

19. ADMINISTRATIVE ENABLEMENT

COUNCIL ON FINANCE AND ADMINISTRATION
Recommendations and 2010 Funding Plan

1. **District Superintendents' Salary:** For the year 2010, the formula for calculating the salary amount for District Superintendents and employed Cabinet members is 140% of Conference Average Compensation (CAC) for that year. For 2010 it will be \$79,160.20, however the cabinet has agreed to accept no increase and will be compensated at the 2009 rate which is \$77,105.
2. **Staff Salaries:** Will be under continual review to keep staff salaries competitive with similar positions or levels of responsibility, but for 2010, the personnel committee has approved a 0% increase from the 2009 rates.
3. **Sick Pay Clergy:** The Nebraska Annual Conference plan of sick pay (as a clarification for income tax purposes) is the continuation of regular salary during a period of disability until there is a permanent replacement by the Cabinet or other appointive agency.
4. **Pastors' Compensation:** For pastors under full-time appointment by the Nebraska Annual Conference, the annual compensation shall include cash salary, a rent free parsonage or housing allowance in lieu of a parsonage. If a housing allowance is provided in lieu of a parsonage, it may not exceed the fair rental value of the residence in which the pastor lives. It shall be reported under "Housing Allowance Pastor(s)" in the annual statistical report of the Conference. In addition, each charge shall designate a portion of the salary paid as a "Housing Allowance." This should be done annually (usually at the fall Church Conference). Pastors may use this allowance to pay housing expenses and may also exclude the total of those expenses from income tax liability. Monies not actually expended by the pastor for said allowance will be considered additional income. (See Sec. 107, Internal Revenue Code.)
5. **Youth Service Fund:** The youth members of each church are asked to adopt the annual Youth Service Fund goals.
6. **Receipts:** The deadline for crediting receipts for the period January 1, 2009 through December 31, 2009 shall be at 5:00 p.m. on Wednesday, January 6, 2010.
7. **Pastors' Salaries and Expenses:** The calendar year is the statistical and fiscal year of the Conference. Pastors' compensation is to be established at the fall Church Conference for the following calendar year. Each pastoral charge shall include in its budget an amount to cover professional expenses, including travel, by reimbursement. Payments to utility companies by the church for the pastors are taxable income, except in unusual circumstances, this practice is discouraged.
8. **Mission Share Statements for January 1, 2010 to December 31, 2010,** shall be sent to churches as soon as is practical following the 2009 Annual Conference. (usually around the first of September)
9. **District Parsonage Maintenance:** The Conference Board of Trustees shall be responsible for the purchase and maintenance of district parsonages within the authority of their Articles of Incorporation

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and Bylaws and the framework of finances available for this purpose. All district parsonages will follow Annual Conference Parsonage Guidelines and be handicap accessible.

10. **Clergy Benefits:** Conference Health Insurance Clergy Retirement Security Program (CRSP) and Comprehensive Protection Plan (CPP) shall be paid monthly from statements that are sent to the church/charge or parish treasurer.

11. **Conference Journal:** One copy of the Conference Journal DVD shall be provided at no cost to each clergy and lay member of Annual Conference, to each seminary student, and to each member of Conference Boards and Agencies.

12. **Ministerial Assistance Fund:** Pastors are urged to contribute one fifth of a percent of their base compensation plus reimbursement account (less travel) to a Ministerial Assistance Fund to be administered by the District Superintendents. An annual audit shall be made each year in accordance with current auditing procedures.

13. **Meeting Expense Reimbursement:** The Council recommends the following guidelines for those serving on boards, councils, committees, and task forces of the Conference.

1. All who serve and the groups themselves are encouraged to practice stewardship in the scheduling of meetings. This means using central locations, car pooling, inexpensive meals, and avoiding overnight meetings when possible.
2. Those who can afford to do so, are encouraged not to submit a voucher, and/or to direct those funds to a specific ministry of our Conference.
3. The mileage reimbursement rate for travel related to Conference program will be the standard mileage rate for service to a charitable organization as set by the Internal Revenue Service. Five cents per mile will be added for each passenger who is a board committee or agency member attending the same meeting.
4. Guidelines for reimbursement of meals are as follows: breakfast, \$5; noon luncheon, \$6; evening dinner, \$8.
5. Those seeking reimbursements should use forms provided by the Director of Finance and Administration/ Conference Treasurer, include approval of chairpersons/conveners, and attach original, detailed invoices or receipts for all expenses excepting mileage.
6. Amounts budgeted for Meeting/Operating ("B" items) shall not be used for other purposes without approval of the Council on Finance and Administration.

14. **Local Church Payment of Mission Shares:** The policy of the Nebraska Annual Conference, in accordance with Disciplinary Para. 615, is that each local church shall pay all mission shares in full, remitting monthly. This is our faithful response to God's generosity and an affirmation of our connection. Mission Share giving is also our minimum response. We urge every member to support special offerings, Advance Specials, and other causes and appeals that contribute to making a difference in God's Kingdom.

15. **Financial Stewardship:** The Conference Council on Finance and Administration supports the Bishop, district superintendents, and the cabinet in working with churches to promote the achievement of mission share goals and increased financial stewardship.

**METHOD OF CALCULATING MISSION SHARES
(January 1, 2010 through December 31, 2010)**

16. **2010 Mission Shares to Local Churches** will be calculated utilizing two factors:

- 1) Fifty percent (50%) of the mission share on the basis of Full Members.
 - 2) Fifty percent (50%) of the mission share as a percentage of the total of amounts found in specific columns of the Statistical Tables. These are:
 - Senior Pastors' Base Compensation
 - Other Pastors' Base Compensation
 - Pastors' Professional Expense
 - Diaconal Ministers' and Deacons' Total Compensation
 - Other Staff Compensation
 - Program Expenses (Sunday School supplies, outreach, Christian Education)
 - Operating Expenses (utilities, insurance, repair & maintenance)
- Also,
- Cash Housing Allowances paid to less than full time pastors, and the portion of Cash Housing Allowance paid to full time pastors which exceeds \$10,600.
- 3) Provided the minimum mission share shall be equal to .01% of the total Conference Apportionment.
 - 4) Provided further, that with the exception of churches paying the minimum mission share, no church shall receive a 2010 mission share that is more than 110%, nor less than 90%, of the 2009 mission share.

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2010 Approved Nebraska Conference Advances

No.	Type of Organization/Program
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City and District Mission Societies

853	United Methodist Community Ministries-Blue River District
855	Elkhorn Valley District Mission Society
856	Great West District Mission Society
854	United Methodist Ministries-Missouri River District
859	Gateway District Mission Society
864	Prairie Rivers District Mission Society

District Programs

Paragraph 655.4 of the 2008 Book of Discipline provides for approved district programs to be designated as Conference Advance Specials.

"With the approval of the Annual Conference, a district within the Conference may authorize and promote Advance Specials for church extension and missionary needs within the district, such funds to be administered by a district missionary society organized for that purpose or by a similar body set up by the district. Such special funds secured and administered on a district level shall be reported by each local church to the Annual Conference as Conference Advance Specials." The following programs have been approved in this process.

886	Prairie Rivers District Hispanic/Latino Ministries
876	Great West District Hispanic/Latino Ministries
887	Conference Owned Camping Ministries-NUMC Inc.
888	Camp Comeca - Cozad
889	Camp Fontanelle - Nickerson
890	Camp Norwesca - Chadron

Community Mission Programs

882	Crossroads Center of Hastings
866	Hispanic/Latino Ministries
865	Native American Ministries
880	Nebraska Habitat for Humanity-specify which community
857	United Methodist Community Centers (Omaha)
868	Gateway District Hispanic/Latino Ministries (Kearney)

Church and Community Workers

861	Koni Purscell
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873	Church based Community Organizing in Nebraska
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870	Conference Peace with Justice Ministry
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2010 Approved Nebraska Conference Advances

- 871 **Hunger**
- 867 **Interchurch Ministries of Nebraska Rural Crisis Council**
- 895 **Justice for Our Neighbors (Immigration legal clinic project with the Iowa Conference)**
- 892 **National Hispanic Plan**
- 893 **Nebraska United Ministries in Higher Education Campus Ministry Local Campus units**
- 851 **Nigeria Partnership: Hope for Children of Africa**
- 872 **Rural Crisis Response**
- 875 **Volunteers in Mission Teams**
- 860 **Released and Restored**
- Institutional Ministries**
- 879 Danner Memorial Scholarship at Wesley House
- 852 Nebraska Wesleyan University
- 878 Crowell Memorial Home - Blair
- 881 Epworth Village - York
- 883 Hester Home - Benkelman
- 884 Regional West Medical Center
- 899 Fairfield Orphanage Student Association (FOSA)
- 877 Lydia Patterson Institute

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Committee on Equitable Compensation
MINIMUM BASE COMPENSATION GUIDELINES
2010

PURPOSE STATEMENT

“It is the purpose of the Commission on Equitable Compensation to support full-time clergy serving as pastors in the charges of the Annual Conference by (a) recommending conference standards for pastoral support; (b) administering funds to be used in base compensation supplementation; (c) providing counsel and advisory material on clergy support to district superintendents and committees on pastor-parish relations.” (2008 Discipline, Para. 625.2)

The Committee administers the Annual Conference’s duty, that “The Church shall provide and the ordained minister is entitled to receive, not less than the equitable compensation established by the Annual Conference for clergy members according to provisions of Para. 625.3” and “Each full-time pastor or those clergy members appointed less than full-time under episcopal appointment to a local church are eligible for participation in the Annual Conference program of equitable base compensation (Para. 342.1.,2).”

POLICY STATEMENT

Equitable compensation support for pastors is channeled through the local church. An increment, based on years of service, is a part of equitable compensation. Only full years of service in Nebraska are credited. The Minimum Base Compensation is calculated as a percentage of the Conference Average Compensation (CAC) for the conference year.

PART I

General Provisions

- 1. Professional Expense.** The pastor is to be reimbursed by the local church for actual mileage incurred in pastoral duties at the standard I.R.S. rate (55 cents in 2009). All pastors should establish accountable reimbursement plans for their professional expenses. The mileage reimbursement portion of this plan is not to be considered as part of salary. A minimum amount of \$5,500 should be budgeted for mileage reimbursement.

- 2. Vacation Time.** The Nebraska Annual Conference recommends to the local church’s Pastor (Staff) Parish Relations Committee that full-time pastors be given a minimum of three weeks (21 days, including three Sundays) time each Conference year for vacation, and four weeks (28 days, including four Sundays) after five years of full-time service.

- 3. Continuing Education.** Pastors in the Nebraska Conference shall be given a minimum of one week (seven days, including one Sunday) of continuing education time each Conference year, and at least one month study leave during the quadrennium, in accordance with Disciplinary guidelines (2008 Discipline, Para. 351). Longer periods may be negotiated between the pastor and Pastor (Staff) Parish Relations Committee. Local churches will include a continuing education allowance item in their church budget (separate from salary compensation.)

4. Course of Study Leave. Full-time local pastors shall be given time each year to attend Course of Study. This shall not be the pastor's vacation. The charge shall pay for pulpit supply.

5. Office Expense. All office expenses will be paid by the local church.

6. Medical Insurance. Each charge will pay all of the pastor's Health/Flex premium that corresponds with the report of the Board of Pension and Health Benefits of the Conference, with the pastor paying the balance under the guidelines of the Board of Pension and Health Benefits. The portion of the HealthFlex premium paid by the charge is in addition to the cash salary.

PART II

Minimum Base Compensation Guidelines

Minimum Compensation assistance is a form of pastoral support when a church or parish is unable to assume full responsibility for their pastor's salary and other compensation. The Committee, aware of its obligation to assure the individual pastor's right to a minimum compensation (2008 Discipline, Paragraphs 342 and 625), proposes the following minimum base compensation guidelines.

1. Minimum Compensation Support Schedule for full time pastors is based on a percentage of the Conference Average Compensation (\$55,075 for 2009; \$56,543 for 2010), and the percentages are listed next to the categories with minor changes due to rounding.

a. Base Minimum Compensation	Percent Of CAC	2009	2010
Local Pastor (FL)	60.00	\$33,045	\$33,926
Associate Member (AM)	63.76	\$35,116	\$36,052
Probationary Member (PM) w/o M.Div or M.Div. w/o Conference Membership	66.58	\$36,669	\$37,646
Full Member (FE) or Probationary Member (PM) w/M.Div.	70.32	\$38,729	\$39,761

b. Plus \$100 per full year of service in Nebraska as a full time pastor, up to a maximum of 15 service years.

c. Church responsibilities for CRSP and CPP can be included in the request for Equitable Compensation support. These amounts should include CRSP-DC, CRSP-DB, and CPP.

2. For statistical purposes, the following items shall be used to compute the total minimum salary for each applicant for Minimum Compensation Support:

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- a. Cash Salary (paid to the pastor by the parish).
- b. Tax deferred annuities, including payments to PIP.
- c. Allowance for Social Security.
- d. Medical/Dental Reimbursement Accounts.
- e. Reimbursement Accounts less a minimum of \$5,500 mileage and \$400 Continuing Education.
- f. Utilities Paid for Pastor.
- g. Salary Support from church-related sources beyond the local church (other than Equitable Compensation).

**Board of Pension and Health Benefits
RECOMMENDATIONS FOR 2010**

1. We recommend participation in the CLERGY RETIREMENT SECURITY PROGRAM (CRSP) and COMPREHENSIVE PROTECTION PLAN (CPP) the United Methodist Personal Investment Plan (UMPIP) which were approved by the 2004 General Conference.
2. The following provisions apply to the pre-1982 Reserve Pension Plan:
 - a) Effective January 1, **2010** the annuity rate will be **\$565** per service year.
 - b) The Board of Pension and Health Benefits' long range plan requires continuation of the apportioned past service payment beyond the retirement of the unfunded liability to provide increased benefits to retired persons. Our goal is to exceed 1.00% of our Conference Average Compensation (CAC) when determining the past service rate. This goal exceeds the .80% standard of the General Board of Pension and Health Benefits. The **2010** CAC is **\$56,543** which requires a minimum annuity of **\$552**. Therefore, the rate of **\$565** equals 1% or exceeds .80% of the CAC.
 - c) Special cash distributions received by the Conference Board will be used along with other resources to purchase additional paid up increases to the annuity rate.
 - d) Any increases to the annuity rate shall be fully funded.
 - e) Eligible surviving spouses are to be funded at **\$423.75**, (75% of **\$565**).

Budget	2009.....	2010
Receipts:		
Draw on Past Service Fund.....	630,000.....	560,000
GBoPB&HB Deposit Account Income.....	44,975.....	10,258
CRSP – DB Receipts.....	1,421,190.....	1,517,512
CRSP – DC Receipts.....	396,631.....	394,522
CRSP – CPP Receipts`	378,640.....	372,819
HealthFlex:		
Retiree HealthFlex Apportionment/Asking from Local Churches	719,045...	729,136
Retirees % Contribution	374,875.....	400,077
Retirees Self-Funded contribution	82,988.....	96,772
Retiree Medicare-D Rebate.....	131,000.....	131,000
Retiree Subsidy – Retiree Benefits Fund	145,310.....	160,912
Active HealthFlex Premiums Collected from Churches.....	2,497,012 ...	2,868,326
Active Clergy HealthFlex Contributions	332,618.....	421,312
Health Quotient Incentive	145,000.....	145,000
Lay HealthFlex Premium Payments.....	270,952.....	253,346

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Pension Foundation Funds:

Retiree Pension and Benefits Fund	25,998	13,187
Securing the Promise Fund	76,687	50,173
HealthFlex Active Rate Stabilization Fund	21,360	17,545
Crouse Endowment Fund	2,740	1,970
Irene Bonge Endowment (in Foundation)	620	773
Printing Establishment	0	0
Publishing House	7,500	7,000
Charter Fund	100	100
Trust Accounts	2,000	1,450
Mineral Rights	4,500	3,750
Miscellaneous Income	0	0
TOTAL INCOME	\$ 7,435,241	\$8,156,940

Disbursements:

Past Services Rate Increase	\$ 630,000	\$560,000
Central Conference Pension Initiative	20,000	20,000
CRSP – Defined Benefit Cost	1,356,824	1,468,124
CRSP – Defined Contribution Cost	393,679	394,522
CRSP – CPP Contributions	375,821	372,819
CRSP Administrative fee	16,784	17,248

Clergy on CPP Disability Benefits and Appointed to Incapacity Leave:

CRSP – Defined Benefit Cost	34,082	32,140
Conference Disability Non-CPP Comp	0	0
CRSP – Defined Benefit Costs	0	0
CRSP – Defined Contribution Costs	0	0
CPP Payments	0	0
HealthFlex Premiums	87,829	91,580

HealthFlex:

Premiums for Retirees	1,250,266	1,311,794
HealthFlex Premium for Actives	2,894,614	2,963,796
Rate Stabilization Subsidy for Actives	64,984	115,908
Laity HealthFlex Premiums	209,407	251,440
HealthFlex Arrearages	0	0
HealthFlex Administrative Fee	32,850	22,324
Misc. Grants (Deposit Acct.)	11,000	11,500
GBoPHB Payments to Dependent Children	2,000	2,000
Emergency Grants (Crouse Fund)	5,000	5,000
C.P.P. for Clergy on Sabbatical	0	0
Audit Fee	1,800	1,800
Legal Fees	250	250
Director’s Insurance	1,000	1,000
Trust Fees (Pension Foundation Acct.)	28,000	25,000
Other Expenses	3,000	3,000
TOTAL DISBURSEMENTS	\$ 7,434,366	\$ 7,671,245

f) Central Conference Pension Initiative;

- 1] The Conference shall continue to contribute the UMPH “Cokesbury” check to the .
CCPI;
- 2] The Conference Board pledges **\$20,000** a year for the next **five years beginning**

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in 2008;

- 3] The Conference Board challenges the churches of the Annual Conference to match that amount; and
- 4] The Conference Board invites the Association of Retired Ministers and Spouses .. [ARMS] to contribute a specific dollar amount during each of the next four years.

3. Proportional Payments: The disciplinary rules relating to proportional payments are to be strictly enforced with the Conference Board of Pension and Health Benefits as the appropriate committee so instructed and authorized. (2008 Discipline Par. **639.4**)

4. Retired Pastors Day: The Board of Pension and Health Benefits and the Bishop request that a Heritage Sunday, be set aside during 2010 to honor the retired clergy and diaconal ministers, their spouses and the surviving spouses of clergy and diaconal ministers in recognition of the church's responsibility for their support. (2008 Discipline Par. **264.1**)

5. Pensions:

a) Clergy Retirement Security Program (CRSP):

Effective 1 January 2007, the Clergy Retirement Security Program (CRSP) [adopted by the 2004 General Conference] becomes the new pension plan for eligible United Methodist Clergy. The Clergy Retirement Security Program is comprised of three elements:

- the Pre-82 constituent for service prior to 1982
- the Ministerial Pension Plan (MPP) constituent for service from the years 1982 – 2006, and
- the Clergy Retirement Security Program for service after 1 January 2007, which shall include a Core Defined Benefit (CRSP-DB) and a Defined Contribution Benefit (CRSP-DC).

2010 Contributions to the Clergy Retirement Security Program (CRSP) shall be made by the local church or salary paying unit to the Conference Treasurer for:

- 1] The Defined Benefit (CRSP-DB) component at the rate of **11.3786%** of the Plan Compensation up to a maximum of 150% of the Denominational Average Compensation (**\$60,341**); and
- 2] Defined Contribution (CRSP-DC) component of the program at the rate of 3% of Plan Compensation. Clergy may choose to invest the Defined Contribution portion of CRSP from among any or within all of the General Board's funds: the Domestic Stock Fund, the International Stock Fund, the Stable Value Fund, the Inflation Protection Fund, **the Multiple Asset Fund, the Balanced Social Values Plus Fund** or Domestic Bond Fund.
- 3] Clergy under appointment, full and less-than-full-time, to a local church, charge, conference or entity for which the Annual Conference has pension responsibility (*including Deacons, Local Pastors, and Student Local Pastors*), and clergy appointed to Incapacity Leave approved for CPP benefits are required to participate in the Clergy Retirement Security (CRSP). Clergy under appointment less-than-full-time [as determined by % of the appropriate Conference Base Minimum Compensation Guidelines, i.e., at least 25%, 50%, 75%] shall receive CRSP-Defined Benefit (CRSP-DB) pension credit in one quarter incre-

ments ($\frac{1}{4}$, $\frac{1}{2}$, or $\frac{3}{4}$ time) and be billed proportionately for the CRSP-DB portion, and billed for the CRSP-Defined Contribution portion at 3% of the defined Plan Compensation.

- 4] Clergy under appointment to Attend School, Leave of Absence, Sabbatical Leave, Family, and clergy Retired/Rehired under ¶358.6 are not eligible to participate in the Clergy Retirement Security Program (CRSP).
 - 5] Beginning 1 July 2007, CRSP Benefit contributions will be provided clergy under full-time appointment to Incapacity Leave (not receiving CPP benefits) for a maximum of 90 days while the application is being processed [this provision applies to any applications not approved by 1 July 2007]. Annual Conference contributions for special situations are paid as Miscellaneous Grants from funds in the Deposit Account with the General Board of Pension and Health Benefits.
- b) United Methodist Personal Investment Plan (UMPIP): UMPIP is the plan for personal contributions effective 1 January 2006.
- 1] Participation in the United Methodist Personal Investment Plan is optional, and we strongly recommend every pastor contribute up to the maximum limit allowed by IRS regulations.
 - 2] In accordance with the provisions of the Discipline, the Nebraska Annual Conference does hereby authorize and direct the local church/charge treasurer, or the treasurer of any other agency or organization, to withhold United Methodist Personal Investment Plan contributions from the salary paid to a UMPIP participant and upon receipt of proper statements, to remit to the General Board of Pension and Health Benefits in monthly installments the amount withheld. These contributions may be made either on a “before-tax” (up to the limits designated by the IRS) or “after-tax” basis, but in either case, must be made by the salary paying unit.
6. Comprehensive Protection Plan (CPP)
- a) Clergy under full-time appointment are required to participate in the Comprehensive Protection Plan (CPP), the denomination’s defined contribution benefit program that provides:
 - 1] Death benefit for clergy families
 - 2] Disability benefits for clergy unable to perform their duties as defined by the plan. Under this part of the pension benefits program the salary paying unit of each clergy under full-time appointment shall contribute (pay) **3%** of the clergy’s “Plan defined Compensation” capped at 200% of the DAC (**\$60,341**); clergy whose plan compensation is less than 60% of the Conference Average Compensation are not eligible to participate in CPP.
 - b) Arrangements governing special situations:
 - 1] Though CRSP participation is required of clergy appointed “less than full-time and Student Local Pastors, participation in the Comprehensive Protection Plan is not available to clergy appointed “less than full-time and Student Local Pastors.”
 - 2] CPP will be provided by the Nebraska Annual Conference to clergy under full-time appointment on Incapacity Leave (not receiving CPP benefits); such contributions will be paid by the Annual Conference at 3% of the Plan defined Contribution.
 - 3] Annual Conference contributions for special situations are paid as Miscellaneous Grants from funds in the Deposit Account with the General Board

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of Pension and Health Benefits.

7. Pension and Health Benefits for Deacons under appointment.
The 2004 General Conference amended *The Book of Discipline* to read:

When a Deacon's primary field of service is within a local congregation, charge, or cooperative parish, the Deacon shall receive a salary from the local congregation, charge or cooperative parish (§625.2) not less than the minimum established by the equitable compensation policy of the annual conference for full-time and part-time pastors and shall participate in the denominational pension and benefits plans, programs, and in the health benefit and supplemental programs of his or her annual conference subject to the provisions and standards of those programs as established by the annual conference where health coverage is not provided from another source. [§31.14(b)].

- a) Deacons in full connection serving a local congregation, charge or cooperative parish shall participate in the Clergy Retirement Security Program (CRSP).
 - b) The salary-paying unit (local church) to which a Deacon is appointed may be the plan sponsor for participation in HealthFlex, the denomination's health care plan. If the local church (salary-paying unit) covers the Deacon under HealthFlex the church becomes the plan sponsor and unit should contact the General Board of Pension and Health Benefits to get the proper forms and detailed information pertaining to the plans offered, eligibility, processes and responsibilities of being a plan sponsor, however the deacon can be covered under another health plan. The annual conference is not the plan sponsor unless it is also the salary-paying unit.
8. Disciplinary Questions: What other personal notation should be made:
- a) That the Reverends Nita Gelling Cloran (8)[FE], Bob Edwards (3) [FE], Bill Draper-Finlaw (3)[FE], Mary Jo Harper (5)[FL], **Barbara Hart (1)[FE]**, Willis Jerry Heydenberk (5)[FE], **Richard Melano (1)[FL]**, Kathy Rice (3)[FE], Sandra (Samm) Patterson (5)[FE], Fred Snyder (8)[FE], and Terry Tomlinson (10)[FE] have been approved for Disability Benefits.
 - b) That the following disabled dependents of deceased clergy be recognized as dependent upon the pension program of the Nebraska Annual Conference:
 - 1] Lance Lingard -dependent son of Richard H. Lingard (25% of pension rate times service years of father) payable to Mrs. Jeanette Lingard Hanson.
 - 2] Kathy Kirkus - dependent daughter of Eldo Kirkus (25% of pension rate times years of service of father).
9. Pension Benefits: Persons who withdraw from the effective relationship shall not be readmitted for the purpose of retirement. Their pension benefits will be based on the rate and years of service at the time of withdrawal.
10. Pension Payment-"Shared Pastors": When a local church of the Nebraska Conference is served by a clergy person of another denomination and that denomination recognizes the clergy person as qualified to be in its pension program, the local church will share in that pen-

sion program on behalf of the pastor. The local church will contribute to the pension program for the pastor according to the rules below.

When a Nebraska "Conference responsible clergy" person who qualifies for our pension program serves a local church of another denomination or an ecumenical ministry which places the clergy person under appointment, that local church or ecumenical ministry shall be billed by the Annual Conference and expected to pay directly to the Conference Treasurer the appropriate amounts for CRSP-DB (**11.3786%**), CRSP-DC (3%), and CPP (3%) based on Plan defined Compensation.. Plan Compensation is defined as Total Compensation Salary plus 25% or the cash housing allowance. United Methodist Personal Investment Plan contribution of United Methodist clergy is considered part of salary, even though it may be paid through a salary reduction agreement directly to the General Board of Pension and Health Benefits of The United Methodist Church.

11. HealthFlex for Active Lay Employees:

- a) The Board of Pension and Health Benefits recommends that local churches enroll their lay full-time employees in the Conference HealthFlex program, provided such full-time lay employees work a minimum of 30 hours per week, and 12 months a year, and the local church is non-discriminatory in its hiring practices. Premiums will be based family status (single, two-party, family).
- b) The local church must sign a sub-adoption agreement and enroll 75% of eligible lay employees in order to participate in HealthFlex.
- c) That the spouse of a deceased lay employee who was covered by HealthFlex benefits be given the opportunity to continue coverage under the program if they desire and are willing to pay the premium cost for that coverage.

12. HealthFlex – Healthy Lifestyle Incentive:

HealthFlex is the health care plan provided clergy and conference lay employees through the Conference Board of Pension and Health Benefits. The Board affirms the importance of a healthy lifestyle as one means of a person's faith witness through the broad concept of stewardship. It has been established that preventable illness makes up approximately 70% of the total cost of health care. **The Board encourages a more active discipleship in healthy lifestyle behavior which requires enrolling in the Virgin HealthMiles walking program, completing the WebMD Health Quotient and participating in the wellness screening at the Annual Conference or having an annual preventive wellness exam and when relevant, participating in the Lifestyle Coaching or Disease Management programs. The following incentives are established:**

- a) **Participants [eligible active clergy, district and conference lay employees] and their spouses who complete the Healthy Lifestyle Incentive (1. enrolling in Virgin HealthMiles; 2. completing the Health Quotient; and 3. participating in the wellness screening at Annual Conference or having an annual wellness exam) between 1 Jan 2009 and 31 Oct 2009 will receive the following HealthFlex Healthy Lifestyle credit during 2010.**
 - 1] Participant – a \$240 credit on their participation amount.
 - 2] Spouse – a \$60 credit on their participation amount.
- b) Charges whose pastors complete their **Healthy Lifestyle Incentive** between 1 Jan 2009 and 31 Oct 2009 as confirmed by the General Board of Pension and Health Benefits will receive the following HealthFlex Healthy Lifestyle **Credit** during 2010 based on the percent of Nebraska Charges participating as follows:
55% participation \$300 Incentive Credit on their Uniform HealthFlex Billing

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65% participation \$400 Incentive **Credit** on their Uniform HealthFlex Billing

75% participation \$500 Incentive **Credit** on their Uniform HealthFlex Billing

[Credits are limited to one per Charge per appointed clergy.]

- c) Retired participants [eligible clergy and conference lay employees] and their spouses who complete their **Healthy Lifestyle incentive (Wellness Screening or Annual Physical and complete the Health Quotient as confirmed by the General Board of Pension and Health Benefits) between 1 Jan 2009 and 31 Oct 2009** will receive the following HealthFlex Healthy Lifestyle Incentive during 2010:

1) Participant – a \$108 credit on their participation amount.

2) Spouse – a \$36 credit on their participation amount.

[Note: Enrollment in the Virgin HealthMiles program is not required but encouraged for the Healthy Lifestyle Incentive for retired participants.]

- d) *HealthFlex has contracted with "Weight Watchers" so that Clergy and family participants in HealthFlex over the age of 15 may participate in one of four "Weight Watchers" programs at a 50% discount. For clergy and family participants in HealthFlex over the age of 15 who enroll, pay the fee, and attend to completion the program as attested by credible documentation will receive a cash refund [rebate] from the conference for the amount of the fee which they paid for the program.*
- e) Eligible participating surviving spouses will receive the same HealthFlex Healthy Lifestyle Incentive **credit** as the eligible participating clergy, conference lay employee [active or retired]. (For policies concerning surviving spouses who remarry or who become employed and eligible for employer-health care benefits participation please refer to other sections of the HealthFlex provision.)

13. HealthFlex for Retired Lay Employees: The Board of Pension and Health Benefits of the Nebraska Annual Conference will subsidize the *HealthFlex* Medicare Companion insurance premiums for full-time Lay Employees of the Annual Conference who retire at age 65 and have been participants in the Conference sponsored health plan for the five (5) consecutive years immediately prior to age 65 on the same basis as the Retired Clergy in the plan. (See ¶16 below.)

14. HealthFlex for Active Clergy **[Medical Plan PPO-1000 with Rx Plan P-2]:**

- a) United Methodist ordained elder appointed full-time service [as determined by receiving 100% of the appropriate Conference Base Minimum Compensation Guidelines] within the connexional structure to a unit of the conference for which the annual conference has pension responsibility under the Clergy Retirement Security Program (CRSP), such as district superintendents, staff members of conference councils (see 2004 Discipline Par. 344.1(a)(1)) are required to participate in HealthFlex. A uniform premium rate (without regard to family status) will be paid by the local church, Conference, or agency with participation by the clergy without regard to status of the family according to the following:

1] During 2010:

a) Clergy participation during 2010 will be 15% of the uniform premium.

b) Clergy Couple Special Consideration: during 2010 clergy couples will be given a credit for the participation amount of one of the clergy couple. (This may be expressed as the complete elimination of the clergy participation billing for one of the couple or 50% of the clergy participation billing for each member of the clergy couple.)

2] During 2010 The Conference Board of Pension and Health Benefits will

study the matter of clergy participation and **consider** new recommendations to the Annual Conference.

- b) Special provisions: Effective July 1, 2008. Clergy approved for CPP Disability Benefits may continue to participate in Health Flex at their own expense. Clergy appointed to Incapacity Leave and approved for CPP Disability Benefits may continue to participate in HealthFlex with the premium being paid by the Conference for the clergy and dependents providing the dependents are not eligible for health care coverage under another employer sponsored group plan.
 - c) Surviving spouses of active clergy may continue coverage in HealthFlex with Conference subsidy at the level of their clergyspouses.
 - 1] If they remarry, they will forfeit the Conference subsidy of HealthFlex premium, but may continue participation with the full premium paid by the participant. A surviving spouse of active clergy who discontinues HealthFlex coverage loses all future coverage rights under HealthFlex.
 - 2] When a surviving spouse becomes employed and eligible for employer health care benefits, participation in *HealthFlex* and subsidy of premiums by the Annual Conference shall cease.
15. *Arrearages pertaining to Pension and Health Benefits:*
- a) Health and pension benefits are part of the compensation of our appointed pastors serving a local church. Participation eligibility is determined by the General Board policies and the Annual Conference's adoption agreements.
 - b) When a church/charge is in arrears 31 days in the payment of its HealthFlex premiums, **flexible spending account payments** and/or Clergy Retirement Security Program [CRSP] contributions for appointed clergy, the Director of Administrative Services/Conference Treasurer shall notify the Cabinet, local church/charge treasurer, chair of the Staff-Parish Relations Committee, chair of the Administrative Council, and the pastor. The cabinet shall take appropriate action to ensure the payment of premiums so that the pastor may receive the compensation entitled by ¶¶ 342, 620 and 625.3 of the 2008 *Book of Discipline*.
16. HealthFlex for Retired Clergy [**Medicare Companion Plan MC-2 with Rx Plan P-2**]: The Board of Pension and Health Benefits of the Nebraska Annual Conference shall provide Health Care benefits for retired clergy, with at least five (5) years of continuous participation in HealthFlex or a United Methodist Conference sponsored health plan immediately prior to retirement, and their spouses to the extent financially possible by conference mission shares and Conference Board endowment funds for retiree pension benefits.
- a) Effective 1 January 2005 Conference subsidy of Medicare Companion Insurance benefits for clergy will be provided in accordance with the following retirement class schedule:
 - 1] Clergy who retired prior to Annual Conference 1988 shall receive 90% subsidy from the Annual Conference toward the cost of the *Health Flex* Medicare Companion premium for themselves and their spouse.
 - 2] Clergy who retired between Annual Conference 1988 and 1997 shall receive an 80% subsidy for themselves and a 40% subsidy for their spouse toward the cost of the *HealthFlex* Medicare Companion premium.
 - 3] Clergy who retired between Annual Conference 1998 and 2003 shall receive a 70% subsidy for themselves and a 35% subsidy for their spouse toward the cost of the *HealthFlex* Medicare Companion premium.
 - 4] Clergy retiring after 1 July 2003 shall receive a subsidy equal to 2% per

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service year in the ordained ministry of the United Methodist Church and its predecessors up to a maximum of 35 years; their spouse shall receive a subsidy equal to 50% of that which the clergy receives.

- 5] Clergy couples retiring after 1 July 2003 shall receive a subsidy equal to 2% per service year of their combined years as appointed clergy of the United Methodist Church and its predecessors up to a maximum of 35 years. [The subsidy rate will be calculated according to the method which benefits the couple.] The surviving clergy person shall continue to receive the same subsidy throughout the remainder of his/her life.**
- b) After 1 July 2003, Clergy retiring before the age of eligibility for Medicare Insurance Benefits must continue in HealthFlex at their own expense until Medicare eligible in order to receive subsidy for Medicare Companion Insurance. Premiums will be based on family status.
- c) Clergy retiring before the age of eligibility for Medicare Insurance Benefits, on or before 1 July 2003 shall be grand-parented under the special conditions listed below:
- 1] Clergy retiring under paragraph 356.2b (2000 Discipline) with 35 - 39 years of service will have 50 percent of HealthFlex premium paid by the Conference, in addition the clergy will contribute the percent applicable to their retirement class for their spouse. Medicare Companion premium subsidy will begin at the age of Medicare Insurance eligibility. Premiums will be based on family status.
 - 2] Clergy retiring under paragraph 356.2c (2000 Discipline) with 40 years of service will have 75 percent of HealthFlex premium paid by the Conference, in addition the clergy will contribute the percent applicable to their retirement class for their spouse. Medicare Companion premium subsidy will begin at the age of Medicare Insurance eligibility. Premiums will be based on family status.
- d) Clergy who withdraw from participation in *HealthFlex Medicare Companion Plan* shall not be eligible to reenter the plan.
- e) Clergy who withdraw from the ministry and later retire are not eligible for HealthFlex retiree benefits.
- f) Clergy serving in extension ministries who have five (5) years of coverage under the Conference sponsored health plan at the time of retirement may continue under HealthFlex retiree coverage at their own expense.
- g) All HealthFlex benefits paid by the Board of Pension and Health Benefits of the Nebraska Annual Conference except those grand-parented in paragraph 14.c above are based on the Medicare Companion plan. Should any qualified retiree be ineligible for Medicare, the Board will pay only the equivalent of the appropriate subsidy for the Medicare Companion premium. The retiree is responsible for the premium of any Medicare Parts A and B or self-insuring what Medicare-would pay of any health care expenses.
- h) Special Provisions: Surviving spouses who qualify for Social Security Disability (or General Board determined disability) may continue to participate in HealthFlex with the premium being paid by the Conference, providing the surviving spouse is not eligible for health care coverage under another employer sponsored group plan.
- 1] Surviving spouses of retired clergy shall receive the benefits which the clergy member received.
 - 2] Surviving spouses of retired clergy who remarry may continue to participate in *HealthFlex Medicare Companion*

insurance at their own expense.

- 3] Retired clergy who re-marry may not enroll their spouse in *HealthFlex*. The new spouse is not eligible for participation in *HealthFlex*.

17. Arrearages – Retired Clergy receiving *HealthFlex* coverage: Retired clergy responsible for payment of and of their *HealthFlex* premiums who become in arrears 31 days shall be notified that if the premium payment due is not received within 60 days of the date due that participation in *HealthFlex* may be terminated, and once terminated re-enrollment in *HealthFlex* is not possible. (A notice of the arrearage policy appears on each month's billing)

18. Financial Assistance: In cases of financial hardship clergy may make application for financial assistance to one of the following:

- a) Ministerial Assistance Fund: A special fund administered by the District Superintendent's to provide emergency financial assistance for clergy in response to special needs. Contributions to this fund come from the clergy of the Nebraska Annual Conference. (Requests will be granted based on the situation and availability of funds)
- b) Farmer Fund Grant Program: Grants are available from the General Board of Pension and Health Benefits for "distressed clergy members, surviving spouses of clergy members and dependent children of clergy members."
 - 1] A grant will be approved only for a one-time emergency situation.
 - 2] Application must be made by the participant and by the Annual Conference.
 - 3] The Conference must certify that a concurrent grant will be made on a \$1 for \$3 basis.
- c) Norman and Opal Crouse Fund Grant Program: The purpose of this fund is to provide assistance to retired and active pastors, their spouses, dependent children, surviving spouses and surviving dependent children. The needs to be addressed include, but are not limited by, the following: emergency medical needs, hardship, special financial needs. (Requests will be granted based on the situation and availability of funds)
 - 1] Receipt of request and determination of special financial need for active clergy and the amount of the grant shall be determined by the Bishop and the Cabinet.
 - 2] Application for financial assistance for Retired Clergy, surviving spouses, and surviving dependent children may be made to the Conference Board of Pension and Health Benefits. Decision and the amount of a grant will be determined by the Conference Board of Pension and Health Benefits.
- d) The Endowment Fund of the Association of Retired Ministers and Spouses [ARMS] of the Nebraska Conference of the United Methodist Church: A clergy retiree or surviving spouse of the Nebraska Annual Conference may make application to the Executive Committee of ARMS for a special Grant to supplement or subsidize their *HealthFlex* premium contribution or for special financial assistance related to health care expenses. (Requests will be granted based on the situation and availability of funds.)

19. Special Provisions: The Nebraska Annual Conference established *HealthFlex* (a group health and medical insurance plan) with the intent of providing coverage for active and retired clergy of the Conference. However, the Annual Conference reserves the right at any time or from time to time, to amend any or all the provisions of the health care plan without consent of individual participants. Participants will be notified at least two months in advance of any change that will take place.

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20. Memorial Gifts: The Board of Pension and Health Benefits recommends that a MEMORIAL GIFTS PROGRAM be continued by the Nebraska Annual Conference for the benefit of the Pension program. The program is to be promoted through the Nebraska MESSENGER, Retired Pastors Sunday (Heritage Sunday, last Sunday in April), the ARMS Newsletter and UMConnect. A brochure, along with envelopes and gift cards are available explaining the program and offering opportunities for participation.

21. Report of the Nebraska Conference Board of Pension and Health Benefits Funds:
- a) Audits: The annual consolidated audit and statistical report of the Conference Board shall be printed in the Conference Journal.
 - b) Endowment Funds: The Conference Board of Pension and Health Benefits administers four endowment funds: Retiree Pension and Benefits Fund, Secure the Promise Fund, HealthFlex Rate Stabilization Fund, and Crouse Grant Fund. Each fund has a specific mission: The Retiree Pension Benefits Fund provides reserves to supplement retirement obligations to retired clergy; The Secure the Promise Fund is designed to aid in ensuring future retiree health benefits; The HealthFlex Rate Stabilization Fund provides reserves to help stabilize the health care premiums for active clergy; The Crouse Fund provides emergency assistance to all clergy families. Persons interested in supporting these Funds are encouraged to make additional contributions.
22. Rental Allowance for Retired or Disabled Clergypersons.

NEBRASKA ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH
RESOLUTION RELATING TO RENTAL/HOUSING ALLOWANCE FOR
RETIRED OR DISABLED CLERGYPERSONS OF THE NEBRASKA CONFERENCE

The Nebraska Conference (the "Conference") adopts the following resolutions 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 through ministers of the gospel (within the meaning of the Internal Revenue Code section 107) who were or are duly ordained, commissioned, or licensed ministers of the Church ("Clergypersons");

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

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

WHEREAS, the Internal Revenue Service has recognized that the Conference (or its predecessors) is the appropriate organization to designate a housing/rental allowance for Clergypersons who are eligible to receive such deferred compensation;

NOW THEREFORE BE IT RESOLVED:

THAT an amount equal to 100% of the pension or disability payments received from the 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"), during the year 2008 by each active, retired or disabled Clergy person who is or was a member of the Conference, or its predecessors, be and hereby is designated as a rental/housing allowance for each such Clergy person and;

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

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

For Supplement One to the Clergy Retirement Security Program (Pre-82 Plan)
as of January 1, 2007 for 2009

The 2009 Past Service Rate (PSR) for the Nebraska Annual Conference is **\$551** or 1.01% of Conference Average Compensation (CAC). The Clergy Retirement Security Plan requires that the PSR be at least 0.9% of the CAC.

From 2006 to 2009 the CAC increases have averaged **4.0%** and the PSR increases have averaged about 3.3%. The conference will also take into consideration expected cost of living increases and other circumstances such as the increased obligation of retirees to absorb some of their health care costs. We expect future CAC increases to be approximately 3.0% and we anticipate future PSR increases will maintain this relationship.

The General Board of Pension and Health Benefits has determined that the portion of the pre-82 plan liability attributable to the Nebraska Annual Conference is **\$33,958,458** based on a 2009 PSR of **\$551** with a 7.0% interest rate, the RP-2000 mortality table, and 3.0% past service rate increase assumption. This liability is fully funded at this time.

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Based on a 7.0% interest assumption, we believe that a surplus funded status can be maintained. Should additional future funding be required, the annual conference would authorize additional apportionments. The funding plan as of January 1, 2007 for 2009 is summarized below:

Supplement One Liability	
Based on a PSR increase rate of 3.0%	\$(33,958,458)
Current Assets	53,687,499
Funding Status	\$ 19,729,041

NEBRASKA CONFERENCE PARSONAGE STANDARDS

I. Annual Conference Policy Regarding Pastoral Housing

1. The Nebraska Annual Conference policy is to encourage churches and pastors to have parsonages provided by the local church.
2. The pastor shall consider the parsonage as the church's property; the church shall consider the parsonage as the pastor's home.
3. Under some circumstances, the unusual needs of a particular clergy family or the exceptionally strong preference of the family or local church may warrant the choice of housing other than a church-owned parsonage. Such a choice may be pursued only under the supervision of the District Superintendent.
4. Handicap accessibility shall be provided, meeting American Disability Act (ADA) standards. Minimum standards acceptable are toilet facilities on the main level.
5. Entry/exit parsonage inspections shall be made by the pastor, Chairperson of the Staff Parish Relations Committee and the Chairperson of the Board of Trustees. A photo shall be taken to insure quality of dwelling.

II. Standards for Parsonage Furnishings

1. Central heating system with humidifier and dehumidifier as needed.
2. Hot water heater and water conditioner.
3. Modern kitchen range with exhaust fan.
4. Refrigerator with a freezing compartment containing at least 2 ½ cubic feet of capacity.
5. Garbage Disposal.
6. Dishwasher.
7. Automatic clothes washer and dryer of at least standard laundry size.
8. Telephone jacks appropriately installed on each floor with a minimum of one telephone provided.
 - A. To allow adequate pastoral contact, two lines shall be wired into the parsonage which makes internet accessibility feasible on an ongoing basis.
 - B. If the office is located in the parsonage, a minimum of two telephones shall be provide.
9. Television cable or dish provided.
10. Central air conditioning or adequate window air conditioning.
11. Drapes for living room and dining room. Drapes, curtains, mini-blinds, or decorator shades for all other windows. All materials shall be fire retardant.
12. Floors on main level(s):
 - A. Carpet in living room and dining room or adequate substitute such as attractive hardwood floor with appropriate rugs, etc.
 - B. Entry way halls should fit the decor of the living room and dining room.
 - C. Kitchen: good grade of tile, linoleum or kitchen carpeting.
 - D. Bathroom: good grade of tile, linoleum or bathroom carpeting.
 - E. Other rooms, i.e., bedroom, den, etc.: carpeting or other covering or well finished wood.
13. Appropriately placed smoke alarms and carbon monoxide detectors.

III. Standards for Parsonage Building and Grounds

Excellent

1. General appearance inside and outside: Excellent
2. Sidewalks to garage and front street.
3. Play area in back
4. Yard fully maintained by church using natural methods of fertilizer and insecticides.
5. Two car garage and storage. Garage has lights and electrical outlets.
6. Insulated glass windows or regular glass with combination storm windows and storm doors.

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7. Insulation installed which meets minimum standards recommended for maximum energy efficiency as determined by the Energy Commission.
8. Three bedrooms above ground with a minimum of 130 square feet. Master bedroom shall be at least 180 square feet. Adequate lighted closets. If two-story, one bathroom and one bedroom shall be on the main floor.
9. One full bath plus one three-quarter bath adjoining master bedroom. One bath must be on main floor.
10. Modern kitchen with dining area to seat at least six. There shall be adequate counter and storage space, and an ample number of electrical outlets.
11. A separate dining room.
12. Large living room with family room removed from it so that activities in one do not disturb persons in the other.
13. Entryway and traffic pattern so that family can get to other parts of the house with out being viewed from living room. Guest closet. Window or "peek home" in front door.
14. If there is no office/study in the church, the parsonage should have one that has a separate outside entrance. The office/study should have built-in bookshelves.
15. Adequate electrical wiring with a minimum of 200 ampere entrance box with circuit breakers. All wiring shall meet at least the National Electric Code minimum standard.
16. Adequate fire exits from all areas of the house; especially the basement. Fire extinguishers on all levels.
17. Adequate storage space.
18. Accumulative yearly maintenance budget of 2% of replacement value of the house.
19. Periodic termite inspection at intervals not exceeding five years. Three bedrooms above ground.

Acceptable

1. General appearance inside and outside: Good
2. Sidewalks to garage and front street.
3. Play area in back.
4. Yard maintained by church (natural fertilizer and insecticide provided by church).
5. One car garage with storage. Garage has lights and electrical outlets.
6. Insulated glass windows or regular glass with combination storm windows and storm doors.
7. Fully insulated. (Walls and ceilings)
8. Three bedrooms above ground. Master bedroom shall be at least 150 square feet. If two-story, one bedroom shall be on the main floor.
9. One full bath on main floor plus one three-quarter bath.
10. Modern kitchen with dining area to seat at least four. There shall be adequate counter and storage space and an adequate number of electrical outlets.
11. Living-dining room combination.
12. Living room and a separate family room.
13. Living room isolated from the normal traffic pattern.
14. If there is no office/study in the church, the parsonage should have a room available for an office/study. The office/study should have built-in bookshelves.
15. Adequate electrical wiring with a minimum of 200 ampere entrance box with circuit breakers.
16. Adequate fire exits from all areas of the house; especially the basement. Fire ex-tinguishers on all levels.
17. Adequate storage space.
18. Accumulative yearly maintenance budget of 2% of replacement value of the house.
19. Periodic termite inspection at intervals not exceeding five years.

Further Recommendations:

1. Prior to the purchase of a house to be used as a parsonage, a thorough professional termite inspection should be conducted.

2. In any new construction:
 - a. Energy conservation should be a prime consideration.
 - b. Sound conditioning should be considered if a room is to be used a conference or counseling room.
 - c. Make the house handicapped accessible, i.e., door widths and stairs.
 - d. Make the house as maintenance free as possible.
3. If the church provides a housing allowance rather than parsonage, the allowance should be adequate for renting or purchasing a home meeting the above standards.

IV. Pastor's Responsibility

1. The parsonage family shall practice good stewardship of parsonage property and will be held financially accountable for damage other than normal wear and tear. They shall keep the parsonage in neat appearance. Upkeep, repair, and redecorating will be done in consultation with the local church parsonage committee. The parsonage family shall leave the parsonage as good or better than it was when they moved into the dwelling.
2. The pastor should keep the parsonage committee informed of maintenance needs throughout the year between annual reviews.
3. The pastor and the parsonage committee shall inspect the parsonage together at the time of a change of pastors. The location of guarantees and operating instructions for parsonage equipment should be designated for the benefit of the incoming pastor.
4. Disputes between the pastor and the local church concerning the parsonage shall be referred to the District Committee on Building and Location for negotiation and settlement.

V. The Parsonage Review and Report

1. In accordance with 2008 Book of Discipline, Paragraph 258 2.g 16: "The chairperson of the Committee on Pastor Parish Relations, the chairperson of the Board of Trustees, and pastor shall make an annual review of the church-owned parsonage to assure proper maintenance."
2. The review shall provide the information as specified on the Parsonage Review Report form and reported to the Annual Church Conference. The report form may be obtained from the district superintendent.

Parsonage Standards Committee:

Representatives from	Cabinet:
	Parsonage Connection:
	Trustees:
	Laity: