCATORS FELLOWSHIP

Recognizing the importance of Christian education in faith formation, nurturing, and discipleship, the Christian Educators Fellowship (CEF) exists to promote and strengthen Christian education in local churches, districts, and the annual conference. In addition, CEF seeks to be supportive to Christian educators, on both professional and personal levels.

This past year has been a busy one for our chapter. In addition to our many annual events, our chapter hosted the National Christian Educators Conference. Over 800 people gathered at Lake Junaluska for a time of renewal, learning, and fellowship under the theme, "Loving the Sojourner through Teaching and Learning." While there, the sojourners were treated to some wonderful experiences by various national leaders, such as Joyce Rupp, David Otto, Evelyn Parker, and Mark Miller.

Our annual CEF Spring Retreat was held April 30-May 1, 2007, at the Haw River State Park, formerly The Summit, Brown Summit, NC. Catherine Ritch Guess led us in a time of spiritual renewal as we learned to "Let The Spirit Speak."

Christian education seminars are held throughout the year in various districts for the sake of equipping people who are not certified under the requirements of the Board of Ordained Ministry. These seminars are, "United Methodist Curriculum," "United Methodist Connection," "Administration of the Christian Education Program," "Age-Level Ministries," "Theology of Christian Education," and "Basic Bible Study Approaches." The Western North Carolina Conference Task Force on Strengthening Christian Education in African-American churches has made the seminars available to these churches, and several persons completed the six seminars. The following people are designated by CEF as

Approved Educational Assistants

Browne, Frances, L. (Guilford Youth Initiative), 300 Oakview Road, High Point 27265
 Elzy, Connie Jolly (Gastonia: Myers Memorial), 2060 Snow Bird Lane, Gastonia 28056
 Gillis, Lori P., 109 Hicks St., Cherryville 28021
 Greene, Rebecca Blanton (Gastonia: First), P.O. Box 218, Gastonia 28053
 Greeson, Jane, 1816 Bedford Rd., Rocky Mount 27801
 Griffith, Mary (Walkertown: Love's), 5135 Sullivantown Rd., Walkertown 27051
 Hahn, Sandra, 2327 Summit St., Portsmouth, OH 45662
 Hooper, Jean, Greensboro
 Hoover, Jane, 4201 Mashie Dr., Pfafftown 27040
 Idol, Peggy S. (Oak Forest, Lexington District), 11461 Old U.S. 52, Winston-Salem 27107
 Kiess, Marjory (Alexander Chapel, Asheville District), 11 Meadowview Terrace, Weaverville 28787
 Kennedy, Joanne (Kannapolis: Bethpage), 108 Fellowship Dr., Kannapolis 28081
 Kerley, Joyce S., 4108 Pinecrest Dr., Hickory, NC 28601 (Retired)
 Lasley, Lynn, 45 Phillbrook Rd., Asheville 28806
 Learson, Louise Davidson, 5937 Haddington Dr., Charlotte 28215
 Long, Vaughan (Greensboro: Mt. Pisgah), 2600 Pisgah Church Rd., Greensboro 27455
 Messera, Brenda C. M. (Charlotte: St. Paul), 2830 Dorchester Place, Charlotte 28209
 McGuire, Larry, 172 N. 2nd St., Albemarle 28001
 McKee, Brenda F., 403 E. McLelland Ave., Mooresville 28115
 McSwain, Alyce, Shelby
 Mundy, Louise, 6709 Rolling Wood Dr., Clemmons 27012 (Retired)
 Pyles, Jerriane (Mount Holly: First), 1220 Silversmith Circle, Gastonia 28056
 Robinson, Mary S. (Union County)
 Row, Kim (Greensboro: Guilford Presbyterian), 3310 Warwick Dr., Jamestown 27282

Talbert, Rosa Linda (Bible Instructor, Shelby Schools), 3003 River Rd., Shelby 28152
 Washam, Sherry (Cornelius: Mount Zion), 19600 Zion St., Cornelius 28031
 Wooten, Marilyn B. (Mineral Springs), P.O. Box 67, Mineral Springs 28108
 Work, Nellie C., 531 Margaret Dr., Statesville 28677

Beverly Parker-Reece, *President*

Q. COMMISSION ON COMMUNICATIONS

The Commission on Communications is the basic support group for communication in the annual conference and is charged with interpreting and supporting other areas in telling their stories. In 2006, the commission adopted a mission statement: *Equipping United Methodists in Western North Carolina to show and tell the story.*

With changes in leadership and the cessation of the *North Carolina Christian Advocate*, the commission has been busy reevaluating the communication needs of the conference. With discussion continuing about the structure of the conference, many new ideas have been put on hold.

Effective July 1, 2006, Dawn M. Hand, who was the director of communication, was appointed to a local church. Mark L. Barden, who was previously the director of mission/outreach, became the new director of communication, also carrying duties for Town and Country, the conference-wide Africa University Mission Initiative, the Council on Laity, and the Committee on Church and Society. Also in July, the commission chairperson, Neill M. Caldwell, Jr., accepted a position with the Virginia Annual Conference. Kelly Keesling was elected as the new chairperson.

With the desistance of the *Advocate* at the end of 2005, the commission has been evaluating the impact to the conference. A task force was appointed to look into the feasibility and importance of a new print publication.

This year, the commission will fully take over responsibility for the annual conference *Daily Digest* from the conference secretary's office. Look for improvements, including online updates during the conference.

Our website, www.wnccumc.org, is continually being updated and improved. A new commentary section, with weekly columns, was added to the website this year. Writers include Harold K. Bales, James C. Howell, Mary John Dye, Frederick Jones, and Michael A. Macdonald.

We encourage all clergy and laity to subscribe to the weekly *WNCC e-News*, with convenient ministry links. Send your e-mail address to webministry@wnccumc.org, with "e-news subscribe" in the subject line. If you are a clergy person, please insert "e-news subscribe clergy" in the subject line.

Kelly Keesling, *Chairperson*

R. COMMITTEE ON CONFERENCE STAFF RELATIONS

The Committee on Conference Staff Relations (CSRC) is inclusive of various constituencies of the annual conference: Kenneth M. Partin, chairperson; Stephen D. Haines, vice-chairperson; Jennifer P. Davis, secretary; Betty Jo Hardy, conference lay leader; Robert E. Shepherd, chairperson of the Conference Ministries Advisory Council; James C. Windham, Jr., president of the Council on Finance and Administration; Michael G. Carle, president of the Council on Congregational Development; Sam H. Smith, Jr., chairperson of the board of the United Methodist Foundation; Patricia A. Lewis, secretary of the Cabinet; Ramona M. Clapp; Katherine Clontz Sherrill; Bishop J. Lawrence McCleskey; William H. Osborne, Jr.; and James T. Trollinger.

During the 2006-2007 conference year, the CSRC has met quarterly. Focal points of our year have included continued implementation of the staff reorganization, new personnel policies for the conference, a uniform evaluation process, a staff-appreciation luncheon in October, implementation of Safe Sanctuaries policies for conference staff, and participation in a conference risk-management meeting.

As the Conference Structure Study Task Force continues its work and makes its recommendations to the annual conference, the CSRC has determined that any vacant program-staff position will be filled only on an interim basis.

The CSRC affirms the good work and effective ministry of our conference staff, especially as they work with fewer financial resources and uncertainty as to the future structure of the conference.

Kenneth M. Partin, *Chairperson*

S. COMMITTEE ON EPISCOPACY

In the first year of the quadrennium, the annual conference Committee on Episcopacy focused on the planning of three services of welcoming for our newly assigned resident bishop, J. Lawrence McCleskey. Our meetings in that year were occasions to discuss issues related to the transition and to hear the diverse voices of the annual conference, represented by the membership on the committee. In the second year, we transitioned to matters related to the vision of the annual conference—to *follow Jesus, make disciples and transform the world*—and the particular characteristics of Christ-centered transformation inherent in this vision. In particular, we have discussed the role of the bishop in leading us more deeply into this mission and vision, and we have reflected on the quality of the bishop-annual conference relationship and how we might be supportive of Lawrence and Margaret McCleskey. In this third year, we have reflected on feedback related to the vision of the annual conference, particularly in matters related to financial stewardship, biblically-based discipleship, and our understanding of connectionalism. We have also been engaged in the transition occasioned by the impending retirement of William H. (Bill) Osborne, Jr., assistant to the bishop, and the naming of the new assistant, to be assigned at this annual conference by Bishop McCleskey. In addition, we mourned the death of one of our commit-

tee members, Ray G. Boger. Next year, our agenda will move toward matters of transition, in the retirement of Bishop McCleskey in 2008 (as mandated by the *Discipline*) and in anticipation of a new episcopal leader.

We are grateful for the presence of Lawrence and Margaret McCleskey and recognize the importance of their leadership, for the sake of the crucial mission that God has given to us. The committee asks that you pray for our bishop and his family, and for the work of the committee and its members.

Kenneth H. Carter, Jr., *Chairperson*
James Sibert, *Vice-Chairperson*
Kimberly T. Ingram, *Secretary*

Other Members: Edward Broadwell, Jennifer P. Davis, Betty Jo C. Hardy, N. Fred Jordan, Jr., Mary K. Kizer, Mitchell Matthews, Samuel H. Moore, Jr., Daphine L. Strickland, Maggie G. Tilley, Earl Wilson, Jr., Robert Winchester, Charles D. (Denny) White, Jr., Thomas W. Wilson, Jr., and Jack Young.

T. EPISCOPAL RESIDENCE COMMITTEE

The Episcopal Residence Committee is pleased to report that Bishop and Mrs. J. Lawrence McCleskey have been comfortably settled in the new residence at 2506 Windsor Crescent Court, Charlotte, since mid-July 2005. The family is enjoying the new residence, and it feels very comfortable to them. The committee met at the residence with the bishop in February to review the past year. The residence endowment reserve now stands at \$82,686.64, and the conference budget amount for upkeep and utilities for the years 2007 and 2008 is \$10,000 per year. The committee is aware of the upcoming episcopal transition in 2008 and has budgeted for any possible transition expenses at the residence. Lastly, the committee appreciates the service of Thomas W. Wilson, Jr., representative from the Council on Finance and Administration, and wishes him well as he serves now on the Committee on Episcopacy.

Jennifer P. Davis, *Chairperson*

U. COMMISSION ON EQUITABLE COMPENSATION (CEC)

(Petition 16)

(Adopted on June 8, 2007)

Policies and Guidelines for Administering the Equitable Compensation Fund (Calendar Year 2008)

1. Policies Pertaining to the Commission on Equitable Compensation

Paragraphs 333 and 616 of the 2004 *Book of Discipline* direct the Commission on Equitable Compensation (CEC) to recommend a minimum level of pastoral compensation for clergy serving as local-church pastors under episcopal appointment and to administer the Equitable Compensation Fund (ECF) as a source of funding of last resort for pastors-in-charge in order to maintain a living, equitable level of compensation for these itinerant ministers.

Two categories of support are available from the ECF: emergency sustentation grants and regular grants.

Emergency sustentation grants are available under the provisions of ¶ 622, which states that each church or charge has an obligation to pay in full compensation, as approved by the charge conference, to its pastor(s). If it becomes apparent that a church or charge will be unable to so provide the compensation approved by the charge conference, the church or charge shall immediately notify the district superintendent and may request consideration for a short-term emergency grant from the Equitable Compensation Fund (cf. also ¶ 624).

Regular grants are available for those churches or charges which, at their annual charge conferences, determine that they will be unable to provide compensation at the minimum level set by our annual conference. In cooperation with the bishop and cabinet, the CEC offers grants, on a declining schedule, totaling no more than 30% of the appropriate minimum pastoral compensation for a period of three or fewer years. In the first year, a church or charge may receive up to 100% of the maximum available grant; in the second year, up to 70%; in the third year, up to 40%. During this period, the church or charge must adopt and follow a plan, approved by the district superintendent, that eliminates the need for this assistance. After the third year, a church or charge will not be eligible for a regular grant.

In consultation with the district superintendent, representatives of the CEC shall meet with any clergy person who has received equitable-compensation grants for five consecutive years.

2. Definitions and Classifications of Pastors

a. Full-Time Pastors: Subject to these policies and guidelines, pastors appointed to full-time service under ¶ 329.1 or ¶ 343.1 shall have a claim upon the ECF and shall not receive less than the minimum compensation specified in the current schedule (¶ 333).

b. Pastors Serving Less Than Full Time: Subject to these policies and guidelines, elders and probationary members serving as pastors appointed to less than full-time service under the provisions of ¶ 329.2 shall have a claim upon the ECF in one-quarter-time increments of either $\frac{3}{4}$, $\frac{1}{2}$, or $\frac{1}{4}$ time as negotiated by the district superintendent at the time of the appointment, receiving not less than this percentage of the minimum compensation specified in the current schedule.

c. Pastors Attending School: Subject to these policies and guidelines, a pastor appointed to a church or charge who is enrolled in good standing in a college or seminary for a minimum of nine hours per semester or equivalent in fulfillment of the requirements for conference affiliation and who is not otherwise gainfully employed shall have a claim upon the ECF in an amount based upon the one-quarter-time incre-

ments as negotiated by the district superintendent at the time of the appointment, which shall not exceed $\frac{3}{4}$ time. In determining the compensation for a pastor attending school, grants received for educational expenses shall not be considered as part of compensation. Pastors who discontinue or complete their studies and intend to be considered as serving full time shall be compensated at that level only after certification by the CEC.

- d. **Part-Time Local Pastors and Retired Supply Pastors:** Since the ECF is designed to support those in full-time services as pastors of our local churches, those charges utilizing part-time local pastors or retired supply pastors shall not have a claim upon the ECF.
- e. **Pastors Engaged in Continuing Education:** Inasmuch as continuing education is required of all ordained clergy, no pastor engaged in a program of continuing education under ¶ 349 shall by reason of such study leave be denied the minimum compensation support as specified in the current schedule, except that in cases of educational leave in excess of one month, the supplement shall be adjusted as negotiated by the district superintendent and the CEC.
- f. **Deacons in Full Connection:** As provided in ¶ 331.14b, deacons in full connection serving within the local church "shall receive a salary from the local church, charge, or cooperative parish not less than the minimum salary established by the equitable compensation policy of the annual conference for full-time and part-time pastors," although these entities should be reminded that they are fully responsible for the compensation of these individuals. If the bishop and cabinet appoint a deacon in full connection to a position as pastor-in-charge of a local church or charge, that individual shall have a claim upon the ECF and shall not receive less than the minimum compensation specified in the current schedule for elders in full connection.
- g. **Definition of Compensation:** As used by the CEC the term "compensation" includes the annual amount designated as cash salary for service rendered, additional insurance premiums over and above the conference-approved program of individual medical insurance for clergy, accountable professional expenses, household expenses paid by the local charge, and other fringe benefits. Compensation does not include housing allowance in lieu of parsonage to the extent of actual housing expenses, fair market value of supplied parsonages, reimbursement for parish-related travel expenses paid by the local charge to the extent of actual travel expenses or use of an automobile for parish travel purposes, funds provided for continuing education to the extent they are used for that purpose, *bona fide* gifts or honoraria for special services, allowances for moving expenses paid by the annual conference or local church, or individual medical insurance premiums in the amount of the conference-approved program of insurance for clergy.
- h. **Request Procedures:** Regular grants from the CEC must be requested by a formal action of the charge conference, supported by a written grant application, using the CEC form available through the conference web page, and signed by the district superintendent, the pastor, and the secretary of the charge conference. Requests must be completed in full and be accompanied by all required documentation in order to be processed by the CEC. Requests must be made at least 30 days prior to the month when the assistance is to commence. In these cases, the local church or charge must pay at least 70% of the minimum applicable to its pastor. For sustentation grants, the district superintendent is responsible for submitting documentation to the cabinet and CEC executive committee for immediate processing, approval, and payment authorization.
- i. **Executive Committee:** During each quadrennium, at its organizational meeting, the CEC shall elect an executive committee consisting of a chairperson, a vice-chairperson, a secretary, and additional members from the full commission as needed, so that the executive committee consists of an equal number of clergy and lay persons. The assistant to the bishop and a cabinet representative will serve as *ex-officio* members of the executive committee.

3. Guidelines for Recommending Minimum Compensation

The CEC desires to recommend minimum pastoral compensation that is equitable for both churches and pastors. We acknowledge that economic conditions vary across our annual conference. To be equitable, therefore, we must be aware of the financial impact of our recommendations upon the local churches in order not to make pastoral support an excessive burden, while providing our clergy with fair, living, and equitable compensation.

In making our recommendations, we refer to changes in the North Carolina *per capita* Income (NCPCI), as maintained by the United States Bureau of Economic Analysis, on a two-year-lag basis (the earliest time for which data are obtainable). The NCPCI offers a true measure of the underlying economy in which our congregations exist and is independent of our own conference actions. We give additional consideration to the two-year-lag Conference Average Compensation (CAC) and other measures of the health of our churches and the economy as deemed necessary, segmenting the minimum compensation levels into the following categories:

- Elders in Full Connection.
- Probationary/Associate Members.
- Local Pastors who have completed the Course of Study.
- Local Pastors who have not completed of the Course of Study.

4. Proposals:

The CEC proposes the adoption of these policies, definitions, and classifications for administering the ECF and these guidelines and schedules for recommending minimum compensation for 2008.

A. Schedule of Minimum Compensation for Pastors Serving Full-Time Appointments in 2008:

Elders In Full Connection	\$38,633
Probationary/Associate Members	\$34,620
Local Pastors who have completed the Course of Study	\$32,458
Local Pastors before completion of the Course of Study	\$30,912
Student Pastors	\$24,346

B. Allocation of Requested Equitable Compensation Fund Budget for 2008

Emergency Sustentation Grants.....	\$ 10,000
Regular Grants	285,000
Expenses of the Commission	5,000
Total	\$300,000

Patrick S. Hamrick, *Chairperson*
 Robert D. Upchurch, *Vice-Chairperson*
 Angela Rogers Marlowe, *Secretary*

V. COMMITTEE ON NOMINATIONS**Vacancies Filled *ad Interim*****Conference Ministries Advisory Council**

Jane Kirby Campbell, replacing Josefa E. Bethea as an at-large lay member, effective 09-15-2006.
 Jim Gulledege, replacing Judy L. Durham as an at-large lay member, effective 09-15-2006.

Council on Finance and Administration (filled by council as provided in *Discipline* ¶ 611.2b)

James B. Dalton, replacing Eric K. Tang as a lay member, effective 03-01-2007.
 Preston Jones, replacing Thomas W. Wilson, Jr., as a lay member, effective 03-01-2007.

Council on Congregational Development

Timothy K. Roberts, replacing David E. Smith, Jr., as Lexington District representative, effective 06-26-2007.
 Lynda T. Briggs, replacing H. Steven Kiser as Marion District representative, effective 06-26-2007.
 David H. Christy, replacing W. George Yates as Waynesville District representative, effective 06-26-2007.
 David E. Smith, Jr., replacing William (Blue) Angel as an at-large member, effective 06-26-2007.
 Percival T. Reeves, replacing Jeff Isehour as an at-large member, effective 06-26-2007.

Board of Ordained Ministry (Bishop's appointments)

Stephen L. Autrey, replacing Barry P. Osborne as a member who is an elder, effective 06-26-2007.
 C. Sydnor Thompson III, replacing Phillip B. Cole as a member who is an elder, effective 06-26-2007.
 John K. Ferree, replacing William T. Medlin III as a member who is an elder, effective 06-26-2007.
 Karen C. Kurtz, filling a previously unfilled vacancy as a local pastor, effective 09-01-2006.
 William L. Noell III, replacing Dennis G. Carroll as a lay member, effective 06-26-2007.

Commission on Nurture Ministries

B. Tracy Carroll, replacing Lori T. Duncan as Albemarle District clergy representative, effective 06-26-2007.
 Beverly L. Parker-Reece, replacing Richard D. Auten as Charlotte District clergy representative, effective 06-26-2007.
 H. Eugene Moore, replacing LaNell Johnson as Gastonia District clergy representative, effective 06-26-2007.
 Toni Ruth Smith, replacing Crystal M. Alexander as Lexington District clergy representative, effective 06-26-2007.
 Anna L. Barden, replacing Ruth B. Atkinson as Salisbury District clergy representative, effective 06-26-2007.
 Sandra H. Devoid, replacing Rebecca G. Bingham as Charlotte District lay representative, effective 06-26-2007.
 Annette C. Cooper, replacing Ann Ralls Bracket as Greensboro District lay representative, effective 06-26-2007.
 Susan Poole, replacing Joe Zanetti as Northeast District lay representative, effective 06-26-2007.

Commission on Outreach Ministries

W. Douglas Pryor, replacing David A. Wyatt as Northeast District clergy representative, effective 06-26-2007.
 Donald A. Newman, replacing Vance W. Lowe as Salisbury District clergy representative, effective 06-26-2007.
 Julie Young, replacing Glenn Rowland as Gastonia District lay representative, effective 06-26-2007.
 Tracy Yancey, replacing Pam Andrews as Marion District lay representative, effective 06-26-2007.
 Mahalia L. McGee, replacing Patty Goode as Northeast District lay representative, effective 08-15-2006.
 Gary Emerson, replacing Darlene Angel as Salisbury District lay representative, effective 06-26-2007.
 Roy Dunaway, replacing Mahalia L. McGee as an at-large member, effective 08-15-2006.

Commission on Witness Ministries

Benjamin C. Clodfelter, replacing Timothy K. Roberts as Lexington District clergy representative, effective 06-26-2007.
 John C. Fitzgerald, replacing F. Ronald Smith as North Wilkesboro District clergy representative, effective 06-26-2007.
 C. Darrin Everhart, filling a previously unfilled vacancy as Salisbury District clergy representative, effective 08-01-2006.
 Robert L. Kerr, replacing Roger L. Hunter as Statesville District clergy representative, effective 08-15-2006.
 Virginia Braswell, replacing Grace B. Morris as Albemarle District lay representative, effective 06-26-2007.
 Gracie Subasavage, replacing Chris Locklear as Greensboro District lay representative, effective 06-26-2007.
 Jack Young, replacing Lucille Parsons as High Point District lay representative, effective 06-26-2007.
 Mike Baumberger, replacing Dorothy Roche as Marion District lay representative, effective 06-26-2007.
 Larry Bentley, replacing Bob Ollis as Salisbury District lay representative, effective 06-26-2007.
 Wanda Carpenter, replacing Larry Toohy as Statesville District lay representative, effective 06-26-2007.
 Linda Masters, replacing Amy Forga as Waynesville District lay representative, effective 06-26-2007.
 Rosa Reynolds, replacing Shirley Dunlap as Winston-Salem District lay representative, effective 06-26-2007.

Commission on Christian Unity and Interreligious Concerns

A. Owen Peeler, replacing Glenn S. Griffiths as an at-large clergy member, effective 06-26-2007.
 Peter R. Parish, replacing Larry L. Kimel as an at-large clergy member, effective 06-26-2007.

Representatives to North Carolina Council of Churches

Terms to expire in 2010: Glenn S. Griffiths, Lisa Hartzog Hannah, Faye L. Herbin, LaNell Johnson, Peter R. Parish, A. Owen Peeler.

Conference Secretary of Global Ministries

Michael W. Collins.

J. Lawrence McCleskey, *Chairperson*
Charles D. White, Jr., *Secretary*

W. PARADIGM IMPACT STUDY COMMITTEE

The United Methodists of western North Carolina are a blessed and resourceful people. Think about the ministries our congregations are sharing in the name of Jesus Christ. While the conference's funding paradigm may give us some cause for concern, we all need to see that our concerns are really opportunities for the mission and ministry of the Church.

At the 2005 annual conference, Petition 18, "Re-examine the Funding Paradigm," from the Conference Council on Youth Ministries (CCYM), was referred to the Paradigm Impact Study Committee (PISC). Subsequently, Katie S. Fralic, director of youth and young adult ministries, provided us with an excellent letter from the CCYM concerning "what they understood and did not understand" about the paradigm and its impact(s)." From the outset, our committee wants to commend the CCYM for their considerable knowledge and discernment. Each member of PISC was provided a copy of this letter, and we determined that three of our members—Scott E. Ireland, Sherri E. Barnes, and Phillip B. Cole— would meet with the CCYM and open a dialogue. (The deadline for this report preceded March 25, 2006, meeting.)

Paradigm impacts observed by the committee:

1. The impact of the paradigm reveals that our focus should be on God's Kingdom and ministries.
2. The impact of less funding available for ministries, missions, and program staff salaries raises the possibility that we may need to reconsider our priorities for ministries and missions. This impact has revealed a "disconnect" between administration and program ministries.
3. The impact of allowing for "choice empowerment" raises the question of equitable distribution of conference leadership/resources to local churches.
4. The impact of the paradigm reveals our need to improve our communication and education regarding the ministries/programs/connectionalism of the annual conference.
5. The impact of the paradigm has raised our consciousness of stewardship and the need for additional/creative ways of funding program staff and ministries. (For example, a major question of funding has been the per diems paid at annual conference, but they represent only 0.86% of the conference budget.)
6. The impact of the paradigm has resulted in cuts in the mission and ministries of the annual conference and placed the burden of fund development on existing staff.
7. The impact of the paradigm also raises these questions/concerns:
 - Are we dismantling our connectionalism?
 - Are we creating competition among ministries for funding of boards and agencies?
 - There is a need for an emphasis on stewardship.
 - Is there a broadened/highlighted disconnect between the annual conference and local churches?
 - There is a need for accountability and integrity.

Working with our conference treasurer's office, we offer the accompanying spreadsheet [see next page] as evidence of financial impact.

As God's people, we are experiencing a heightened awareness of stewardship and its spiritual importance. Our committee eagerly anticipates the reports and work of the committees for stewardship of giving and stewardship of managing. We should all share in this vital work.

Phillip B. Cole, *Chairperson*
Patricia W. Wiseman, *Vice-Chairperson*
Mildred S. Carter, *Secretary*
Robert E. Roach, *Cabinet Representative*

SHORT HISTORY OF CONFERENCE BUDGET ACCEPTANCES
Amount Accepted and Percentage of Budget Amount Paid — 2003–2007

Fund Number	Fund Name	2003 Budgeted	2003 Accepted	2003 Paid	2004 Budgeted	2004 Accepted	2004 Paid	2005 Budgeted	2005 Accepted	2005 Paid	2006 Budgeted	2006 Accepted	2006 Paid	2007 Budgeted	2007 Accepted	2007 Paid
501	Pastor's Health Insurance	\$ 3,684,189	98.69%	96.27%	\$ 4,181,649	98.76%	95.71%	\$ 4,208,995	99.51%	98.84%	\$ 4,850,000	98.73%	97.34%	\$ 5,072,220	99.88%	97.34%
502	Pastor's Pension Benefit	4,700,000	99.18%	95.12%	6,200,000	98.57%	93.23%	6,863,747	99.10%	95.28%	7,275,000	98.43%	95.93%	5,931,825	99.94%	90.81%
503	Episcopal Fund	613,519	99.12%	94.95%	618,316	98.30%	92.56%	727,443	98.43%	92.28%	744,898	96.47%	90.81%	774,912	97.04%	90.81%
504	District Superintendents' Fund	1,316,166	99.10%	94.83%	1,400,632	98.46%	93.06%	1,449,116	98.45%	92.19%	1,471,250	97.71%	92.00%	1,530,624	97.44%	92.00%
505	Conference Support and Admin.	5,112,829	97.51%	93.18%	4,089,234	97.07%	91.90%	4,240,716	97.64%	92.36%	4,255,566	97.29%	92.11%	2,158,797	97.04%	92.11%
Retiree/Incapacity Insurance														2,214,000	96.93%	96.93%
506	Equitable Compensation Fund	206,000	99.38%	96.38%	306,000	98.59%	95.02%	321,300	98.81%	92.99%	330,584	98.70%	93.39%	298,000	97.51%	93.39%
507	Conference Program Ministries	1,186,900	94.08%	90.43%	1,965,468	91.16%	85.32%	2,049,225	71.17%	68.42%	1,931,540	73.97%	70.16%	1,525,746	80.90%	70.16%
508	Congregational Development	1,000,000	75.51%	62.78%	1,000,000	63.44%	52.41%	1,570,129	56.61%	56.40%	1,240,041	65.17%	60.81%	992,028	76.87%	60.81%
509	Higher Ed: Colleges & Univs.	1,596,437	93.73%	89.43%	1,155,396	90.18%	83.09%	1,618,448	69.31%	65.58%	817,137	70.97%	66.90%	734,772	78.55%	66.90%
510	Higher Ed: Campus Ministry	776,600	92.97%	88.76%	359,260	91.13%	84.37%	776,600	68.64%	65.50%	505,305	75.56%	71.72%	453,833	81.32%	71.72%
511	Health and Human Services	2,517,753	92.65%	88.80%	2,591,640	88.58%	83.25%	2,809,224	66.43%	63.98%	559,711	73.10%	69.51%	569,832	78.67%	69.51%
512	World Service Fund	91,638	93.28%	88.94%	93,924	90.27%	83.75%	96,119	72.78%	71.03%	94,293	87.92%	85.42%	3,013,812	74.47%	85.42%
513	Africa University Fund	409,412	92.74%	88.31%	419,721	89.74%	83.22%	418,496	66.93%	64.49%	421,239	69.33%	65.31%	412,961	75.03%	65.31%
514	Black College Fund	238,131	93.11%	88.65%	246,901	90.20%	83.56%	246,497	67.89%	65.14%	256,683	69.02%	65.24%	260,647	76.21%	65.24%
515	General Administration Fund	81,006	92.77%	88.55%	78,896	90.30%	83.73%	82,282	65.30%	62.68%	82,082	66.81%	63.29%	80,295	73.27%	63.29%
516	Interdenom. Cooperation Fund	221,158	93.05%	88.61%	225,370	90.03%	83.37%	225,370	69.87%	66.18%	225,370	66.14%	62.31%	225,370	74.72%	62.31%
517	Jurisdictional Administration Fund	1,037,092	92.90%	88.72%	1,052,444	89.79%	82.72%	1,045,318	70.43%	67.36%	1,056,085	73.05%	68.99%	1,037,082	79.04%	68.99%
518	Lake Junaluska Restoration Fund				1,335,296	56.70%	43.16%	36,949	63.25%	60.95%	36,949	67.36%	63.83%	36,949	77.61%	63.83%
519	Ministerial Education Fund				\$ 27,320,147	92.43%	86.62%	\$ 28,785,974	86.67%	83.39%	\$ 29,075,966	88.39%	84.97%	\$ 27,414,899	91.76%	84.97%
Ministries First																
Total Amount		\$ 24,788,830	95.83%	91.60%	\$ 27,320,147	92.43%	86.62%	\$ 28,785,974	86.67%	83.39%	\$ 29,075,966	88.39%	84.97%	\$ 27,414,899	91.76%	84.97%
															\$ 25,155,263	

X. STEWARDSHIP OF GIVING TASK FORCE

The conference Stewardship of Giving Task Force, in partnership with the United Methodist Foundation of Western North Carolina, Inc., has been busy during the 2006-07 conference year. In the fall, a series of clergy events were held, at which Reverend David Bell, director of The Center for Christian Stewardship of the General Board of Discipleship, presented a day-long program entitled, *Encouraging the Joy of Generous Giving: A Call to Financial Discipleship*. Response was very favorable, with 750+ pastors attending. In addition, there is a noticeable increase in stewardship awareness within the local-church setting. Also, a stewardship Epiphany Bible study/sermon outline was distributed for use throughout the conference.

There are more events planned for the remainder of this quadrennium. We look forward to sharing these plans with you during the Stewardship of Giving Task Force presentation, to be given on Friday afternoon of annual conference.

Sam H. Smith, Jr., *Chairperson*

Y. TASK FORCE ON ANNUAL CONFERENCE REORGANIZATION

DREAMS AND VISIONS FOR MAKING DISCIPLES WESTERN NORTH CAROLINA CONFERENCE THE UNITED METHODIST CHURCH

The vision statement of the Western North Carolina Conference is clear and concise: **Follow Jesus, Make Disciples, Transform The World.** The congregations and people of this annual conference are called to show in their lives that they are a connection of Christ-centered, disciple-making, and transformational communities.

Follow Jesus. We believe the church has the privilege to bring persons to faith in Jesus Christ as Lord and Savior. We are committed to bringing persons who do not know Jesus Christ into the church, that they might experience the life-changing grace of Christ and participate in the world-transforming ministry of that grace. This focus can be measured by professions of faith, increased participation in worship and in small group spiritual growth experiences, and other expressions of the church's saving life and fellowship.

Make Disciples. Our church is called to lead persons to grow towards spiritual maturity in the Wesleyan sense of perfection in grace. This growth can be measured in terms of participation in spiritual growth groups and in teaching and learning our faith. These activities promote mental, spiritual, and physical health in our laity, clergy, and congregations, as they provide biblical and theological learning experiences that lead to maturity in Christian discipleship.

Transform The World. The congregations and people of this annual conference have the opportunity to be involved in activities that change our local communities and the world towards conformation with the image of Christ. This calling is fulfilled in ministries that are local and based in specific communities where our congregations are found, and in ministries that are connectional and reach around the world. We respond in such ministries as Katrina relief, Project AGAPE, Africa University scholarships, and other efforts to care for the poor and suffering. We also engage in efforts which nurture Christian unity amidst diversity. Our response involves using both dollars and human energy in ways which make a profound difference in the world in the name of Jesus Christ.

It is with this vision in sight that the Task Force on Annual Conference Reorganization, authorized by the 2006 session of the annual conference, has pursued its work. The group has met on eight occasions, for a total of 13 days. In addition, sub-committees have met repeatedly for many days. Our conversations have been wide-ranging and lively. The total life of the conference has been and continues to be "on the table." All our explorations have been undertaken to fulfill our vision and enable our conference to be as efficient and effective as possible in our connectional efforts to bring the gospel to the people and communities of our conference and world. Part of our task is to devise means of evaluating the effectiveness of the conference and congregations in fulfilling our mission of making disciples. Consequently, we continually ask what kind of structure, staffing, and budget will fulfill the requirements of our polity and lead us to be faithful to our calling to make disciples of Jesus Christ.

Throughout our work, we have invited a broad range of persons from across the conference to meet with us, and we will continue to do so. We have discussed and explored a wide range of issues and aspects of the life and ministry of the conference. These include the following (and more):

- accountability of congregations and clergy, both in terms of numbers and growth in grace, or "doing" and "being";
- the number and formation of districts which will provide the most effective and efficient support and supervision of churches and pastors and serve our growing population;
- the possibility of a new method of setting compensation of district superintendents, in which salaries would vary, depending upon a variety of factors, such as salary from which a new superintendent moves to a district, a maximum salary, and a total cap within which all superintendent appointments must be made;
- the formation of covenant peer groups for clergy and laity for purposes of mutual growth, accountability, encouragement, insight, and support, to help us "watch over one another in love;"
- where and how to house the conference's offices in the most effective and efficient manner;
- growing legal concerns about personnel and property confronting the conference and how best to be staffed for responding to such concerns;
- the conference's information technology needs and the most effective and efficient manner to provide for those needs;
- the conference staff, its size, purposes, description, configuration, and deployment, in order to provide the best resources for effective ministry to strengthen our congregations and districts;