

**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*

## COMMITTEE ON THE ANNUAL CONFERENCE MEETING

The Committee on the Annual Conference Meetings welcomes the members of the 2008 conference to the fourth and last session of the current quadrennium, during which we have been focusing on the theme, "Follow Jesus – Make Disciples – Transform the World." We invite you to join us in, first, celebrating the ways in which this shared vision has found expression in our midst and, second, continuing to discover ways in which we may shape our future in commitment to the vision.

Those who preach and teach at conference each year are pivotal in defining what the experience of conference means for us. For the fourth consecutive year, Bishop J. Lawrence McCleskey has invited clergy members of our own conference to fill these roles. In-Yong Lee, pastor of St. Paul's Church, Asheville, and K. Wesley Judy, pastor of First Church, Forest City, will be conference preachers for 2008. Our Bible lecturers will be Veranita G. Alvord, pastor of Hoyle Memorial Church, Shelby, and Jeremy I. Troxler, director of the Thriving Rural Communities Initiative at Duke Divinity School. We also welcome Vincent Sutlive, of Crossroads Church, Concord, whom the Council on Laity has chosen to deliver the Laity Address on Friday evening.

We give special thanks for the dedicated service of so many persons who labor on our behalf. Among these are our 2008 host district, the Marion District, and its superintendent, Phillip B. Cole. Our three chief ushers—Holly C. Adams, Mary Alice Bradley, and Ed Eller—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 John-Palmer Smith, minister of music and the arts at First Church, Charlotte, will be leading us in music. To all of these, along with our speakers, worship planning team members,

secretarial and Treasury Services staff members, communications team, registration volunteers, and so many others, we extend our heartfelt thanks.

The committee joins the entire conference family in expressing thanks for the ministries of two officers of the conference, one of whom will be retiring at the 2008 session, with the other retiring later in the summer. After 25 years as conference secretary and 42 years of ordained ministry, Charles D. (Denny) White, Jr., will retire at the June session. The 2007 conference session elected Kimberly Tyree Ingram as secretary-designate, and we welcome her to this new responsibility, noting that she will be the first woman and the first deacon to hold this office. On August 31, Bishop J. Lawrence McCleskey, president of the conference, having served as a bishop of the church for 12 of his 45 years of active ministry, will be granted retirement. The July 2008 session of the Southeastern Jurisdictional Conference will assign a new episcopal leader to the Charlotte Area, effective September 1, and we await that announcement with expectancy. The Committee on Episcopacy and the Committee on Conference Staff Relations have arranged for special times of recognition during our 2008 session for Bishop McCleskey and Dr. White.

As you have opportunity, we encourage 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 2007 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:

<i>Preference in 2008</i>	<i>Preference in 2010</i>
Marion District	High Point District
Waynesville District	Greensboro District
Statesville District	Lexington District
Asheville District	<i>Preference in 2011</i>
<i>Preference in 2009</i>	Winston-Salem District
Albemarle District	Northeast District
Charlotte District	North Wilkesboro District
Gastonia District	Salisbury 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 thanks United Printing Company, of Charlotte, Jeff Buseick, president, for serving us so well as publisher of our 2007 materials, and we have awarded the 2008 printing contract to that firm.

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](http://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.

The 2007 conference, at our recommendation, dealt with its legislative agenda without forum groups for the first time since the 1960s, when legislative committees, the predecessors to forum groups, were put in place. The 2007 session also directed the conference secretary to produce a revision of the conference Plan of Organization and Rules of Order and Procedure which would remove forum groups for 2008 and future years. The committee has approved the draft and puts it before you elsewhere in this volume. We encourage your favorable action upon this revision, which we believe offers an efficient and effective way of dealing with the relatively small number of petitions which come to the conference each year.

In our proposals below, you will find that we are asking for a new conference pictorial directory to be produced in 2009. It has become our tradition to have a new directory every four years. The last one was done in 2005, so 2009 is the appropriate year in which to make a new directory available.

Perhaps the most unique experience in the conference as a whole this past year was the special session held on February 2 in Hickory. Some 1,800 conference members gathered at the Hickory Metro Convention Center to act upon the report from the Task Force on Conference Reorganization. We are so

very grateful to all who worked, many of them behind the scenes, to make that session happen: The personnel of the convention center; the members of Christ Church, Hickory, who directed parking and provided courtesy-van service; the youth of the 2008 confirmation class at First Church, Newton, who helped distribute and collect materials; lay and clergy members of the Statesville District, who served as ushers; and many others, such as Mark L. Barden, Jane F. Suther, Sandra S. Hargett, Debra S. Younts, and Susan L. Yarski, whose services to the conference are always invaluable.

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

### Proposals: The Annual Conference Meeting

#### (Petition 17)

The Committee on the Annual Conference Meeting proposes:

1. That the conference accept the invitation of Lake Junaluska Assembly to hold the 2009 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 2009.
3. That the Albemarle District serve as the host district for the 2009 session of the annual conference.
4. That each district provide three persons to serve as ushers for the 2009 conference session, with the ushers from the host district being designated as chief ushers.
5. That the 2008 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 the 2008 journal be \$20 in printed form and \$10 on compact disc.
6. That reputable companies be invited to make inquiries and/or submit bids to the secretary of the conference for the production of the 2009 conference journal and related materials by December 1, 2008.
7. That a conference pictorial directory, similar in form and content to that produced in 2005, be produced in 2009, with photographs to be taken at the 2009 conference session, provided that the directory can be produced with no expenditure of conference budget funds.

### COMMITTEE ON APPEALS

No matter requiring the attention of the Committee on Appeals has been referred to it during the 2007-08 conference year.

Jimmy L. Myers, *Chairperson*

### COMMISSION ON ARCHIVES AND HISTORY

The year 2008 marks the 100<sup>th</sup> anniversary of the Social Creed of The United Methodist Church. "The United Methodist Church has a long history of concern for social justice. Its members have often taken forthright positions on controversial issues involving Christian principles. Early Methodists expressed their opposition to the slave trade, to smuggling, and to the cruel treatment of prisoners" (2004 *Book of Discipline*, page 95). In response to the social needs of that era, The Methodist Episcopal Church adopted a social creed in 1908. Within the next decade, The Methodist Episcopal Church, South, and The Methodist Protestant Church followed suit. From that time on, our denomination has had a creed which has sought to speak to the human needs of the contemporary world. Resources for celebrating this anniversary are available online at [www.gcah.org](http://www.gcah.org).

This year also marks the 40<sup>th</sup> anniversary of the formation of The United Methodist Church through the merger of The Methodist Church and the Evangelical United Brethren Church on April 23, 1968. It also marks the 40<sup>th</sup> anniversary of the formation of the Western North Carolina Annual Conference of The United Methodist Church through the merger of the Western North Carolina Annual Conference of The Methodist Church and part of the North Carolina-Virginia Annual Conference of The Methodist Church on June 5, 1968.

As was noted in our report last year, the Commission on Archives and History has been working with our archival staff to determine our spatial needs for the future. Our present space in the Memorial Center is full, and additional materials are constantly being sent to the archives. The ongoing discussions regarding the conference's Memorial Center have led us to expand our scope regarding options for the future. We plan to continue our discussions with other boards and agencies regarding this critical need, and we hope to bring a concrete recommendation for a solution to the annual conference in the near future.

Ironically, this year marks the 50<sup>th</sup> anniversary of our conference archives, for on June 4, 1958, conference clergy member Joseph W. Lasley presented the following resolutions, which were subsequently adopted:

RESOLVED THAT the Western North Carolina Annual Conference Historical Society es-

establish an Archives for the purpose of preserving items of historical value and interest and especially items of value and interest to our own Conference.

FURTHERMORE, BE IT RESOLVED THAT we make the Methodist Historical Society Building at Lake Junaluska the location of the Archives, except that items of particular interest to the former Methodist Protestant Church shall be deposited in the library of High Point College." (1958 *Journal of the Western North Carolina Annual Conference*, p. 63.)

The need for space in which to preserve our records and documents continues to be a concern for our annual conference.

This year we were saddened by the death of our former conference archivist, Dr. Bernard C. Russell, who served as archivist from July of 1981 through December of 1994. We greatly appreciate the leadership which he provided to this work.

The Commission on Archives and History continues to work with our conference historian, Dr. Linda P. Addo, in the preparation of 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 and remembered.

As part of our report at annual conference, we will highlight these previously mentioned anniversaries within our annual conference and our denomination. We will also recognize those churches which are celebrating their centennial, sesquicentennial, or bicentennial during 2008. 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 the Harrell Center. We invite everyone attending annual conference to come to the Heritage Center to see this display.

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 God help us to learn from our past, that we might better serve Him in the future!

James L. Pyatt, *Chairperson*

### CONFERENCE HISTORICAL SOCIETY

The past year has been a period of reflection about the future of the Conference Historical Society. Attendance at the previous annual meeting on May 19, 2007, was disappointing. Only seven members were present, including four society officers. A significant challenge has been the inability to communicate with prospective members. With direct mail as our only medium, we are restricted to a mailing list of persons who have previously had some contact with the society, and many of these are already members.

The society would like to become more involved in historical pursuits of churches in the conference. Some ways we feel we could assist include on-site visits to help with workshops on historical research, advice on compiling and publishing church histories, and design and publication of other printed materials. Anyone who is interested in any of these activities may contact the society president, Russ Ford, at 9630 Watergate Road, Charlotte, NC 28270, or by e-mail to [russford@windstream.net](mailto:russford@windstream.net).

Russell Ford, *President*

### 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, both on professional and personal levels.

*The Wounded Healer*, by Henri Nouwen, was the focus of the CEF Day Apart in November, with 20 Christian educators present. This timely event was led by educators William G. Benfield and Edward W. Allred.

Our annual CEF Spring Retreat, held in April, focused on "Nurturing Fellowship in the Body of Christ." Leaders for this event included internationally acclaimed storyteller Dr. Tracy Radosevic, Glenn Bannerman, and our own Sandra McGarrah and Sherry Washam.

Because Christian educators are passionate about Christian education and our connectional system, many are offering up their services to assist where needed at little or no charge. Through the efforts of Janet M. Hitch, a link to these services by district is available through the conference website.

The National CEF Conference is being held in Albuquerque, New Mexico, in late October 2008. The Western North Carolina Conference will be represented by more than 20 Christian educators in attendance, and our own Dana Hanlon will be leading a workshop on the effect that cancer has on the whole family.

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 Educa-

tion 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 the Christian Educators Fellowship as

#### Approved Educational Assistants

Browne, Frances, L. (Guilford Youth Initiative), 300 Oakview Road, High Point 27265  
 Christian, Liz (Dana), 25 Montview Dr., Asheville 28801  
 Cooper, Annette (Raleigh's Crossroads), 1002 Cliffwood Ct., Greensboro 27406  
 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  
 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 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. 2<sup>nd</sup> St., Albemarle 28001  
 McKee, Brenda F., 403 E. McLelland Ave., Mooresville 28115  
 McSwain, Alyce, Lake Junaluska 28745  
 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  
 Walter, Norma (North Wilkesboro: First), 801 Wagon Ridge Lane, Ferguson 28624  
 Ware, Mildred (Mooresville: Faith), 436 Kelly Ave., Mooresville 28115  
 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*

### 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. The commission's mission statement is: *Equipping United Methodists in Western North Carolina to show and tell the story.*

With discussion about reorganization at the conference level and its potential effect on the structure of the communications area, the commission was in a "holding pattern" for much of 2007. However, the Print Publication Task Force, appointed by the commission in 2006, continued their research on the feasibility and importance of a new print publication.

In February 2008, the commission endorsed the task force's proposal for a full-color magazine that will celebrate the life and faith of our congregations in western North Carolina. We are excited about this opportunity to connect our congregations and share our stories throughout the conference.

Our website, [www.wnccumc.org](http://www.wnccumc.org), is continually being updated and improved. We also 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](mailto:webministry@wnccumc.org) with "e-news subscribe" in the subject line.

Kelly Keesling, *Chairperson*

### COMMITTEE ON CONFERENCE STAFF RELATIONS

The 2007-2008 conference year is a timeframe in which we acknowledge several conference staff transitions. A new staff position, manager of information technology, was created; Ed Walk assumed this new role on December 1, 2007. On the occasion of their retirements, we express the heartfelt gratitude of the conference to Charles D. (Denny) White, Jr., and Janet M. Hitch. For 25 years, Denny has served as conference secretary, and he has been Board of Ordained Ministry registrar for 16. For 17 years, Janet

has served as our Christian education and nurture staff member. Two of our staff members, C. Yvonne Gritt (controller in Treasury Services) and Christine L. Misenheimer (manager of the Print Shop), celebrated 20 years of service this conference year, and we are thankful for their ministries. Additionally, we acknowledge the upcoming transitions of Arnetta E. Beverly, Kimberly T. Ingram, and Nancy Burgin Rankin to new ministries within the conference.

The Committee on Conference Staff Relations (CSRC) of the conference is modeled after and has responsibilities similar to the committee on staff-parish relations of our local churches.

The committee has worked diligently to develop a clear and concise staff organizational structure; to develop useful policies and procedures for conference staff; to improve communication at all levels; to improve accountability; to understand, determine, and administer compensation for conference staff and district superintendents; and to deal with a variety of other responsibilities.

As a result of the special session of the conference on February 2, 2008, expanded responsibilities have accrued to the conference treasurer and the assistant to the bishop. While these two roles are not officially designated as such under the new organization, the committee sees them as a category of executive staff for the conference. In effect, the treasurer is our chief financial officer, and the assistant to the bishop is our chief operating officer.

The CSRC has also crafted new policies for determining compensation for conference staff, executive staff, and district superintendents. This work was influenced by the work of the Task Force on Conference Reorganization on district and conference leadership and other sources. Following deliberate consideration, the committee has established the following models for determining compensations: (1) the compensation for conference staff will be their current compensation, increased by the most recent cost of living, plus a 1% merit increase; (2) the compensation for the director of connective ministries will be the same as that for a district superintendent; (3) the compensation for district superintendents will be 80% of the bishop's compensation; and (4) the compensation for executive staff will be 95% of the bishop's compensation. (Compensation for bishops is set by the General Conference; the 2009 amount is \$125,659.)

Therefore, the Committee on Conference Staff Relations approved for recommendation to the Council on Finance and Administration, and that council has approved, the total 2009 conference staff budget of \$2,155,860 and the total 2009 District Superintendents' Fund of \$1,832,870.

The committee has taken its role very seriously regarding conference staff, and it seems the results are obvious and positive.

Kenneth M. Partin, *Chairperson*

## 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—*Follow Jesus, Make Disciples, Transform the World*—and the particular characteristics of Christ-centered transformation inherent in this vision. In particular, we discussed the role of the bishop in leading us more deeply into this mission and vision, and we reflected on the quality of the bishop-annual conference relationship and how we might be supportive of Lawrence and Margaret McCleskey.

In the third year, we reflected on feedback related to the vision of the annual conference, in particular in matters related to financial stewardship, biblically-based discipleship, and our understanding of connective ministry. We were also engaged in the transition occasioned by the retirement of William H. (Bill) Osborne, Jr., assistant to the bishop, and the naming of the new assistant, James T. Trollinger.

In the fourth year, our agenda included matters of transition related to the anticipated retirement of Bishop McCleskey in 2008 (as mandated by the *Discipline*) and the assignment of a new episcopal leader. In this time of transition, we participated in a feedback instrument designed by the Southeastern Jurisdiction Committee on Episcopacy and assisted in the planning of the "McCleskey Scholars" evening, held in March 2008. We encourage all clergy and laity in our annual conference to consider a gift to Pfeiffer University in honor of the McCleskeys.

We are grateful for the service of Lawrence and Margaret McCleskey to our annual conference over these four years, and we wish them God's blessings in retirement.

Finally, the chair is grateful for the dedication of the members of the Committee on Episcopacy to this important work, which is all for the sake of our conference's mission and vision.

Kenneth H. Carter, Jr., *Chairperson*

James Sibert, *Vice-Chairperson*

Maggie G. Tilley, *Secretary*

*Other Members:* Jill D. Alventosa-Brown, Edward Broadwell, Jennifer P. Davis, Betty Jo C. Hardy, Mary K. Kizer, Mitchell Matthews, Samuel H. Moore, Jr., Robert E. Roach, Daphne L. Strickland, Earl Wilson, Jr., Robert Winchester, Charles D. (Denny) White, Jr., Thomas W. Wilson, Jr., and Jack Young.

## EPISCOPAL RESIDENCE COMMITTEE

The Episcopal Residence Committee is pleased to report that Bishop and Mrs. J. Lawrence McCleskey have been comfortably using the residence at 2506 Windsor Crescent Court, Charlotte. The family is enjoying the residence, and it feels very comfortable to them. The committee met at the residence with the bishop. The committee plans to care for any minor repairs in mid-August, preparing for our new bishop's arrival in early September. The residence endowment reserve now stands at \$87,942.59, and the conference budget amount for upkeep and utilities for the years 2008 and 2009 is \$10,000 per year.

Jennifer P. Davis, *Chairperson*

## COMMISSION ON EQUITABLE COMPENSATION (CEC)

(Petition 18)

### Policies and Guidelines for Administering the Equitable Compensation Fund (Calendar Year 2009)

#### 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 increments 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 ¶ 331.14*b*, 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/M.Div.
- 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 2009.

**A. Schedule of Minimum Compensation for Pastors Serving Full-Time Appointments in 2009:**

Elders In Full Connection .....	\$40,101
Probationary/Associate Members.....	\$35,935
Local Pastors who have completed the Course of Study/M.Div.....	\$33,691
Local Pastors before completion of the Course of Study .....	\$32,086
Student Pastors .....	\$25,271

**B. Allocation of Requested Equitable Compensation Fund Budget for 2009:**

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*