

### 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 ten 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). A workshop was held in 2005 to train leaders of RIOM groups. A formational retreat for first-year clergy was held in 2005. Three workshops were held in 2005 to train mentors for ministerial candidates. 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 2006 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 2006 annual conference:

Edward W. Allred, Zeb E. Barnhardt, Mary E. Bethea, Rebecca G. Bingham, John L. Borchert, D. Jean Bowman, M. Susan Carmichael, Mark H. Christy, Marion C. Clark, W. Howard Coble, Doris H. Cornelius, Barbara A. Cox, Sarah Reynolds Dixon, Kimberlee J. Dodson, 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  
D. Jean Bowman (\*), P.O. Box 146, Brown Summit 27214  
Paul M. Bradley, Jr. (\*), 4304 Dogwood Dr., Greensboro 27410  
Charlotte G. Brendel, 52 16<sup>th</sup> Ave., N.W., Hickory 28601  
Peggy DeLoatch Bridgers, 2434 Commonwealth Ave., Charlotte 28205  
Cecilia Ann Brown, 1900 Emerywood Dr., Charlotte 28210  
Amy W. Burton, 605 East Boulevard, Charlotte 28203  
M. Susan Carmichael (\*), 266 Merrimon Ave., Asheville 28801  
Ramona M. Clapp (\*), 211 Day Break Dr., Kernersville 27284  
Marion C. Clarke (\*), 414 Lee St., Wadesboro 28170  
Cynthia Howard Core, P.O. Box 332, Jamestown 27282  
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, 176 Robert St., Marion 28752  
Pamela Deck, 2026 N.C. Highway 108, Rutherfordton 28139  
Brandon K. Dirks, 6800 Sardis Rd., Charlotte 28270

Sarah R. Dixon (\*), 3510-A Beacon Hill Dr., Winston-Salem 27106  
 Kimberlee J. Dodson, 101 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, P.O. Box 870, Greensboro 27402  
 Donna Gottschalk Ford, 5614 Underwood Dr., Greensboro 27409  
 Deborah E. Foust, 306 S. Main St., Kernersville 27284  
 Debra L. Gaddy, 3037 Hebron Rd., Hendersonville 28739  
 Ron L. Hall (\*), 305 Kings Marsh Way, Saint Simons Island, GA 31522  
 Dana A. 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 (\*), Route 1, Box 14-A, 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 1959, Highlands 28741  
 Sandra H. Jahn, 311 3<sup>rd</sup> 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, 3835 West W.T. Harris Blvd., Charlotte 28269  
 Thomas S. Lee, Jr. (\*), 610 Carrington Place, Lewisville 27023  
 Sandra M. McGarrh, 2916 Tarrymore Place, Charlotte 28270  
 Sarah Hanko McKinney, 401 6<sup>th</sup> St., North Wilkesboro 28659  
 Sallyanne Irwin McVay, 954 Tunnel Rd., Asheville 28805  
 Elizabeth H. Orrell, 130 Creekstone Court, Winston-Salem 27104  
 Beverly L. Parker-Reece, 610 Centenary Church Rd., Mount Ulla 28125  
 Sybil R. Parks, 204 6<sup>th</sup> 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  
 Reuellyn Pletcher Thomas, 128 Westwood Lane, Elkin 28621  
 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**

Amy W. Burton, 605 East Boulevard, Charlotte 28203  
 Brandon K. Dirks, 6800 Sardis Rd., Charlotte 28270  
 Bernard G. Dougherty, P.O. Box 870, Greensboro 27402  
 Dana Hanlon, 2424 Oak Ridge Road, Oak Ridge 27310  
 Jonathan V. Hunter, 3 Old Farm Rd., Salisbury 28147  
 Kimberly T. Ingram, P.O. Box 1959, Highlands 28741  
 Kathleen H. Kilbourne, 4701 Park Rd., Charlotte 28209  
 Sarah Hanko McKinney, 401 6<sup>th</sup> St., North Wilkesboro 28659  
 Reuellyn Pletcher Thomas, 108 Reeds Lane, Elkin 28621  
 Susan E. Norman Vickers, 410 N. Holden Rd., Greensboro 27410

**(c) 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

**(d) 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:

**(e) 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

**(f) 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, 3835 West W.T. Harris Blvd., Charlotte 28269  
 Suzanne B. Northcraft (\*), 3513 Waterway Dr., Pfafftown 27040

**(g) Commissioned Deaconesses**

Lynn S. Barnes, P.O. Box 69, Elkin 28621  
 Mary E. Bethea (\*), 266 Merrimon Ave., Asheville 28801  
 Barbara Blevins, 108 Montford Ave., 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  
 Brenda J. Connelly, 1863 Twin Ponds Dr., Hickory 28062  
 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-Rich, 217 Paragon Parkway, No. 136, Clyde 28721  
 Marian B. Wooten (\*), 1250 Arbor Rd., Winston-Salem 27104

Ellen Sapp Johnson, Cecilia A. Brown, and 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 2007 is summarized below.

**Clergy Retirement Security Program (CRSP):****Costs of the Board:**

Clergy Retirement Security Program		\$ 7,785,807
Administrative costs		56,000
Total costs		<u>\$7,841,807</u>

**Billings:**

Billings to churches	\$5,931,825	
Appointments to extension ministries	257,000	
Redirected from pre-1982 surplus	<u>1,652,982</u>	
Total billings		\$7,841,807

**Other Activities of the Board:**

Interest income		\$ 14,000
Earnings from various invested funds		394,000
Gifts to the board		23,000
Total other income		<u>\$ 431,000</u>
Expenses of board operations	\$ 25,000	
Grants to mentally challenged dependent children	<u>29,755</u>	
Total other expenditures		<u>54,755</u>
Estimated excess funds to be invested		\$ 326,000

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

In accordance with the Clergy Retirement Security Program, the Past Service Annuity Rate for service years prior to 1982 will increase 2% per annum, effective January 1, 2007. Accordingly, the 2006 rate of \$598.00 is increased to \$610.00 per service year for 2007.

Mark B. Edwards, *President*

**Proposals: Pension Programs and Policies**

**(Referred as Petition 15 to Forum Group 5)  
(Adopted by conference on June 9, 2006)**

The conference Board of Pension and Health Benefits proposes:

1. That \$5,931,825 be billed to the churches in 2007 as pension responsibility, to support the Clergy Retirement Security Program.
2. That the Past Service Annuity Rate for service years prior to 1982 be set at \$610.00 per service year, effective January 1, 2007.
3. That the following three changes be approved in the funding patterns of the Direct Cost for pastors' insurance and pension funds, which the board proposes jointly with the conference Council on Finance and Administration:
  - a. Beginning in 2007 with the inception of the new CRSP pension plan, the pension cost and insurance cost for clergy be sent directly to the local church in a monthly statement. The pension cost would continue to be phased in according to the funding paradigm approved in 2004; however, it would be shown in a monthly statement rather than as an apportioned fund.
  - b. The conference concept of "prior claims" funding be discontinued on January 1, 2007, for all funds, which include the Pension and Benefits Fund, Episcopal Fund, Equitable Compensation Fund, and District Superintendents' Fund.
  - c. The retiree medical supplement unfunded liability and insurance for clergy on incapacity leave be combined into one fund and that the fund be clearly named to reflect the benefits funded therein.
4. 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 2007 by each retired or disabled Clergyperson 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 Clergyperson.

*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 Clergyperson rendered to this Conference or that a retired or disabled Clergyperson 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 Clergyperson 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 Clergyperson's pension or disability as part of his or her gross compensation.

NOTE: The rental/housing allowance that may be excluded from a Clergyperson'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 Clergyperson'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 Clergyperson 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 for the group health insurance and the group life insurance. 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.

#### 2005 Financial Summary of Health Benefits Plans through December 31, 2005

	Fund 575 Active	Fund 125 Retirees	Total
<b>Asset Accounts</b>			
Investment Accounts:			
Claims Reserve	\$2,457,304	\$ 1,042,009	\$3,499,313
Premium Stabilization	0	0	0
Fund Balance, 1.2005	2,457,304	1,042,009	3,499,313
Excess/Deficit	- 228,973	1,117,975	889,002
Fund Balance, 1.2006	\$2,228,331	\$2,159,984	\$4,388,315
<b>Sources of Funds</b>			
Premiums:			
Church Contributions – Active	\$4,159,294		
Dependent Coverage – Active	2,411,870		
Conference Center – Personnel	261,222		
Retiree Contributions		\$1,199,447	
Cole Foundation		204,000	
Investments:			
Reserves Investment Income	40,711	17,263	
Other:			
Budget Credits	400,000	1,800,000	
PPO Differential	56,010	3,151	
Total Sources	\$7,329,107	\$3,223,861	\$10,552,968

**Uses of Funds**

Benefit Payments	\$6,274,420	\$1,760,183	
Administrative Charges	361,705	267,555	
Life Insurance Premium	38,569		
Operating Expenses	54,056	43,120	
Miscellaneous	31,887		
Stop-Loss Fees (Beacon Risk Strategies)	271,106	35,028	
Dental Claims	526,337		
Total Uses \$7,558,080	\$2,105,886	\$9,663,966	
Sources less Uses	\$ - 228,973	\$1,117,975	\$ 889,002

**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.

Questions dealing with either health insurance or group life insurance should be directed to Mr. Bryant at 704-535-2260 or 800-562-7929 or e-mail dbryant@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, Frank A. Stith III, Patricia K. Suggs, Kim Hockett, Donald G. Matthews, Eddie Allred, and W. Greg Light. William C. Wyman, Jr., and Dale C. Bryant are our conference staff representatives.

**Proposals: Conference Insurance Program****(Referred as Petition 16 to Forum Group 5)  
(Adopted by conference on June 9, 2006)**

The Health Benefits Committee proposes:

1. That the Board of Pension and Health Benefits be authorized to secure a hospital/medical insurance contract for 2007 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 2007 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 2007 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 11<sup>th</sup> 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 2007 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 2007 conference budget at Fund 507, named Insurance Supplement Retired/Incapacity Leave. The 2007 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 2005 were distributed to the following designated beneficiaries:

Western North Carolina Conference Board of Pensions.....	\$ 4,577.69
Western North Carolina Conference United Methodist Women.....	2,582.94
Brevard College.....	<u>5,626.22</u>
Total Distribution .....	\$12,786.85

#### 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. Through various group discussions about the requests for episcopal leadership on items from various conference-wide committees, it is understood that the bishop is planning to address concerns at annual conference during the composite report of the Cabinet.

#### 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.

#### United Methodist Property and Casualty Trust:

The Board of Trustees and the executive committee of the Council on Finance and Administration met jointly with representatives of the United Methodist Property and Casualty Trust (PACT), the United Methodist captive insurance trust. The meeting was very informative, and the board felt that further exploration could lead to good stewardship of our resources. We will, therefore, be gathering more information on participation in PACT.

#### 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 March, 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

Your Committee on the Annual Conference Meeting looks forward with great anticipation to our second annual conference session focused on our quadrennial theme, "Follow Jesus – Make Disciples – Transform the World." This vision of our common future, which contributed so much to an inspiring and challenging session in 2005, will be our clear focus each year of the quadrennium. We invite you to share our great expectations for the 2006 session!

To help hold the quadrennial theme and its seven emphases at the heart of what we are about in our annual conferencing, we are proposing that there be seven forum groups this year (instead of 24!), each corresponding to one of the emphases. You will have opportunity to approve that plan when the conference first gathers on Thursday afternoon.

We are also aware that 2006 marks the 50<sup>th</sup> anniversary of the granting of full clergy rights to women in the Methodist tradition. This, too, will be a central theme of conference this year, as four of our own clergy women—Angela A. Pleasants, Ashley Crowder Stanley, Kimberly T. Ingram, and Sally O. Langford—serve as our preachers and Bible lecturers, a special breakfast is held for clergy women, bright red ribbons celebrating the anniversary are placed on nametags, video clips of women in ministry are shown during breaks, a special display sponsored by the Commission on the Status and Role of Women is featured, the celebratory logo appears on the cover of this book, and the Board of Ordained Ministry report includes a time for celebrating the incalculable contributions which clergy women have made and are making to the life of the church.

Another highlight of this year's session will be the Friday evening celebration of the ministries of Christian higher education in the five colleges and universities related to the conference. Through Bennett College for Women, Brevard College, Greensboro College, High Point University, and Pfeiffer University, the church has invaluable contributions to make to our common life. Come to Stuart Auditorium on Friday night and share in this celebration with us!

In 2007, our annual conference will again elect lay and clergy delegates to the General and Southeastern Jurisdictional conferences. We are presenting a proposal about that election to the 2006 session, and we understand that the Council on Laity also has a proposal which relates to the lay election and is not in conflict with what we are submitting as item 8 in our proposals below.

After six years of putting program-related displays in a large tent near Stuart Auditorium, it has been determined that such displays will this year be set up in the lobbies of Terrace Hotel and Lambuth Inn. While a bit more effort will be required in order to spend some time looking at the displays, the more comfortable setting in the hotel lobbies will make that experience more meaningful. Please take time to have a look at the many exciting ministries in which our conference and its agencies are engaged. And please confer with Dawn M. Hand, 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.

The Committee on the Annual Conference Meeting, as described in the plan of organization of the conference, has responsibility to "plan and administer all responsibilities relating to the annual meeting of the conference, including date, place, program, worship services, financial support, organization and rules, publicity, entertainment, and journal" (Plan of Organization, Part I.D.9.a).

Our work as a committee could not be done without the dedicated service of so many persons who labor on our behalf. Among these are our 2006 host district, the Lexington District, and its superintendent, C. M. Worthy, Jr. Our three chief ushers—Wade Loftin, Claude J. Kayler, and Roger D. Weisner—are from that district, and the 13 other districts will also be providing three ushers each. Adam Micah Ward, director of music and organist at First Church, Salisbury, and Jay Oden, music associate and organist at First Church, Gastonia, will be serving for a second year as our leaders in music. We acknowledge, as well, the dedicated service of Shannon A. Redden, administrative assistant to the conference secretary, as our conference registrar, a role she is filling this year for the last time, as she and her family prepare to move out of state. 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 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. The contract for 2006 materials has been awarded to M.A. Publishing, Mobile, Alabama, for the 21<sup>st</sup> consecutive year. We are deeply grateful to Nick and Meg Madaloni, the owners of M.A. Publishing, for their continuing excellence in the publication of our materials (especially in 2005, when Hurricane Katrina thankfully spared their building!), as well as the journals of numerous other conferences.

We remind you that, by action of the 2005 conference, the conference journal in printed form is now 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 toward the first of April, so that persons needing that data do not have to wait until mid-September when the printed book appears.

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 director of nurture and Christian education, for coordinating this important aspect of our common life.

By action of the 2005 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 2006*

Lexington District  
High Point District  
Greensboro District

*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

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.

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.

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

### Proposals: The Annual Conference Meeting

**(Referred as Petition 17 to Forum Group 7)  
(Adopted by conference on June 9, 2006)**

The Committee on the Annual Conference Meeting proposes:

1. That the conference accept the invitation of Lake Junaluska Assembly to hold the 2007 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 2007.
3. That the Salisbury District serve as the host district for the 2007 session of the annual conference.
4. That each district provide three persons to serve as ushers for the 2007 conference session, with the ushers from the host district being designated as chief ushers.

5. That the Committee on the Annual Conference Meeting examine the names and areas of concern of the forum groups in the light of the organization and emphases of the conference for the 2005-2008 quadrennium and propose for the 2007 session an alignment of forum groups as it may determine, subject to final approval by the 2007 conference session.
6. That the 2006 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 2006 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 secretary of the conference for the production of the 2007 conference journal and related materials by December 1, 2006.
8. That the following be approved as the process to precede the election of delegates to the 2008 General Conference and Southeastern Jurisdictional Conference at the 2007 annual conference:
  - a. On **January 18, 2007**, the conference secretary will send a mailing describing the election process to the following persons, with notification also on the conference website and in the conference *e-news* *WNCC*:
    - Lay Members of the 2007 Annual Conference
    - Members of Conference Council on Laity
    - Local Church Lay Leaders
    - Local Church Pastors (for passing on to interested lay persons)
 This mailing will include a form which lay persons may use to offer themselves for election as delegates. The form will ask for basic demographic information (name, address, phones, occupation, gender, ethnicity, age group, district, local church, etc.) and give opportunity for a brief biographical statement of not more than an 8.5" x 11" sheet of paper. The form will also ask for a passport-type photograph of the nominee and the signed consent of the nominee to participation in the process. The completed nomination forms and photographs are to be sent to reach the conference secretary's office **by March 1, 2007**. Information from the forms so submitted will be compiled in the conference secretary's office, published in booklet form, along with each person's voting number, and mailed by **May 10, 2007**, to all lay members of the conference.
  - b. All clergy members in full connection who are eligible to be elected will be listed on an alphabetical roster, with voting numbers, to be mailed by the conference secretary in booklet form to all clergy in full connection by **May 10, 2007**.
  - c. All ballots will be cast on forms which can be scanned and tabulated by computer.

## N. COMMITTEE ON APPEALS

No matter requiring the attention of the Committee on Appeals has been referred to it during the 2005-06 conference year.

Jimmy L. Myers, *Chairperson*

## O. COMMISSION ON ARCHIVES AND HISTORY

The year 2006 marks the 50<sup>th</sup> anniversary of the 1956 General Conference of The Methodist Church, which was a landmark event for the inclusiveness of our denomination for two significant actions. First, full clergy rights for women were approved for the denomination. Second, churches were granted permission to transfer out of their annual conferences and into other annual conferences in which they were geographically located upon approval of the local churches and the annual conferences involved. This action marked the beginning of the dissolution of the Central Jurisdiction and signaled a major step toward desegregation in The Methodist Church. Eleven days following the conclusion of that General Conference, the Rev. Maude Keister Jensen, of the Central Pennsylvania Annual Conference, was the first woman granted full clergy rights in The Methodist Church, and by the end of that summer, Mitchell Memorial Methodist Church in Harrisburg, Pennsylvania, was the first African-American congregation to transfer out of the Central Jurisdiction. Both of these landmark events will be celebrated at this year's meeting of the Historical Society of The United Methodist Church, which will be held September 21-24 in Harrisburg, Pennsylvania. Scheduled speakers include Dr. Lawrence Stookey, Rev. Pat Thompson, Dr. James Shropshire, Bishop Jane Allen Middleton, and members from Mitchell Memorial United Methodist Church. Registration details can be found online at [www.gcah.org](http://www.gcah.org).

As part of our report at annual conference, we will highlight these two landmark actions of the 1956 General Conference and reflect upon the impact that they have had upon our annual conference as a whole. We will also continue our tradition of recognizing churches celebrating their centennials, sesquicentennials, or bicentennials during 2006. 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 each member of the conference to come and see this special exhibit.

The 2006 meeting of the Southeastern Jurisdiction Historical society will be held June 27-30 at Duke University, Durham, North Carolina, and will focus on the theme, "The Garber Era." Attention will also be given to the history of Duke University and to the history of the ordination of women. Dr. Richard Heitzenrater, Dr. L. Gregory Jones, Mr. Timothy Pyatt, Rev. Pat Thompson, Dr. Charles M. Smith, and Bishop Alfred W. Gwinn are scheduled speakers. Registration information is available from the conference archives or from the Heritage Center at Lake Junaluska.

Our conference archives are for churches and individuals doing historical research, and our staff is 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.

Let us celebrate this rich heritage which we have as a people called United Methodist!

James L. Pyatt, *Chairperson*

### CONFERENCE HISTORICAL SOCIETY

During 2005 and 2006, the president of the Western North Carolina Conference Historical Society has been working with the conference Commission on Archives and History to revise the by-laws of the society and redefine the roles of its elected officers. These revisions will be reviewed by members of the Historical Society and put to a vote at a meeting planned for the spring of 2006. A new slate of officers will also be elected at that time. It is hoped that these changes will help to renew the vitality of the society and enable it to continue in its efforts to preserve and promote the heritage of Methodism in western North Carolina.

Membership in the Conference Historical Society remains open to local-church historians and all others interested in the history of Methodism in western North Carolina.

Janet B. Pyatt, *President*

### P. CHRISTIAN EDUCATORS FELLOWSHIP

Christian education plays a vital role in the life of any congregation. 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. CEF also desires to be a support to Christian educators, both personally and professionally, providing opportunities to network through our connectional United Methodist system.

Plans are being made to host the National CEF Conference at Lake Junaluska in October. The theme is, "Loving the Sojourner Through Teaching and Learning." Conference leaders include Joyce Rupp, Brett Webb-Mitchell, David Otto, Evelyn Parker, Mark Miller, George Freeman, and Ray Buckley. Other workshop leaders and local artisans will be confirmed soon.

Our annual CEF Spring Retreat was held March 20-21, 2006, at Camp Caraway, in Asheboro. The theme this year was, "Time Out for Holy Humor," with Dr. Dave Metz being our opening worship leader. The two days focused on the importance of laughter in our lives and in our ministries.

In collaboration with Pfeiffer University, the annual CEF "Day Apart" was held in April. Dr. Patti Meyers led the workshop on "Equipping Lay Leadership: A Spiritual Gifts Approach." This event was designed for laity and clergy leaders.

Christian education seminars are held throughout the year and 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 following people are designated by CEF as

#### Approved Education 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, (Winston-Salem District Christian Educator), 1031 Reynolda Rd., Winston-Salem 27104  
 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  
 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  
 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. (Conference Resource Center), P.O. Box 18005, Charlotte 28218  
 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

Debbie Foust, *President*

## Q. COMMISSION ON COMMUNICATIONS

Our Western North Carolina Conference Communications Department, led by Dawn M. Hand, continues to do very positive work and was again honored at the annual meeting of the United Methodist Association of Communicators. The conference Commission on Communications supports that work and provides direction for new and better ways to accomplish our communications mission.

Of course, the most important and disappointing development during the past year was the closing of the *North Carolina Christian Advocate* newspaper. There were a number of "side issues" that helped contribute to this action: People now have many other options to gather their news, including the Internet, and many newspapers are struggling. Plus, there were voices within both the Western North Carolina and the North Carolina annual conferences that were ready for this partnership to end and for each conference to "do its own thing." But, ultimately, the reason for the *Advocate's* termination was financial.

Many years ago, at least two funds were established to help the *Advocate* pay its bills. Our own Wilson O. Weldon, now deceased, raised much of this money personally. Unfortunately, these funds were not set up as true endowments, from which only earnings may be spent, but were simply a pool of funds that could be used by the newspaper's staff as needed.

In the past few years, as the *Advocate's* budget grew, and money from the two conferences was static or even reduced, *Advocate* staff tapped this reserve account to balance its budget. During those years, the Methodist Board of Publication, which oversaw the *Advocate*, worked to develop additional means of funding, but efforts provided only a small increase in giving. Subscription campaigns saw little success. Money was going out of the reserve pool in large buckets, but were being replenished at only a trickle.

During 2005, the Board of Publication listened to the opinions of a cross-section of pastors and lay-people from across the state about the *Advocate*. The general consensus was that it had ceased to be an important part of the lives of the lay and clergy membership of the conferences. In many of our churches, no one read the *Advocate*, and, in some churches, people had never even heard of it. This was reflected in a steady decrease in the number of subscriptions. If the newspaper had been indispensable to United Methodists in North Carolina in the past, that was no longer the case.

The board also heard very blunt discussion about the *Advocate's* financial situation, including the analysis that the paper was insolvent and was increasing its debt with each issue, liability for which the two conferences were ultimately responsible. At the end of 2005, the reserve-funds pool had run dry, and the very difficult decision was made by the Methodist Board of Publication to close the *North Carolina Christian Advocate* after 150 years of publication.

In the wake of this, several steps have been taken. We have seen an expansion of news offered on the Western North Carolina Conference website and a weekly e-mail news digest that our communications office has developed. This digest goes out each Wednesday. If you are not receiving it, please go to the website ([www.wnccumc.org](http://www.wnccumc.org)) to sign up. We also know that many of our members are not computer users, so the Commission on Communications is working to develop a print vehicle that will fill the news and information void for those persons.

The loss of the *Advocate* affects the entire conference and has made it more difficult to spread the word about important events. We need to remember that our goal is making disciples, following Jesus, and transforming the world. The question is how to go about that, and that includes the means of communicating our accomplishments, our needs, other persons' needs, and our vision for the future.

As I write this during Lent, I understand even more clearly that, as resurrection people, we can trust that, even in the death of a long-standing entity like the *North Carolina Christian Advocate*, we know something even better can be reborn out of it. We invite your prayers, support, and participation in making that happen.

Neill M. Caldwell, Jr., *Chairperson*

## R. COMMITTEE ON EPISCOPACY

In the first year of the quadrennium, the 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 this second year, we have 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. We have sought to be a supportive community for them, recognizing that their parish is the entire annual conference and, to some degree, the world beyond our conference boundaries. We are grateful for the presence of Lawrence and Margaret McCleskey and recognize the im-

portance 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.

Members of the committee for the 2005-08 quadrennium are Ray G. Boger; Edward Broadwell; Kenneth H. Carter, Jr.; Jennifer P. Davis; Betty Jo C. Hardy; Kimberly T. Ingram; N. Fred Jordan, Jr.; Mary K. Kizer; Mitchell Matthews; Samuel H. Moore, Jr.; James Sibert; Daphne L. Strickland; Maggie G. Tilley; Charles D. White, Jr.; Earl Wilson, Jr.; Robert Winchester; and Jack Young.

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

### S. 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 Bishop and Mrs. McCleskey in January to review the move-in and budget. The residence endowment reserve now stands at \$71,252.85, and the conference budget amount for upkeep and utilities for the years 2006 and 2007 is \$10,000 per year.

Jennifer P. Davis, *Chairperson*

### T. COMMISSION ON EQUITABLE COMPENSATION (CEC)

(Entire report referred as Petition 18 to Forum Group 5)  
(Adopted by conference on June 9, 2006)

#### Policies and Guidelines for Administering the Equitable Compensation Fund (Calendar Year 2007)

#### 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 ¶ 331.14b, 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 administrative 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 2007.

**A. Schedule of Minimum Compensation for Pastors Serving Full-Time Appointments in 2007:**

Elders In Full Connection .....	\$37,147
Probationary/Associate Members .....	\$33,288
Local Pastors who have completed the Course of Study .....	\$31,210
Local Pastors before completion of the Course of Study.....	\$29,723
Student Pastors.....	\$23,410

**B. Allocation of Requested Equitable Compensation Fund Budget for 2007**

Emergency Sustentation Grants .....	\$ 10,000
Regular Grants.....	285,000
Expenses of the Commission.....	5,000
Total (an decrease of \$30,584 [9.3%] from 2006) .....	\$300,000

- C. That the bishop be respectfully requested to appoint a joint task force to study the issue of minimum compensation, consisting of members from the Cabinet, the Board of Ordained Ministry, and the Commission on Equitable Compensation. This task force would study clergy compensation, taking into account base salary, health-care and pension costs, and housing and submit a report to the Commission on Equitable Compensation no later than March 1, 2007.

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

**U. COMMITTEE ON NOMINATIONS****Vacancies Filled *ad Interim*****Council on Finance and Administration** (filled by council as provided in *Discipline* ¶ 611.2b)

Elizabeth O. Coppedge-Henley, filling a previously unfilled vacancy as a clergy member, effective 10-21-2005.

Jennifer L. Burton, filling a previously unfilled vacancy as a lay member, effective 10-21-2005.

Laurie Guy, replacing Maurice Smith as a lay member, effective 10-21-2005.

Lillie M. Jones is removed as a clergy member, effective 06-27-2006, by appointment to the conference staff.

Albert Mills, replacing Lillie M. Jones as a clergy member, effective 10-15-2006.

**Council on Laity**

John Crane, replacing John Chang as an at-large member, effective 11-22-2005.

Lydia Blanco, replacing Raul Andriano as an at-large member, effective 06-27-2006.

**Council on Congregational Development**

M. Kenneth Lyon, replacing Percival T. Reeves as Charlotte District representative, effective 06-27-2006.

Michael J. Gehring, replacing Roberta Burton as Gastonia District representative, effective 06-27-2006.

W. Kirk Tutterow, replacing Terry L. Matthews as Northeast District representative, effective 06-27-2006.

**Board of Ordained Ministry**(bishop's appointments as provided in *Discipline* ¶ 634.1a)

Faye L. Herbin, an elder, replacing Cathy A. Cook, effective 11-22-2005.

William T. Medlin III, an elder, replacing Jeffery A. Sweeney, effective 02-14-2006.

Freida H. Hobson, an associate member, replacing Donald R. Freshour, effective 06-27-2006.

Carmen B. (Randi) Godfrey, an associate member, is removed from membership by resignation, effective 06-27-2006, and is not replaced at this time.

**Commission on Nurture Ministries**

Crystal M. Alexander, replacing Howard D. Sherrill, Jr., as Lexington District clergy representative, effective 06-27-2006.

W. Leon Morrow, replacing Mary B. Gordon as Marion District clergy representative, effective 06-27-2006.

Richard Smith, replacing Frances Tuttle as Lexington District lay representative, effective 06-27-2006.

Joe Zanetti, replacing Eunice H. Hannah as Northeast District lay representative, effective 06-27-2006.

Ann Trawick, replacing Douglas L. Watts as Winston-Salem District lay representative, effective 06-27-2006.

**Commission on Outreach Ministries**

R. Naomi King, replacing Edgar L. Hillman III as Asheville District clergy representative, effective 06-27-2006.

David A. Wyant, replacing David L. Miner as Northeast District clergy representative, effective 06-27-2006.

Bonnie Horney, replacing Les O. Fowler as High Point District lay representative, effective 06-27-2006.

Pam Andrews, replacing Sherry B. Frerichs as Marion District lay representative, effective 06-27-2006.

Patty Goode, replacing Harold Jennings as Northeast District lay representative, effective 06-27-2006.

**Commission on Witness Ministries**

Timothy S. Killian, replacing Robert A. Mick, deceased, as Charlotte District clergy representative, effective 06-27-2006.

Brian C. Allen, replacing Suzanne G. Michael as Greensboro District clergy representative, effective 06-27-2006.

Timothy K. Roberts, replacing Charles L. Hutchens as Lexington District clergy representative, effective 06-27-2006.

C. Ray Davis, replacing A. Franklin Gordon, Jr., as Marion District clergy representative, effective 06-27-2006.

Daniel V. Miller, replacing Robert L. Kerr as Northeast District clergy representative, effective 06-27-2006.

F. Ronald Smith, replacing Bruce L. Gwyn as North Wilkesboro District clergy representative, effective 06-27-2006.

Karen E. Kaser Odor is removed as Salisbury District clergy representative by going on leave of absence and is not replaced at this time.

Carolyn Perlman, replacing John Perry as Charlotte District lay representative, effective 02-20-2006.

Dorothy Roche, replacing Helen Rogers as Marion District lay representative, effective 06-27-2006.

Bob Ollis, replacing Mike Williams as Salisbury District lay representative, effective 06-27-2006.

**Commission on Christian Unity and Interreligious Concerns**

Amy J. Rio-Anderson, replacing Freida H. Hobson as a clergy member, effective 06-27-2006.

Larry L. Kimel, replacing Frank H. Ison as a clergy member, effective 06-27-2006.

**Commission on Religion and Race**

Melvin L. Freeman III, replacing Alfonza Everett as Northeast District representative, effective 06-27-2006.

Ralph A. Shipp, replacing Miller C. Carter, Jr., as North Wilkesboro District representative, effective 06-27-2006.

Donna Young, replacing Scotty Moore as Statesville District representative, effective 06-27-2006.

Hilary Osborn, replacing Jo Osborne as Waynesville District representative, effective 06-27-2006.

**Commission on the Status and Role of Women**

Nancy Dozier, replacing Iva S. Allen as Charlotte District representative, effective 10-01-2005.

Renita Williams, replacing Elizabeth M. Holbrooks as Gastonia District representative, effective 06-27-2006.

Sue Cave, replacing Carin Hiott as Lexington District representative, effective 06-27-2006.

Rhonda D. Hartweg, replacing Patricia P. Choplin as Northeast District representative, effective 06-27-2006.

Julie E. O'Neal, replacing Susan H. Sides as North Wilkesboro District representative, effective 06-27-2006.

Thomas E. Conder, Jr., replacing Mary S. Lautensleger as Salisbury District representative, effective 06-27-2006.

Kathleen M. McAbee, replacing Alice P. Day as Waynesville District representative, effective 06-27-2006.

**Committee on Church and Society**

Jean Siers, filling a previously unfilled vacancy as Charlotte District representative, effective 06-27-2006.

Cornelius F. Brantley, Jr., replacing David M. Hamlyn as Marion District representative, effective 06-27-2006.

Julie A. Roberts, replacing Ricky C. Johnson as Northeast District representative, effective 06-27-2006.

**Committee on African American Ministries**

Albert Mills will be removed from membership by election to the Council on Finance and Administration, effective 10-15-2006, and is not replaced at this time.

Faye L. Herbin is removed from membership by appointment as a member of the Board of Ordained Ministry, effective 11-22-2005, and is not replaced at this time.

**Committee on Asian American Ministries**

Uiyeon Kim, replacing Marion G. Moore, Jr., as an at-large member, effective 06-27-2006.

J. Kenneth Curtis, filling a previously unfilled vacancy as an at-large member, effective 06-27-2006.

Ricky C. Johnson, filling a previously unfilled vacancy as an at-large member, effective 06-27-2006.

K. Wesley Judy, filling a previously unfilled vacancy as an at-large member, effective 06-27-2006.

Rebecca Wright, filling a previously unfilled vacancy as an at-large member, effective 06-27-2006.

**Committee on Hispanic Ministries**

Samuel Castro, replacing J. Jorge Rubio as an at-large member, effective 06-27-2006.

Mark R. Smith, replacing Jose Vasquez as an at-large member, effective 06-27-2006.

**Committee on Native American Ministries**

J. Paul Christy, replacing William T. Medlin III, who was appointed to the Board of Ordained Ministry on 02-14-2006, as an at-large member, effective 06-27-2006.

Ralph H. Eanes, Jr., replacing Hilary Osborn as an at-large member, effective 06-27-2006.

A. J. Moore, replacing Garry Revels as an at-large member, effective 06-27-2006.

**Administrative Review Committee**

M. Kenneth Lyon is removed from membership by becoming a member of the Council on Congregational Development, effective 06-27-2006, and is not replaced at this time.

David F. Cunha is removed as the alternate member by being placed on leave of absence, effective 06-27-2006, and is not replaced at this time.

**Commission on Archives and History**

Diane Blanton, replacing Frederick N. Jones as an at-large member, effective 06-27-2006.

**Commission on Communications**

Brian Bingham, replacing Neill M. Caldwell, Jr., as an at-large member, effective 06-27-2006.

Frederick N. Jones, replacing Benny B. Hahn as an at-large member, effective 06-27-2006.

Jim Gilchrist, filling a previously unfilled vacancy as an at-large member, effective 06-27-2006.

T. Gregg Plott, filling a previously unfilled vacancy as an at-large member, effective 06-27-2006.

**Board of Trustees of the Annual Conference**

*Class of 2008:* Samuel H. Moore, Jr., filling an unexpired term, effective 09-01-2005.

### Nominations

(Adopted by conference on June 8, 2006)

#### Board of Trustees of the Annual Conference

*Class of 2009:* Linda M. Kelly, Doris P. Loomis, Joseph P. McGuire, J. Hurley Thomas III.

#### Representatives to North Carolina Council of Churches

*Class of 2009:* Shirley L. Canty, Irma Ellwanger, Lewis L. Poag, Walter M. Hand, Bart W. Milleson, Suzanne B. Northcraft.

#### Conference Secretary of Global Ministries (annual election)

Michael W. Collins.

#### Coordinator of Calendar for 2006 Session (nomination by Committee on the Annual Conference Meeting)

Ashley Crowder Stanley.

#### Forum Group Chairpersons for 2006 Session

1. Relating the Unchurched to Christ — Karen F. Miller.
2. Nurture Unity with Diversity — J. Alexander Ward, Jr.
3. Ministries with the Poor and Suffering — Ronald A. (Alan) Rice, Jr.
4. Shepherding the Shepherds — Sanford L. (Sandy) Giles, Jr.
5. Spiritual Dimensions of Stewardship — Frank A. Slith III
6. Africa University and Missions/Outreach — Arnetta E. Beverly
7. Discipleship and Leadership — Sally O. Langford

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

## V. 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*

Page for spreadsheet!!

## W. STEWARDSHIP OF GIVING TASK FORCE

(Adopted by conference on June 8, 2006)

Recognizing that proportional giving has been on the decline for years in our churches (and throughout Christendom), the Stewardship of Giving Task Force has been working to develop a conference-wide stewardship initiative that will challenge churches and congregations across the conference to raise the bar of faithful, generous, sacrificial giving. Our recommendation is to make Christian Stewardship of Giving an emphasis for the annual conference, with teaching and inspirational resources designed for use across the conference. We envision this initiative to be broad based, multifaceted and presented in a variety of formats.

We recognize that Christian stewardship is about more than raising money and is not to be confused with "fund-raising." Biblically-based Christian stewardship is a lifestyle, integrally connected to our mission of disciple-making. If this initiative is to succeed, it cannot be a one-time event or action. It must be transformational and ongoing.

The Stewardship of Giving Task Force plan for the current quadrennium will be fully introduced at the 2006 session of the Western North Carolina Annual Conference and proposes that we employ the services of the Reverend David Bell, of The Center for Christian Stewardship of the General Board of Discipleship. His role will be to launch this stewardship emphasis with a series of seven district cluster events for clergy in October of 2006.

The second phase of this initiative will include asking each local church to plan a worship service in January of 2007 around the theme of Biblical stewardship. Task force members will prepare worship resources, including possible preaching ideas and texts, prayers, and responsive readings.

The third phase of the initiative will focus around three regional events for pastors and key lay leaders in every local church, with Bishop J. Lawrence McCleskey serving as the keynote speaker, and offerings of multiple workshops covering a variety of stewardship themes and ideas.

Members of the task force are also working to develop a fall 2007 resource based on the idea of 40 days of Christian stewardship, focused on becoming generous givers who give out of a sense of abundance, culminating in the fall stewardship campaign for each local church.

Once this quadrennial emphasis has ended, the United Methodist Foundation of Western North Carolina, Inc., plans to continue leadership in this area, with annual events for new pastors and a series of training events to train trainers for ongoing stewardship at the local church, district, and conference levels.

Sam H. Smith, Jr., *Chairperson.*

## X. STEWARDSHIP OF MANAGING TASK FORCE

(Adopted by conference on June 8, 2006)

### Recommendation

We recommend that the Western North Carolina Conference authorize Bishop J. Lawrence McCleskey to chair a Task Force on Annual Conference Reorganization. The task force shall begin its work no later than August 15, 2006.

In addition to the bishop, the task force shall consist of 15 members who represent the diversity of our annual conference.

- A vice-chair, a layperson, shall be named by the bishop no later than August 1.
- Four persons shall be named by the following groups: A member of the Council on Finance and Administration; a member of the Conference Ministries Advisory Council; a member of the Board of Pension and Health Benefits; and a member of the Committee on Conference Staff Relations, all named no later than July 15.
- Two members shall be named by the Stewardship of Managing Task Force (one layperson and one clergyperson) no later than July 15.
- In addition, the conference Committee on Nominations shall appoint four more members, and Bishop McCleskey shall appoint four more persons, all no later than August 1.
- Conference staff and district superintendents of the WNCC may serve as members, consultants, and resource persons as needed by the task force.

The task force shall be allocated by the Council on Finance and Administration a total working budget of \$25,000 over the 18 months of its work for staff costs, printing, travel, and other expenses. No member of the WNCC shall be compensated for their work.

This task force will present to the 2007 Western North Carolina Annual Conference [hereafter "WNCC"] a report that shall:

1. Affirm and give concrete expression to the mission statement of The United Methodist Church: "The mission of the Church is to make disciples of Jesus Christ. Local churches provide the most significant arena through which disciple-making occurs" (2004 *Discipline* ¶ 120).
2. Provide a clear ecclesiological and theological understanding of our "connection" that defines the relationship particularly between the annual conference and local congregations. We affirm with the 2004 *Discipline* ¶ 601: "The purpose of the annual conference is to make disciples for Jesus Christ by equipping its local churches for ministry and by providing a connection for ministry beyond the local church." Ultimately, our connection is not about money or organization but creating an effective and compre-

hensive model of “interactive relationships” for the task of making disciples of Jesus Christ [see also 2004 *Discipline* ¶ 130 for a definition of connectionalism.] As our *Discipline* states: “Our connectional system performs at least three essential tasks: embracing God’s mission for the church as making disciples for Jesus Christ; organizing our whole Church to enable local congregations, the primary arena for mission, faithfully and fruitfully to make disciples for Jesus Christ; and ensuring that all components in the connection carry out their appropriate responsibilities in ways that enable the whole United Methodist Church to be faithful in its mission” (2004 *Discipline* ¶ 701.1).

3. Offer a new organizational model for the WNCC structure that assists in “making disciples of Jesus Christ” and promotes mutual accountability between the WNCC and local congregations. The new organizational model shall be in place no later than January 1, 2008.
4. Based on the vision and new organization, propose a new staffing model for all WNCC staff and district superintendents and their staff that enables mutual accountability. This model may include realigning the locations of where WNCC staff work. The new staffing model shall be fully in place no later than July 1, 2008.
5. Ensure that the budget for the new organization and staff size of the WNCC matches anticipated receipts from local congregations.
6. Create a measurable system to evaluate relevance, effectiveness, and efficiency of the WNCC at every level that strengthens the relationship between the WNCC and local churches, with clear criteria that ensure accountability throughout the WNCC.
7. Encourage the 2008 WNCC delegation to General and Jurisdictional Conferences to develop proposed legislation to the 2008 General Conference to create greater accountability by the general church. This legislation shall be brought to the 2007 WNCC meeting for action.
8. Offer clear communication throughout its work to inform all parts of our WNCC family about the work undertaken. This communication may include quarterly reports, regional gatherings for dialogue, listening groups, and ultimately a final report for action to the 2007 annual conference at Lake Junaluska.

#### Rationale Summary

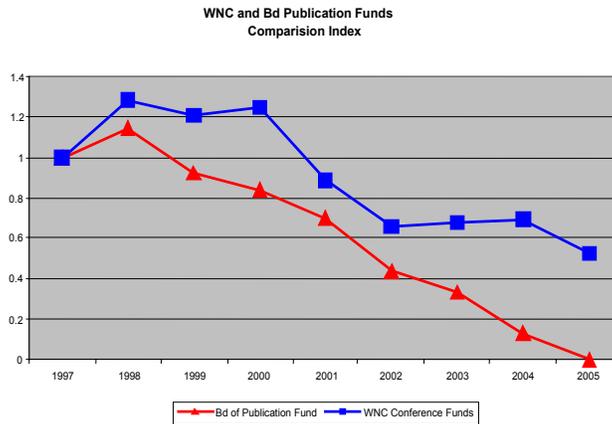
- The Stewardship of Managing Task Force had mandate to seek financial and programmatic accountability by the WNCC.
- Accountability needed by WNCC and by its local congregations.
- “We cannot continue a funding mechanism that will not work.”
- Numerous financial and organizational issues face the WNCC.
- Need clear process and key leadership team to offer fundamental solutions.
- Bishop McCleskey can lead such a process.
- Our current funding model is appropriate to the task.
- Our organization has the tools needed for change.
- Now is the time for change.

#### Extended Rationale

##### Introduction to Our Crisis

The financial collapse of the *North Carolina Christian Advocate* in late 2005 created a unique moment in the WNCC. People asked a number of questions: How did this happen? Who was in charge? Are there implications for other ministries of the WNCC? Underlying these questions was one even more profound: Could such an event happen to the WNCC itself?

We now face a major financial crisis within the WNCC. Serious financial problems are known and growing larger. Since 2002, the WNCC Council on Finance and Administration has had to use unrestricted reserve funds to make up the loss of income from unpaid WNCC apportionments, Direct Costing for health insurance and pensions of clergy, and FairShare Askings. In the past three years, we spent \$1,502,181 from reserves to pay our WNCC bills. Our unrestricted reserves are now 40% below our conference policy for this fund. Within the next three to four years, these unrestricted reserved funds, at the current rate of expenditure, will be gone. The following chart illustrates the problem and how close we are to following the path of the *Advocate*:



At the beginning of 2006, the total proposed budget for our WNCC was set at \$29,699,966; however, only \$25,699,414 has been pledged/accepted by local congregations toward this budget. Churches have pledged only 86.53% of the monies needed, and actual receipts, based on history, may be 83%. About one half of the congregations in the WNCC did not pay 100% of all monies requested. What will we as the WNCC do?

<i>2006 Conference Budget</i>	<i>Accepted Amounts by Local Congregations</i>	<i>Expected Income From Local Congregations</i>	<i>Anticipated Shortfall</i>
\$29,699,966	\$25,699,414	\$24,650,971	\$5,048,995

This decline of giving to apportioned funds has occurred at the very same time our denomination has seen an overall rise in giving to missions. In 2005, after Hurricane Katrina and the Southeast Asia tsunami, United Methodists gave \$80 million directly for missions. Yet, the percentage of money given to general-church apportionments declined to 83% nationwide. Only 15 of the 62 annual conferences paid out at 100% of monies requested.

Some of this loss may be due to the decline of United Methodist membership in the U.S. of 66,402 in 2005. We believe that, even when faced with membership decline, however, United Methodists have increased giving to disaster and other missions because of their understanding of the Gospel and their necessary response to critical missions.

#### **Stewardship of Managing Task Force Mandate**

The Stewardship of Managing Task Force was charged to achieve financial and programmatic accountability in our WNCC. Our task was not to raise more money for apportionments, but to ensure that all monies given by local congregations for apportionments be clearly used efficiently and effectively for the sake of making disciples.

Our work was begun at the 2004 annual conference. At that time, the WNCC affirmed a set of proposals from the Quadrennial Budget Planning Committee. (2004 Journal, pp. 229-237.) Central to its work, the Quadrennial Budget Planning Committee recognized that

**“We cannot continue a funding mechanism that will not work.”**

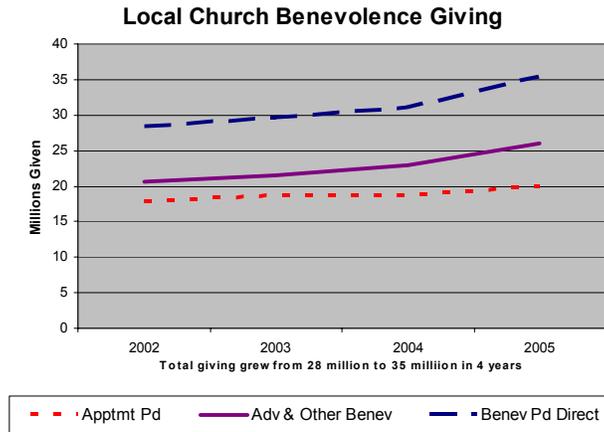
In response to that reality, the Quadrennial Budget Planning Committee (hereafter “Quad Task Force Report”) made three major recommendations:

1. Direct Costing for pensions and pastors’ health insurance.
2. Choice Empowerment for local congregations in choosing how to support conference and general church apportionments.
3. Accountability by the WNCC.

We strongly affirm these three recommendations. The 2004 annual conference adopted all three principles. Thus far, Direct Costing and Choice Empowerment have already begun to be implemented.

Because of Direct Costing, and now direct billing to congregations in 2007, we have improved our pension and pastors’ health insurance programs. This new funding system will still take another two years for full implementation.

Choice Empowerment has begun to assist local congregations in prioritizing their giving. While giving for apportionments remains flat, much more money has been given through Advance specials and local missions given directly by local congregations. We celebrate that the following chart shows how more congregations are providing more total money for missions than ever before:



The third leg of the Quad Task Force Report, accountability, however, has not yet been addressed. This was the assigned work of our Stewardship of Managing Task Force.

The 2004 Quad Task Force Report gave the following charge to the Task Force on Managing:

What actually is the ministry of the conference? What is the conference about? ... How do items funded show their relevance, effectiveness, and efficiency in the mission of making disciples?

**Accountability is the thread that holds the New Funding Paradigm together.** Accountability is a two-way street. Local churches/charges will need to be better informed to make the decisions that Choice Empowerment naturally calls for. Accountability also means that conference ministries and missions, as well as general church boards and agencies, will have to be accountable to local churches/charges in new ways. If local churches are going to be asked to support conference and general church funding, a new connection needs to be built to help churches/charges see where value is added. **In those places where such a connection cannot be established, funding sources will begin to dry up.** Boards, agencies, and mission and ministry groups will have to account for how precious resources are used and will, by necessity, have to represent themselves more clearly to the local level.

The Quad Task Force Report continued:

Concerning Stewardship of Managing, ... the core issue here is the responsible use of resources entrusted to the annual conference, districts, constituent ministries, and affiliate ministries. **Simply put, this is about how we organize for ministry as an annual conference and must be tied to the strategic and visional direction of the annual conference.** ... Thoughtful and useful measurement tools must be developed for ongoing use in the evaluation of every facet of our life together in the Western North Carolina Annual Conference to insure that our work is relevant to our vision, that sacred resources are being used effectively and efficiently.

After our review of the WNCC's financial condition, we are convinced that the only way to provide the relevant, effective, and efficient use of our WNCC resources is by the reorganization of our WNCC structure, with resulting changes to WNCC staff and budget.

We recognize, like the Quad Task Force Report, that accountability in our connectional system works both ways. Each United Methodist pastor and local congregation must be faithful stewards of their financial resources. Clergy must lead local congregations in supporting the essential structures and ministries of our United Methodist connectional system.

Accountability, however, must also be addressed by those institutions and persons receiving the funding. Our task was (1) to create a monitoring system that offers true accountability for the whole system and re-establishes trust, and (2) offer structural models that achieve accountability.

Our goal is to create a connection between the WNCC and local congregations in which the connection is affirmed and valued. By involving many of the key stakeholders on the task force, and providing the opportunity to oversee the whole WNCC, we may create a better system for everyone.

#### **A Financial Crisis**

Why must we act? Clearly, when local congregations accept only 86% and pay only 83% of our budget, there is an immediate financial crisis. Only approximately half of our congregations are fully supporting our connectional ministry. There are a variety of reasons why the other half do not fully support the requested funds: local economies, theological disagreement with the larger denomination, increased emphasis on local missions, and a lack of trust in the accountability of the United Methodist connection.

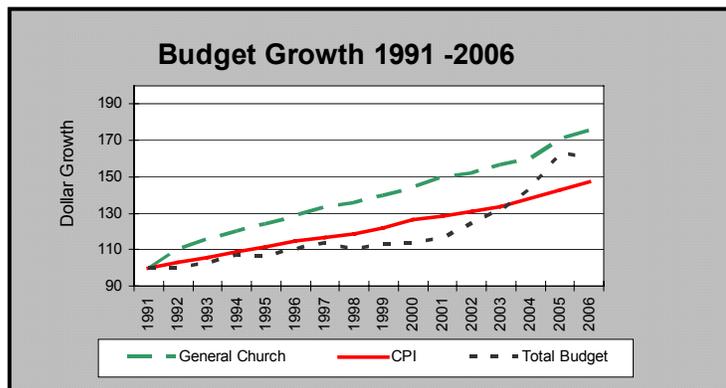
In addition, there are numerous structural/organizational challenges facing the WNCC that have been revealed by our review of the WNCC finances.

The list of concerns is formidable. For example, the Stewardship of Managing Task Force has asked these questions:

- Regarding our clergy pensions and health benefits, the single largest part of the WNCC budget, what is its future? A major concern throughout the whole United Methodist Church is that, without major changes in the whole denomination, within the decade, annual conferences may simply be a pension and health benefits provider for clergy, with no other program or ministries.
- Regarding our districts and district superintendents, are there too few or too many districts? What are their primary tasks, and how well are the districts and the district superintendents achieving their tasks? In 2005, 92% of the monies requested were paid to the District Superintendents' Fund.
- Regarding the size and role of WNCC administrative staff, what is their primary task, and how many people and how much money should it take to fulfill this task? In 2005, 92% of the monies requested were paid to this Administration Fund.
- Regarding the size and role of WNCC program staff, how many people and at what cost are they fulfilling their primary task? In 2005, only 68% of the monies requested were paid to the WNCC Program Fund.
- Although all conference benevolences are good, are all the conference benevolences essential for accomplishing our core vision? What are our priorities? Within the WNCC and local churches, there is a lack of agreement in the order of priorities, and many local congregations do not feel empowered and engaged by our current decision-making process.

Underlying all these questions and many others are two fundamental questions: What are the priorities of the WNCC? Are congregations willing to fund these named priorities?

We have not included items in our list of issues over which the WNCC has no control. We cannot control the administration, organization, or programs of any jurisdictional funds or any general church apportionments. Because of the changes at the 2000 General Conference, each local church now has the ability to decide how to fund these general church ministries without direct impact on the WNCC budget. The WNCC should focus on what we can control. For example, the WNCC cannot control the dramatic rise in requests for apportioned funds from the general church. The following chart illustrates the percentage rise in all apportionments as compared to the Consumer Price Index over the past decade:



We recognize that the steepest rise in apportionments for the WNCC came in 2004, the same year that we began Choice Empowerment. In 2003, the WNCC adopted the optional, "below the line," Ministries First Askings. In 2004, with Ministries First being proposed as no longer below the line, WNCC agencies and groups were requesting a 12% increase in monies needed. The WNCC Council on Finance and Administration (hereafter CF&A) believed that this increase was unacceptably high. Who would make the cuts? With the advent of Choice Empowerment, however, CF&A and the WNCC approved the larger increase. Why? With Choice Empowerment, local congregations would determine which ministries and missions would be supported. The WNCC trusted local congregations to prioritize missions within the WNCC.

Based on the responses from local congregations, we celebrate that CF&A is recommending for 2007 only a 3% increase in Conference Operating Costs and a 15% reduction of Conference Ministry FairShare Askings. The WNCC administrative and program groups are listening to local congregations. The total increase in requested funds for 2007 for WNCC ministries is only 6% more than was actually received in 2005.

In comparison, we also note that in 2007, the general church is asking local congregations to contribute \$1,934,549 more than was received in 2005, an increase of 60%! We believe that these kinds of increases from the general church will be difficult for local congregations to respond to positively, but they must be passed on without reduction due to our *Discipline*.

Let us discuss just a few of the ministries over which the WNCC does have control: our pensions and health benefits, our fourteen districts, our conference staff, and conference programs.

The major drain on our WNCC unrestricted reserves comes from congregations which do not pay the full amount on pensions and health insurance. During 2002-2005, the pension fund had a deficit of \$1,125,000;

the District Superintendents' Fund had a deficit of \$283,086; and the administration fund had a deficit of \$260,461. These deficits are an actual cash shortfall, directly reducing actual cash reserves.

For our district superintendents, only 96.9 % of the money needed has been pledged in 2006. The finances indicate that we seem no longer able to fund 14 district superintendents at the current level of funding. Do we simply cut one or more positions to match the money, or do we redefine the positions, or do we allocate additional conference monies?

Conference program staff manages the program ministries of our conference. Yet, the total monies pledged for staff salaries are only 74%, with anticipated giving of 71%. Should we cut one or more staff positions beyond those changes that have already been announced? In addition, only 74% (and 71% estimated payout) of the Conference Program monies have been pledged for 2006. Only 65% of the funding for congregational development has been pledged. And only 66% of the monies requested for higher education have been pledged.

In light of these pledges and lower anticipated payout of these pledges, the WNCC CF&A recommended that in 2006, while all staff will be paid at 100% of monies required, we can only pay out 70% of the Conference Support budget, only 38% of Conference Programs, and only 70% of the Ministerial Education Fund. While staff levels remain relatively stable, monies for direct mission and ministry are cut. Because all staff and their benefits are funded at 100%, fewer of the apportionment dollars are used for direct mission and ministry.

In a local congregation, at least once every year, each charge conference coordinates its income with its ministries and mission. When more ministry needs are identified and more money available, congregations step forward and expand staff and extend missions. If, however, money is tight or declining, charge conferences make hard decisions and adjustments. Such shifts happen each year in each congregation.

We acknowledge that budgeting in the WNCC is fundamentally different from local church budgeting. In many congregations, pledges are received first and then budgets are set. In the WNCC, the budget is set months before any charge conference responds to the requests. Also, the WNCC must pass along all general church apportionments without reduction to local congregations. There is, by the very nature of our system, less dialogue about priorities, staff, and budgets.

After decades of only minor shifts in the WNCC, we believe that it is time for major changes in this larger and more complex organization. If we tackle just one problem, but not the whole issue, we will fail in becoming accountable and managing our system.

#### **What Do We Need to Do?**

The Stewardship of Managing Task Force is not proposing any single or specific solution to the above problems. We do not have on our Stewardship of Managing Task Force all the needed voices at the table. At this time, we are simply naming the problem as clearly as possible and proposing a process and a group with the necessary knowledge that will offer fundamental solutions to our crisis.

We do not envision a downward, cascading failure for the WNCC. We are not calling to cut dramatically missions and staff, which leads to less support, which leads to less money, and the spiral continues. We do desire to achieve the appropriate balance between staff and ministry.

Instead, the call for accountability demands that the WNCC set its clear priorities, which leads to a more focused organization, which leads to more effectiveness, which leads to more support, which leads to an environment of abundance. We need to position ourselves for success that congregations, laity, and clergy understand and affirm. The WNCC needs to be clear about its function and mission, define its goals, and develop a strategy for accomplishing these goals with the necessary staffing and funding.

#### **Fixes or A Solution?**

Many possible solutions have been identified to "fix" one or more of the above items. We celebrate that over the past year, many groups in the WNCC have sought to revitalize our system. The Stewardship of Giving Task Force will present a major effort to strengthen the financial stewardship of every disciple in every congregation. The WNCC Committee on Conference Staff Relations has begun to realign staff in the conference headquarters. The cabinet has cut monies previously used for Equitable Compensation grants. The WNCC Ministries Advisory Council has presented a significantly smaller budget for 2007. The WNCC CF&A has made serious efforts to control the group of the budget. For the major items of pensions and health benefits, we recognize that the Board of Pension and Health Benefits is looking at ways to strengthen pension and health care benefits, yet is still struggling with the issue of unfunded liability of retiree health benefits.

Many other persons have good ideas to fix other areas of concern. Yet, to make isolated changes to any one of the ministries or programs of the WNCC without understanding how that one change would affect all the others is unwise. One change in one area could lead to chaos in other parts of our system. A holistic approach is necessary.

#### **Who Are the Stakeholders?**

Who are the primary people to whom the ministries of the WNCC belong and who are asking for accountability?

Many of the particular areas of ministry in the WNCC appear to be "owned" by different groups or committees, with diverse persons, with different agendas, with significant interests. For example, the conference trustees control the conference Memorial Center, the Committee on Conference Staff Relations controls the staff, the Conference Ministries Advisory Council controls the programs, and the cabinet controls Equitable Compensation grants. There currently is no one group seeing the whole with one overarching vision.

Yet, who are major stakeholders within the WNCC? The primary stakeholders are local congregations and the pastors and laity who make disciples in their various locations. If these persons and congregations

do not believe in and embrace the ministries of the WNCC or trust the accountability system, they simply will not fund the ministries.

#### **Leadership**

We believe that Bishop Lawrence McCleskey alone can lead us in this reorganization around the vision of the WNCC. He knows our annual conference; he knows our people; he knows our history; and, most of all, he has vision. We believe that Bishop McCleskey in these two years can leave a significant legacy to the WNCC. He can use the financial crisis to lead us in addressing organizational structure, which in turn will stabilize our financial health and allow us to serve the kingdom of God more effectively and efficiently as good managing stewards. With a strong task force working with him, good changes can occur.

#### **A Brief History of Our Current Funding Model**

Is it possible to change the financial situation of our WNCC? Of course! We have faithful stewards who wish to use their resources for the sake of the kingdom of God. We are thankful for the Stewardship of Giving Task Force that will give even more guidance to developing faithful stewards and addressing personal and congregational accountability.

Choice Empowerment is working! Pensions are more stable. More money is going for missions. More congregations are having conversations about the appropriate use of their monies. Communications between the WNCC and local congregations has improved. Africa University, due to the increased attention by our bishop, is seeing a major increase in monies.

We have the appropriate funding paradigm for the WNCC. We affirm the position of our 2004 *Discipline* (§ 247) that each local charge conference "shall be the connecting link between the local congregation and the general church."

We note that our United Methodist *Discipline* at no place requests that each charge conference vote on which apportionments to accept. In the WNCC we have the tradition of voting on all apportionments at charge conferences, but this practice is tradition, not church law. By our *Discipline*, apportionments are presented and given but are neither affirmed nor accepted. What are the implications of this fact for our charge conferences, especially around the issue of Choice Empowerment?

At the annual conference level, until 2000, the WNCC budget and the apportionments of the larger denomination were linked together. This pattern had a serious negative impact on the financial stability of the WNCC. Led by our WNCC, the 2000 General Conference agreed to the separation of the World Service Fund from conference funds (see *Discipline* §§ 806 and 808). No longer would apportionments from the general church impact the apportionments from the WNCC. Change had begun that provides greater transparency and accountability.

#### **A Brief History of Our Organizational Model**

Our foundational problem is organizational: We do not now have the most efficient and effective organization, staffing, and budget that are possible. The solution is for all stakeholders to be clear about vision and then to build a new structure to achieve that vision. The form should follow the vision. We believe that with an enhanced organization, staff, and budget, more support of every kind will be offered to the WNCC by local congregations.

Our current organizational paradigm is essentially what was created in 1968 at the union that created The United Methodist Church. This institutional organization of top-down leadership is giving way to new ministry models. Our difficulties did not arise because of bad leaders, but because the old system from a previous generation does not work in the new world. Through the past 40 years, we have seen much tinkering and only one major effort for change (in 1988). We need a new organization that reflects vision and empowers us to make disciples.

Today, organizational change in the WNCC is much more possible. This empowerment for change began in 1996 when the General Conference allowed each annual conference a great deal of flexibility in its structure (see 2004 *Discipline* § 609). We celebrate that efforts from our WNCC led this effort. Since that vote, many other annual conferences have made significant changes in their structures. It is time for the WNCC to follow suit.

#### **Affirmations**

Where do we believe that the Task Force on Annual Conference Reorganization should begin? The Stewardship of Managing Task Force affirms the following and commends them for acceptance by the Task Force on Annual Conference Reorganization:

1. Making disciples of Jesus Christ is the priority of the WNCC. We affirm Christ's call of disciple-making as our goal. In addition, we affirm the three principles—Follow Jesus, Make Disciples, Transform the World—and the seven key emphases.
2. The primary function of the WNCC is to empower local congregations to make disciples: See 2004 *Discipline* § 601: "The purpose of the annual conference is to make disciples for Jesus Christ by equipping its local churches for ministry..." We celebrate that five of the seven emphases of our Vision occur primarily by local congregations. When we have strong congregations, we will have a strong WNCC.
3. The primary stakeholders that the WNCC is charged to empower are the laity, clergy, and congregations within the WNCC.
4. The annual conference is "the fundamental body" (see 2004 *Discipline* §§ 11 and 33) of our connection. At the end of this process, our WNCC should have the appropriate organization, staffing, and financial model to assist local congregations in making disciples of Jesus Christ.
5. The WNCC needs to be financially stable. The new organization and staffing will have to live within available dollars and faithfully use the available resources.

6. Continue the work of the Stewardship of Giving Task Force. We continue to encourage every disciple, starting with pastors, in being extravagantly generous with their financial resources.
7. Continue phase-in of Direct Costing and direct billing of pensions and health insurance. This model undergirds the essential link between the WNCC and its pastors under appointment. We stress that fully funding pensions and health insurance is the foundational level of financial accountability for each local church.
8. Continue Choice Empowerment. Choice Empowerment is working. We trust local churches to use their monies appropriately for the sake of making disciples. This local empowerment is the ultimate line of accountability.
9. Seek ways to measure empirically success in both the WNCC and local congregations. Once a new model is in place, we must ensure that the plan fulfills the vision. This performance measurement tool should be ready and implemented with the new organizational structure to evaluate relevance, effectiveness, and efficiency.
10. The solution will require a period of transition. It will take the WNCC at least five years to implement Direct Costing. Whatever new organizational model is proposed may well also take several years to implement fully.

With these affirmations in place, we believe that the appropriate organizational changes will come.

#### **Conclusion**

The Stewardship of Managing Task Force is thankful for the opportunity to share this report to the WNCC. If you have any questions or concerns, please do not hesitate to speak with any of our members:

M. Lynne Gilbert, Chairperson; Eddie Allred; Julianne (Jan) Brittain; Jennifer Burton; Claire G. Hunsucker; R. Mark King; Thomas A. (Andy) Langford III; Daniel J. Lyons; Paulette Norman; Scott A. Osterberg; Pat Pittillo; Eric K. Tang. William C. Wyman, Jr. (staff).

## **Y. PETITION REFERRALS**

In accordance with the rules of the annual conference, the conference secretary has examined all petitions and proposals to the 2006 session and proposes that they be referred to the forum groups as indicated below.

[Note: During the organizational session of the conference on June 8, 2006, four of the petitions below were ruled out of order by the presiding bishop and were not considered in the forum groups or in plenary sessions of the conference. Those petitions are indicated below by strikethrough.]

<b>Petition No.</b>	<b>Forum Group Petition Subject and Source</b>
<b>1. RELATING THE UNCHURCHED TO CHRIST</b>	
34	Strengthening Ineffective Churches (Randy L. Wall, Chairperson, for WNCC United Methodist Rural Fellowship)
<b>2. NURTURE UNITY WITH DIVERSITY</b>	
5	Policy on Racial Harassment (Commission on Religion and Race)
<b>3. MINISTRIES WITH THE POOR AND SUFFERING</b>	
9	Aldersgate Boards (Board of Advisors, Aldersgate United Methodist Retirement Community, Inc.)
10	Arbor Acres Board of Directors (Board of Directors, Arbor Acres United Methodist Retirement Community, Inc.)
11	Children's Home Trustees (Board of Trustees, The Children's Home, Inc.)
12	Givens Estates Directors (Board of Directors, Givens Estates United Methodist Retirement Community)
13	UMAR Trustees (Board of Trustees, UMAR, Inc.)
25	Petition to General Conference: Retain Language Concerning Homosexuality (Michael H. Evans, Pastor, Cedar Grove-Sunshine Charge, Marion District)
30	Petition to General Conference: Retain Language on Homosexuality (Judy York Bailey, Member, First Church, Mocksville, Lexington District)
31	Reaffirm Opposition to Capital Punishment (Administrative Council, Marvin Church, Winston-Salem)
36	Support for Constitutional Amendment on Marriage (William E. Green, Central Church, Asheville)
37	Divestiture of Funds (Shelly F. Webb, Esther Megill, Laura B. Wells, and 15 other persons, Asheville and Waynesville Districts)
38	Legal Marriages (Shelly F. Webb, Esther Megill, Laura B. Wells, and 15 other persons, Asheville and Waynesville Districts)
40	North Carolina Lottery (Conference Committee on Church and Society)
41	General Board of Church and Society Trust Fund (Jim Lung, West Market Street Church, Greensboro, and Bill F. Howie, Mineral Springs Church, Mineral Springs)