

**ITEMS REQUIRING ACTION BY THE
2004 SESSION OF THE
WISCONSIN ANNUAL CONFERENCE
THE UNITED METHODIST CHURCH
TABLE OF CONTENTS**

<i>Action Item 1:</i>	<i>Resolution on United Christian Resource Center</i>	<i>Page 130</i>
<i>Action Item 2:</i>	<i>Local Church Camping Coordinator</i>	<i>Page 132</i>
<i>Action Item 3:</i>	<i>Camp and Retreat Emphasis Sunday</i>	<i>Page 132</i>
<i>Action Item 4:</i>	<i>United Methodist Youth Sunday</i>	<i>Page 132</i>
<i>Action Item 5:</i>	<i>District "Open Forums"</i>	<i>Page 133</i>
<i>Action Item 6:</i>	<i>United Methodist Women's Sunday</i>	<i>Page 133</i>
<i>Action Item 7:</i>	<i>Designation of Earnings from the "New Ministries Fund"</i>	<i>Page 133</i>
<i>Action Item 8:</i>	<i>Resolution On The Discontinuance Of Readstown United Methodist Church, Readstown, Wisconsin</i>	<i>Page 138</i>
<i>Action Item 9:</i>	<i>Resolution On The Discontinuance Of Christie United Methodist Church, Christie, Wisconsin</i>	<i>Page 134</i>
<i>Action Item 10:</i>	<i>Resolution on Housing Allowance for Retired and Disabled Clergy</i>	<i>Page 135</i>
<i>Action Item 11:</i>	<i>Resolution on Past Service Annuity Rate</i>	<i>Page 136</i>
<i>Action Item 12:</i>	<i>Resolution on Minimum Compensation</i>	<i>Page 136</i>
<i>Action Item 13:</i>	<i>Resolution on 2004 Formal Funding Plan for Pre-1982 Pension Liability</i>	<i>Page 136</i>
<i>Action Item 14:</i>	<i>Health Insurance Premiums for Surviving Spouses of Active Clergy</i>	<i>Page 138</i>
<i>Action Item 15:</i>	<i>Retiree Health Insurance Premiums</i>	<i>Page 139</i>
<i>Action Item 16:</i>	<i>Proposed Rules Changes</i>	<i>Page 141</i>
<i>Action Item 17:</i>	<i>Proposed 2005 Wisconsin Conference Budget</i>	<i>Page 155</i>
<i>Action Item 18:</i>	<i>Resolution establishing Covenantal Relationship with Harbor House Crisis Shelter</i>	<i>Page 148</i>
<i>Action Item 19:</i>	<i>Resolution Affirming Covenantal Relationship with Sheboygan Senior Community</i>	<i>Page 151</i>
<i>Action Item 20:</i>	<i>Resolution on the Administration of the Revolving Loan Fund Account</i>	<i>Page 153</i>
<i>Action Item 21:</i>	<i>Partnership with the Methodist Church of Cuba</i>	<i>Page 154</i>

Action Item 1: Resolution on United Christian Resource Center

Submitted by: Board of Discipleship

Be it resolved, that the present United Christian Resource Center be dissolved as an ecumenical partnership and become a ministry of the Wisconsin Conference of the United Methodist Church;

That a Task Force, accountable to the Conference Board of Discipleship, be named and confirmed (by the Board of Discipleship) to oversee the operation of the resource library;

That a name change for the resource library be made by the Task Force in accordance with the dissolving of the ecumenical partnership;

That any future decision to close and/or sell the resource library will be a decision by the Annual Conference.

Conference Action: Approved

Information regarding the United Christian Resource Center

The United Christian Resource Center (UCRC) ecumenical partnership has been a part of the Wisconsin Conference United Methodist Church for many years. It has provided 16mm, now video, rentals to churches, conference boards and agencies, camp programs, retreat settings, units of United Methodist Women and Men, and other faith community gatherings for teaching resources. Over the years, ecumenical partners have changed, as have locations of the library, directors, and technology. The library is now located on the second floor of the Conference Center in Sun Prairie.

Most recently, the UCRC has been a relationship shared between the Wisconsin Conference of The United Methodist Church, the Wisconsin Conference of the United Church of Christ and the Western District of the Moravian Church. As churches increased their own individual technology and as local video rentals became more accessible, the use of videos from UCRC decreased by some churches, yet remained an important part of many church programs.

In the spring of 2003, the board of the UCRC, which was made up of representatives from the three denominations, deemed that the decrease in the financial income required the closing of the UCRC. A closing date was set, the manager was relieved of her position and a sale of videos (at garage sale prices) was announced.

Leaders in the Wisconsin Conference of The United Methodist Church asked for a reprieve in order to look at alternatives to closing the UCRC. Current board members resigned as of May 30, 2003, and an interim task force was put in place to study the future of the UCRC. To date, the following has occurred:

- The United Christian Resource Center is no longer an ecumenical partnership. The United Church of Christ and the Moravian Church decided they could no longer share in the expenses of the Center.
- The UCRC remains open and with increased publicity to multiple denominations in Wisconsin and informing United Methodist Churches in Wisconsin about the Center, rentals of videos have remained steady with some increase.
- Judy Franken remains as manager of the UCRC, but for three hours daily rather than four hours daily. Ms Franken is now a fulltime employee of the Wisconsin Annual Conference and in a job-share between the UCRC and the Finance Office. The UCRC manager's hourly salary was significantly decreased.
- Until action is formally taken by the 2004 Wisconsin Annual Conference, the ownership of the video collection is under the insurance and guidance of the Wisconsin Conference, United Methodist Church.

2004 Wisconsin Conference Journal

- The UCRC Task Force has worked closely with the Ministry and Outreach area of the conference along with the Conference Board of Discipleship, the conference Finance Office, and the Wisconsin United Methodist Foundation.
- Carefully decreasing expenditures and asking for grant assistance allowed the task force to clear all debt that was carried over from 2002, pay all 2003 financial obligations, and enter 2004 with a balance of \$850.

Concerns of the present UCRC Task Force:

- The loss of a library containing 1900 videos, past and current, and the teaching resources that are offered;
- The increased use of locally rented videos (from video stores) and showing them in church settings without public performance rights (as compared to the UCRC which maintains proper licensing for rental and showing in public settings);
- Ownership of high quality videos which local churches cannot afford to buy and which assist in leadership development, small group study, confirmation programming, seasonal studies, mission teaching, Christian Education for all ages;
- The lack of knowledge by many United Methodist congregations and leaders about the existence of the UCRC. Because of this, aggressive promotion has taken place in the last nine months.

This proposed budget for 2005 asks for a line item of \$2,350 in the 2005 Wisconsin Conference budget:

	2005 Budget Request
Salary, Benefits UCRC part-time manager - 15 hours/week (Job share with Finance Office, so receives full-time benefits)	\$13,200
Video Acquisitions	\$ 2,000
Mailings/Marketing	\$ 750
Telephone and Office Supplies	\$ 700
Postage	\$ 300
Misc.	\$ 300
Total Budget	\$17,250
Less: Membership Fees/ Rental Income	(\$ 5,500)
Christian Ed Sunday funds	(\$ 3,000)
Board of Discipleship grant	(\$ 1,000)
Gift from Conference UMW	(\$ 400)
Will request Foundation Grant	(\$ 5,000)
Total Apportionment Request	\$2,350

[Editor's Note: This amount is already included in the 2005 Wisconsin Conference Budget that has been proposed by the Council on Finance and Administration (Action Item 17).]

Action Item 2: Local Church Camping Coordinator
Submitted by: Board of Camp and Retreat Ministries

Each local church in the Wisconsin Annual Conference is urged to name one layperson to be responsible for promotion of the Conference Camps **and retreats** in that local church. The Camping Coordinator's task will be to help the congregation understand the importance and value of the Conference camping program. The Coordinator will not only highlight the summer camp program but will also help the congregation be aware of retreat possibilities. Each local church shall send the name and address of its Camping Coordinator to the Camping Office in Sun Prairie as part of its yearly charge conference report.

Conference Action: Approved as Amended

Action Item 3: Camp and Retreat Emphasis Sunday
Submitted by: Board of Camp and Retreat Ministries

We recommend that every local church in the Wisconsin Annual Conference observe a Camp and Retreat Emphasis Sunday in the spring of 2005 for the purpose of interpreting the Conference camping program and for promoting the 2005 camps.

Conference Action: Approved

Action Item 4: United Methodist Youth Sunday
Submitted by: Conference Council on Youth Ministries

There shall be a United Methodist Youth Sunday in every local church to recognize the role and commitment of United Methodist Youth.

We recommend that churches look at Sunday, August 29th for this day in 2004. The Wisconsin Conference Council on Youth Ministries is willing to help provide resources to support leadership in this task. Resources such as bulletin inserts, videos, and pamphlets about conference youth leadership will be made available in the early part of August.

Rationale:

- Youth are an important part of the church today. It is important to recognize these persons and encourage them as leaders in the church. Not many people realize the amount of work that is done by youth, and we feel that they also need to be lifted up.
- The youth of our churches represent not only the future of the church, but a very present strength and reality in our congregations around the Annual Conference.
- The strength and vitality of the Conference Council on Youth Ministries is a vital witness to youth around this Conference and a source of encouragement and training for the local church youth groups of our Conference.
- Youth in our local congregations around this Annual Conference are engaged in mission, evangelism, spiritual growth and leadership development.
- The local church can gain a wealth of leadership potential and energy by tapping into the resources youth offer to local congregations.

Conference Action: Approved

Action Item 5: District “Open Forums”

Submitted by: Conference Council on Youth Ministries

Each district within the Wisconsin Annual Conference should develop an opportunity for lay and clergy leadership to be in dialogue regarding controversial issues within The United Methodist Church through an “Open Forum” gathering at least once a year.

Rationale:

- The youth have been the first group to organize and run an open forum discussion on issues affecting the church today. We learned a lot from this experience and consider it to be a valuable time together.
- If a region so chooses to hold an Open Forum, the Conference Council on Youth Ministries will supply them with resources used at our past Regional Youth Conferences and assist in any way possible.
- We would like to encourage open discussions in the church especially with issues that are affecting all people daily.
- We believe that it is helpful for every church member to know where the church stands on these issues, and more importantly, why. Having an open discussion could be a way to accomplish that.

Conference Action: Approved

Action Item 6: United Methodist Women’s Sunday

Submitted by: United Methodist Women

WHEREAS the United Methodist Women is an organization for many women, organized for over a hundred years and spanning the nation with local units and,

WHEREAS the organization provides opportunities for spiritual growth, emphasizing prayer and in-depth Bible study, offering Christian friendship, affirming the potential of every woman, developing a creative supportive fellowship, and

WHEREAS United Methodist Women expand concepts of Mission through participation in the global ministries of the church, and

WHEREAS Wisconsin Conference United Methodist Women has a membership of about 8,000 in 250 local units actively serving the local church, and participating in mission locally, nationally and globally,

THEREFORE, BE IT RESOLVED that there shall be a United Methodist Women’s Sunday in every local church. **RECOMMENDED** date, September 26, 2004 or any other date to be determined by each local church.

Conference Action: Approved

Action Item 7: Designation of Earnings from the “New Ministries Fund”

Submitted by: Wisconsin United Methodist Foundation

We recommend that the Annual Conference designate the earnings from the undesignated “New Ministries Fund,” to provide stewardship programming and resources to local congregations through the Wisconsin United Methodist Foundation.

Conference Action: Approved

Action Item 8: Resolution On The Discontinuance Of Readstown United Methodist Church, Readstown, Wisconsin

Submitted by: Cabinet

WHEREAS the United Methodist Church of Readstown, Wisconsin, located in Vernon County, has had a long and proud history of being in ministry since 1861; and

WHEREAS the charge conference of the Readstown United Methodist Church voted on November 2, 2003, to discontinue the church; and

WHEREAS the District Superintendent has recommended discontinuance of the Readstown United Methodist Church and transfer of membership to the United Methodist Churches in Soldiers Grove, North Clayton and Viroqua; and

WHEREAS the Superintendent has recommended that the property be sold and the proceeds of the sale be held in the Wisconsin United Foundation account to be administered by the Board of Congregation and Parish Development for the development of a new church/faith community or the re-vision of a church in the Readstown area; and

WHEREAS the consent to discontinue has been granted by the presiding Bishop, Sharon Zimmerman Rader, a majority of the District Superintendents, and the District Board of Church Location and Building and all proper Disciplinary requirements have been complied with:

THEREFORE, BE IT RESOLVED that the Wisconsin Annual Conference of the United Methodist Church meeting in the 35th session, June 13-16, 2004, at Middleton, Wisconsin, declares Readstown United Methodist Church of Readstown, Wisconsin, discontinued as of December 31, 2003;

BE IT FURTHER RESOLVED that the people of the Readstown United Methodist Church designate all their remaining assets be invested in the Wisconsin United Methodist Foundation, Inc. to be administered by the Board of Congregation and Parish Development for the development of a new church/faith community or the re-vision of a church in the Readstown area; and

BE IT FURTHER RESOLVED that if there is not a new church/faith community started or a church re-vision begun in the Readstown area within ten years, all designated funds will be released to the Board of Congregation and Parish Development for utilization within the Wisconsin Conference.

Conference Action: Approved

Action Item 9: Resolution On The Discontinuance Of Christie United Methodist Church, Christie, Wisconsin

Submitted by: Cabinet

WHEREAS, Christie United Methodist Church has been a faithful, life-giving Church for over 100 years in the Christie township of central Wisconsin; and,

WHEREAS, people have come to know and experience God through the ministries of worship, mission, study, and fellowship in the Christie United Methodist Church; and,

WHEREAS, Christie United Methodist Church has been faithful in the 100% payment of apportionments which has reached thousands of people around the world; and,

WHEREAS, the sociology and culture of the area have changed, along with the mobility of people and the aging of the Church community; and,

WHEREAS, at a Church Conference held Tuesday, December 2, 2003, the members present voted unanimously to discontinue; and

WHEREAS, the Heartland District Committee on Church Location and Building has approved the discontinuance; and,

WHEREAS, the chairperson of the Conference Board of Trustees and the Conference Board of Congregation and Parish Development have been consulted and informed; and,

WHEREAS, the area presiding Bishop, Sharon Zimmerman Rader, and the District Superintendents have consented to the discontinuance of Christie United Methodist Church; and

WHEREAS, proper care has been given to records and other legal and official documents; and,

WHEREAS, pastoral care has been given to the members of Christie United Methodist Church and effort has been made to transfer membership to area United Methodist churches; and

WHEREAS, the property of Christie United Methodist Church has been sold to a private individual (former member of the Christie UMC), and,

WHEREAS, the monies remaining will be used to pay 100% of the 2004 apportionments, with remaining monies being divided between the churches in Crossroads United Ministries (receiving the Christie UMC members) and a UM mission,

THEREFORE, BE IT RESOLVED that the Wisconsin Annual Conference of the United Methodist Church meeting in the 35th session, June 13-16, 2004, at Middleton, Wisconsin, declares Christie United Methodist Church of Christie, Wisconsin (Clark County), discontinued as of June 30, 2004, and direct the Heartland District Superintendent to be the officer of the Conference to implement this action.

Conference Action: Approved

Action Item 10: Resolution on Housing Allowance for Retired and Disabled Clergy Submitted By: Joint Board of Pensions, Insurance & Equitable Compensation

WHEREAS the religious denomination known as The United Methodist Church has and functions through Ministers of the Gospel who are duly ordained or licensed;

WHEREAS the practice of The United Methodist Church is to provide a parsonage or a rental allowance as part of the gross compensation for each of its ordained or licensed ministers;

WHEREAS pensions paid to retired and disabled ordained or licensed ministers of The United Methodist Church are considered deferred compensation and paid to said retired and disabled ordained or licensed ministers in consideration of previous, active service; and

WHEREAS the Internal Revenue Service acknowledges the Wisconsin Annual Conference as the appropriate organization to designate a housing allowance for retired and disabled ordained and licensed ministers who are members of this Conference;

THEREFORE BE IT RESOLVED an amount equal to 100% of the pension payments received during 2005 is designated as a housing allowance for each ordained or licensed minister who has been granted the retired relation or placed on disability leave by the Wisconsin Annual Conference and whose name and relationship is recorded in the Yearbook and Journal and other records;

BE IT FURTHER RESOLVED the pension payment to which this housing allowance applies shall be the pension payment resulting from all service of such retired or disabled ordained or licensed minister from all employment by any local church, Annual Conference, or institution of The United Methodist Church or of any former denomination that is now a part of The United Methodist Church, or from any other employer who employed the minister to perform services related to the ministry and who elected to make contributions to the pension funds of The United Methodist Church for such retired or disabled minister's pension.

NOTE: The housing allowance that may be excluded from a Clergy person's gross income in any year for federal income tax purposes is limited under Internal Revenue Code Section 107(2) and regulations thereunder to the least of: (1) the amount of the 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 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.

Conference Action: Approved

Action Item 11: Resolution on Past Service Annuity Rate

Submitted By: Joint Board of Pensions, Insurance & Equitable Compensation

BE IT RESOLVED the Past Service Annuity Rate for 2005 shall be \$556.

Conference Action: Approved

Action Item 12: Resolution on Minimum Compensation

Submitted By: Joint Board Of Pensions, Insurance & Equitable Compensation

WHEREAS the formula for establishing the minimum compensation for ordained clergy, local pastors, and student pastors appointed to charges in the Wisconsin Annual Conference is: The minimum compensation for the previous year for each category, plus the cost of living factor established by the U.S. Government for Social Security purposes, plus 1%,

AND WHEREAS this formula was approved by the 1996 session of the Wisconsin Annual Conference for implementation starting in January 1998 and has not since been changed,

THEREFORE BE IT RESOLVED the Minimum Compensation for Conference members serving full time for 2005 shall be \$29,724; the Minimum Compensation for Local Pastors serving full time shall be \$26,162; the Minimum Compensation for student pastors serving at least 27 hours per week plus 3 months of full time service during the summer, shall be \$22,292.

Conference Action: Approved

Action Item 13: Resolution on 2004 Formal Funding Plan for Pre-1982 Pension Liability

Submitted By: Joint Board of Pensions, Insurance & Equitable Compensation

Letter of Introduction To Members of the Wisconsin Annual Conference:

The following funding plan is in the format recommended by the General Board of Pension and Health Benefits (GBOPHB). This plan begins by discussing the Wisconsin Conference Past Service Rate (PSR) philosophy. The PSR is the dollar amount that is multiplied by years of Pre-1982 service to determine the annual pension benefit paid to a pastor for Pre-1982 service. The PSR for the coming year is set by Annual Conference, based on the recommendation made by the Joint Board.

In the past, the Wisconsin Conference set a goal for the PSR to reach 1% of the Conference Average Compensation (CAC). That goal was reached in 1998, and for the year 2004 the PSR is 1.16% of CAC. For the future, the Joint Board recommends that the PSR keep pace with inflation by using the index that the U.S. Government uses for Social Security payments. We do not think it is appropriate any longer for it to be linked with CAC. We will, of course, meet the minimum requirement in the Discipline that states that the PSR stay at .9% of the CAC or higher.

Also in the past, the PSR increased at a faster rate than the CAC, but those increases were necessary due to the initial lower levels of PSR (PSR was .80% of CAC in 1982). Consequently, we

expect the PSR to increase at a slower rate in the future (though we will keep up with inflation).

The plan then goes on to list a number of factors:

Present Value of Expected Future Benefits (PVB) - this is an estimate of our Pre-1982 pension liability. The GBOPHB calculates this amount based on a series of assumptions:

Mortality – how long retirees and their spouses are expected to live (based on standard industry tables)

Cost of Living – rate at which the PSR is expected to increase in the future (influenced by the conference PSR philosophy, discussed above)

Investment earnings – rate of return expected from our assets, including interest, dividends, and capital growth (GBOPHB uses 7.5% as a long term value).

Current Plan assets – this is the current value of the money that has been invested with the GBOPHB to provide for payment of Pre-1982 pension obligations.

Funded Status – this is the amount that our current plan assets exceed the present value of expected future benefits.

Non-Plan Assets available for Retiree Benefits:

Deposit Account – money held by the GBOPHB that came from prior earnings on the following two funds.

Permanent Pension Fund (PPF) and Ministerial Pension Memorial Fund (MPMF) are permanent endowment funds established on behalf of Wisconsin Conference retirees. The earnings from these funds are available to help fund pension and retiree medical benefits for retired ministers and surviving spouses of the Wisconsin Conference. Contributions to these funds are made by individuals and estates. The principal of these funds are not to be used.

RESOLUTION:

WHEREAS at General Conference 2000 legislation was approved that requires each conference to annually adopt and publish a formal funding plan addressing its obligation for the pension plan that applies to years of service prior to 1982, and

WHEREAS all conferences are required to fully fund their Pre-1982 pension obligation by the year 2021, and

WHEREAS the intent of this legislation is to help the General Board of Pension and Health Benefits (GBOPHB) determine that all conferences are satisfactorily addressing the funding of this liability,

THEREFORE BE IT RESOLVED that the following Formal Funding Plan, with the letter of introduction, be adopted as the 2004 Formal Funding Plan and be published in the 2004 Conference Yearbook and Journal:

**WISCONSIN ANNUAL CONFERENCE - 2004
Formal Funding Plan – Pre-1982 Pensions**

2004 Past Service Rate (PSR) - \$540.00

PSR Philosophy – Increase PSR for inflation as of December of each year. Target for same Consumer Price Index (CPI) increase that is used for Social Security purposes.

The current PSR is at 1.16% of the Conference Average Compensation (CAC). This percentage is above the original Wisconsin Annual Conference goal of 1.0% of the CAC, as set by the 1969 merging conference. The PSR will no longer be tied to the CAC (other than the various minimum requirements) since we are well above our 1.0% goal and apportionment money is no longer be-

ing used to pay for these costs.

Current Plan Assets – 1/2002	\$61,066,605*
Present Value of Expected Future Benefits – 1/2002	<u>\$53,864,082*</u>
Funded Status –1/2002	\$ 7,202,523*

Non-plan assets available for retiree benefits: The funds that may be available to supplement pension/retirement funds for the Wisconsin Annual Conference are (values at 1/1/04):

Deposit Account at General Board of Pensions: \$2,196,903

Other Funds –

- The Wisconsin Annual Conference established the Permanent Pension Fund in 1969. The Permanent Pension Fund has a balance of \$2,511,062.
- The Wisconsin Annual Conference also established the Ministerial Pension Memorial Fund in 1983. The Ministerial Pension Memorial Fund has a balance of \$1,084,854.
- The earnings from these funds are available to provide pension and retiree medical benefits to retired ministers of the Wisconsin Annual Conference. The principal of these funds is not available.

Amortization Period – Not applicable.

Additional Contributions– We do not anticipate that any special deposits will be needed, since the Conference is currently over funded.

The contributions to the Ministerial Pension Memorial Fund and the Permanent Pension Fund come from individuals. The contributions come from gifts, primarily from estates. The size and frequency of future contributions is uncertain. The Wisconsin Annual Conference intends to continue to solicit additional contributions to each Fund. The investment return on the Funds is uncertain.

Contingency plans for PSR increases – Any faster increases in the PSR due to higher inflation are expected to be counter-balanced by slower increases at later (or prior) times, due to lower inflation. We use 3.0% as our long-term inflation assumption.

***Figures provided by the General Board of Pension and Health Benefits 2004 Actuarial Valuation.**

Conference Action: Approved

Action Item 14: Health Insurance Premiums for Surviving Spouses of Active Clergy Submitted by: Joint Board of Pensions, Insurance and Equitable Compensation

[Editor’s Note: Proposed Rule Change #11 in the report of the Rules Committee (Action Item 16) reflects language to implement this recommendation in the Conference Rules if Action Item #14 is approved by the Annual Conference.]

Recommendation:

In the event of the death of a fulltime, active (not retired), clergy member under appointment serving a local charge in the Wisconsin Conference and enrolled in the Conference Health Insurance Plan at the time of death, at the request of the District Superintendent the Joint Board will pay from the Emergency Hardship Account the total health insurance premiums in full for three months and will pay 50% of the premiums for nine additional months for surviving spouse and dependent children. Following this twelve-

month period, the surviving spouse is eligible to participate in the Conference Health Insurance Plan, the entire cost to be born by the surviving spouse... **and shall receive a subsidy equal to the amount that a surviving spouse would receive if the clergy had died during retirement after age 65. Such payment shall come from the Emergency Hardship account.**

***Rationale:** The present policy towards payment of premiums for surviving spouses of active clergy is to pay their health insurance premiums in a manner similar to that of surviving spouses of retirees, for as long as the surviving spouse lives. The Joint Board believes that a more appropriate policy is to provide short term support immediately after the death of the active clergy but to expect the surviving spouse to be able to provide their own support over the long run. Therefore we propose paying the surviving spouse's health insurance premiums in full for three months and 50% of the premium for nine additional months. Thereafter the spouse would be eligible to participate in the Conference health plan, but be required to pay the entire cost. The current policy has been passed by the Joint Board but was not included as part of the Conference Rules. The new policy is proposed to be included in the Conference Rules.*

Conference Action: Approved as Amended

Action Item 15: Retiree Health Insurance Premiums

Submitted by: Joint Board of Pensions, Insurance and Equitable Compensation

[Editor's Note: Proposed Rule Change #12 in the report of the Rules Committee (Action Item 16) reflects language to implement these recommendations in the Conference Rules if Action Item #15 is approved by the Annual Conference.]

Recommendation 1:

That Rule 120.1.5 be modified to clearly indicate that the Annual Conference will fund retiree health insurance premiums for participating pastors and lay employees of the Wisconsin Annual Conference who formally retired after December 31, 1998 based upon years of service in The United Methodist Denomination.

***Rationale:** The 2003 Annual Conference amended section 120.1.5 to change the funding of retiree premiums to be based on years of service in any Methodist Denomination rather than years of participation in the health plan. This action was delayed until the Joint Board could determine the implications of the action. The Joint Board recommends implementation of years of service but recommends changing it to years of service in the United Methodist denomination rather than any Methodist denomination. The Joint Board believes we have a relatively fixed amount of money available to pay for retiree premiums and that it is appropriate to limit service to United Methodist service. This change is made in the first paragraph of 120.1.5.*

Section 120.1.5 as presently written calls for the Conference to pay a portion of the premium for "participating pastors and laity" that are retired. This phrase causes the Conference to pay for a portion of the premium of retired lay employees of local churches, in addition to retired lay employees of the Conference. We believe that the intent was only to pay a portion of the premium of retired lay employees of the Wisconsin Annual Conference, while allowing retired lay employees of local churches to participate if they or the local church pay their premiums. We propose a change to correct this wording in the first paragraph of 120.1.5.

Conference Action: Defeated

Recommendation 2:

Beginning January 1, 2005, the percentage of the Medicare Supplement premium paid by the Wisconsin Conference for eligible retirees and spouses who are 65 years of age or older with at least 25 years of service will be reduced from 72% to 65%.

Beginning January 1, 2005, the credit per year of service for those eligible for Medicare who retire with less than 25 years of service will be reduced from 3% to 2.6%, and similar reductions will be made in the credit per year of service for individuals that are not eligible for Medicare. (These changes are reflected in the "Retirees Health Insurance Premiums Table" included with Proposed Rules Change #12 in Action Item 16.)

***Rationale:** The proportion of retiree premiums that has been paid by the Wisconsin Annual Conference has decreased recently, is recommended to be decreased further for 2005 and is likely to continue to decrease in 2006 and later – though by how much will depend on increases in health care costs and Conference apportionments. These decreases are occurring due to health insurance premiums increasing at a much faster rate than apportionments. There are some possible benefit reductions that have been done in the past and which may be done in the future, but the percentage of retiree premiums paid by the Conference will continue to decrease. This issue necessitates changes in the Conference rules that describe how retiree premiums are paid.*

Conference Action: Approved

Recommendation 3:

The Wisconsin Conference will not subsidize health insurance coverage for a retiree's spouse until the retiree reaches 65 years of age or older.

***Rationale:** The Conference voted in the past to not pay any portion of the premium of retirees who are under age 65 and not eligible for Medicare if they retired after January 1, 2002, until they reach age 65. The rule does not state how the spouses of such retirees are treated. We believe the intent was for a spouse of such a retiree to be treated the same as the retiree, so that until the retiree reaches age 65 the Conference will not pay any proportion of the spouse's premium, regardless of the age of the spouse. We propose adding a sentence to 120.1.5.a and to change the wording of 120.1.6 to make this issue clear.*

Conference Action: Approved

Recommendation 4:

That current Policy 120.1.5.d be modified to clearly reflect that Retirees must have a minimum of 5 **consecutive** years of qualified participation in the **Wisconsin** Conference group health plan immediately prior to retirement to be eligible for retiree coverage. This Policy should be renumbered to highlight this requirement.

***Rationale:** Individuals must participate in the health plan for the last 5 consecutive years prior to retirement to be able to be eligible for retiree coverage. This requirement was passed in 2003, as it is a requirement of our health insurance carrier, but it is not reflected in the rules as they are currently written.*

There are several other wording changes included in Proposed Rule Change #12 that are intended to make current policy clearer but not to change current policy.

***Additional Retiree Health Insurance Premium Information
(For those 65 and older)***

Submitted by Joint Board of Pensions, Insurance and Equitable Compensation

Total Monthly Premium for 2004

\$315 single

\$630 family

Currently the Conference is paying 72% of the premium for single and family, for those retiring before January 1, 1999. For those retiring after January 1, 1999, the percentage paid is based on years of participation, with 72% paid for those with 25 or more years.

Costs to participants with 72% payment are: single – \$88, family - \$176.

No changes in benefits were made in 2004, however we increased the co-pays for pharmacy. No changes in benefits or co-pays are proposed for 2005.

Total Estimated Monthly Premium for 2005

\$363 single

\$726 family

Conference Support - Options for 2005

Conference Percentage Paid	Monthly Cost* Single	Monthly Cost* Family	Percentage Increase*
72%	\$101	\$203	15%
65%	\$127	\$254	44%
59%	\$149	\$298	69%

*Participant's Cost

To continue to pay at 72%, we will need an additional \$195,000 in apportionment payments.

To pay at 65%, we will need an additional \$100,000 in apportionment payments.

To pay at 59%, we will need only what was requested in our zero percent increase budget request.

The Joint Board respectfully requests an additional \$100,000 be added to the budget line for Retiree Health Insurance Premiums.

[This request was approved by the Council of Finance and Administration, April 3, 2004 and has been included in the proposed 2005 Wisconsin Conference Budget.]

Conference Action: Approved

Action Item 16:

Proposed Rules Changes

Submitted by:

Conference Rules Committee

The Rules Committee is responsible for reviewing and processing proposed changes in the Wisconsin Conference Rules and Policies, and forwarding such proposals to the Annual Conference. The following are respectfully submitted for consideration at the 2004 session, and come with the support of the committee except as noted.

Steve Zekoff, Chairperson

KEY: Underline denotes deletions. **Bold** denotes additions.

INFORMATION:

Rule 3.3.12b is being updated to reflect changes made when the Board of Congregation and Parish Development was established. The reference to the "Board of Global Ministries" is being corrected to read "**Board of Congregation and Parish Development**," which now has the responsibility to administer conference-supplemented pastors' salaries for new church starts, mission congregations and developing congregations.

#1 REVISION:

2.0.0 Annual Conference

2.1.0 Membership. In addition to those persons name in *The Constitution* (§30), the following members shall be members of the Conference to attain lay equalization:

2.1.8 Two youth representatives under age 25 between 12-18 years of age from each district to be chosen by the Conference Council on Youth Ministries and

Rationale and Recommendation. The Conference Council on Youth Ministries (CCYM) submitted this proposal. The accompanying rationale pointed out that the Conference Rules do not reflect the definition of youth as used by the CCYM: junior high - attending 6th-8th grade or between the ages of 12-14; senior high - attending 9th-12th grade or between the ages of 15-18. The Rules Committee recommends that the proposed revision be defeated as it is not consistent with the language of The Constitution, which in §30 of The Book of Discipline indicates "two young persons under twenty-five years of age" be selected as members of the annual conference. The committee believes that "under age 25" should be retained in the Conference Rules.

Conference Action: Approved

#2 REVISION:

2.1.9 Two young adult representatives under age 31 from each district, to be chosen by the District Program/Leadership Team through a process agreeable to the Conference Young Adult Ministries Council and the district superintendents.

Rationale and Recommendation. The CCYM also submitted this request. The accompanying rationale stated that the district superintendents and the Conference Youth Coordinator currently randomly choose the Young Adult representatives. The Rules Committee is reluctant to support a change in the process for selecting young adult representatives initiated by the conference youth organization rather than the conference young adult organization. The Rules Committee recommends that the proposed revision not be adopted, but referred to the Conference Young Adult Ministries Council to perfect a suggested selection process before any revision of Rule 2.1.9.

Conference Action: Proposed Rules Change #2 was withdrawn from consideration

#3 REVISION:

The Board of Camp and Retreat Ministries proposed this revision.

3.3.2a Board of Camp and Retreat Ministries: Twelve **Fourteen** members including two **four** at-large selected **nominated** by the Board of Camp and Retreat Ministries and ten nominated by the Conference Nominations Committee to include **the chair of the BCRM Personnel Committee, the chair of the Camping Committee, the chair of the Facilities Committee, the sites retreat promoter, the BCRM communications officer and** two **five** at-large members including at

least one youth, one young adult and one ethnic minority. one chair of BCRM Personnel Committee, one chair of Retreat Committee, one chair of Camping Committee, one chair of Facilities Committee, and one chair of Marketing Committee. Site Directors, **Natural Resources Manager and Program Assistant**, and Camping and Retreat Ministries Coordinator to shall serve as Advisory members.

Conference Action: Approved

#4 REVISION:

The CCYM submitted this requested revision.

3.3.20 The Conference Council on Youth Ministries (CCYM) shall consist of 44 **42** voting members chosen as follows: two senior high and two junior high representatives elected by each district youth organization during the Regional Youth Conferences (32); six youth members at-large, and a representative to the National Youth Ministry Organization (NYMO) and North Central Jurisdiction Youth Ministry Organization (JYMO), nominated by the CCYM and elected by the Youth Annual Conference; 2 youth members at-large that are selected as president-elect and YSF Coordinator by the current CCYM, five eight youth members at-large chosen for inclusiveness by the Conference Nominations Committee and elected by the Annual Conference. **Ex-officio members with voice but not vote include all Conference Youth Event Design Team Leaders. The CCYM President has voice but no vote except in the case of a tie. Adult** Advisory members shall include one adult from each district, the adult advisor to the Youth Service Fund the Sr. High Adult Advisor, the Jr. High Adult Advisor and the Conference Youth Coordinator

Conference Action: Approved

#5 NEW POLICY:

The Conference Board of Trustees submitted this proposed new policy. It would be an addition to Policy 10.7.0 District Superintendent's Compensation, following existing 10.7.3. Existing 10.7.4 would become 10.7.5.

10.7.3 The net sale proceeds and future income from the sale of district parsonages sold July 1, 1997 and after will be held in escrow for use in providing District Superintendent's housing allowances.

10.7.4 Beginning in 2004, up to five percent of the market value of the Parsonages Fund as of 12/31 is available to partially fund district superintendent and staff housing allowances for the budget year two years subsequent.

Concerns: The Rules Committee recognized that adoption of this policy could result in additional conference agencies with large fund balances also requesting that a yearly maximum expenditure from other invested funds be established. The Parsonage Fund principal needs to be preserved so that interest income continues to be available into the future. Conversation between the Board of Trustees and the Conference Council on Finance and Administration is needed during the budgeting process to assure that the Board meets its fiduciary responsibility to maintain the investment corpus. The Rules Committee is not recommending this policy addition.

Conference Action: Referred to Council on Finance and Administration for Report to the 2005 Annual Conference Session

#6 NEW POLICY:

This policy was proposed by the Conference Council on Finance and Administration (CCF&A).

10.11.0 Budgeting for Multi Year Programs

10.11.1 When a Conference agency budgets using apportionment funds for programs that are multi-year in nature (e.g., Lay Ministry Academy, Three Year Covenant Community for Spiritual Formation), they shall choose either of the following two methods of budgeting for those programs and use that method consistently throughout the program's life.

10.11.2 Like all other Conference programs, a separate budget is established each calendar year, and any and all apportionment funds and participant fees not spent at the end of that year are transferred to the Conference's cash reserve.

10.11.3 A separate budget is established for the period of the program. The balance of revenues (including apportionments provided for the program and participant fees) over expenses (or expenses over revenues) is carried forward (through the use of a balance sheet account) to each subsequent year until the end of the program period. At the end of that period, any and all apportionment funds and participant fees from all the years not spent are transferred to the Conference's cash reserve.

Conference Action: Approved

#7 NEW POLICY:

The CCF&A also submitted this proposed policy.

10.12.0 Participant Fees

10.12.1 When participant fees are charged as part of a Conference agency program, participant fees are required to be used in full before any apportionment funds are available for the program.

10.12.2 Participant fees collected that are in excess of the cost of a program are available for the sponsoring Conference agency to spend as it determines is in the best interest of its mission. Such funds can be carried over to the following calendar year (through the use of balance sheet accounts).

10.12.3 In the case of multi-year programs budgeting on a multi-year basis, the participant fees are treated according to policy 10.11.3 and may be carried over until the end of the program.

Conference Action: Approved

#8 NEW POLICY:

The Conference Moving Director in consultation with the Cabinet developed this policy.

20.3.0 Other Moving Expenses

The church the pastor is currently serving will cover the following expenses:

- Phone calls necessary to deal directly with the move [primarily conversation needed with the Moving Director, District Superintendent and key leadership in the new appointment].

The moving pastor will be responsible for the following expenses:

- **Personal long distance calls related to the move [e.g. checking on schools, summer recreational programs, housing, etc.]**
- **Food, travel, and lodging expenses to the new community to visit, seek housing, if necessary, and finally, to relocate.**
- **These moving expenses covered by the pastor may be claimed as moving expenses for income tax purposes if allowed by IRS guidelines.**

See 50.0.0 for salary and Sabbatical Sunday policies and 60.0.0 for clergy housing policies.

Rationale: Submitted by the Moving Director with approval of the Cabinet, this rule incorporates several guidelines written and perfected by the Cabinet in recent years to clarify who is responsible for the payment of various moving expenses. Formal adoption and publication will reduce ambiguity and uncertainty about these issues and reduce the need for the Moving Director or individuals to contact a District Superintendent for a determination.

Conference Action: Approved

#9 NEW POLICY:

The following has been an operating procedure of the Joint Board of Pensions, Insurance and Equitable Compensation and needs to be incorporated into the Conference Rules and Policies.

110.3.3 All requests made for Equitable Compensation Support will be tied to the amount of apportionments paid by the charge. If all other circumstances of the request are in order, the following rules will apply:

a. Charges that have paid 100% of their previous year's apportionments before the cut-off date set by the treasurer's office will receive 100% of their Equitable Compensation request for both salary and pension.

b. Charges who have paid less than 100% of their previous year's apportionments before the cut-off date set by the treasurer's office will receive a reduced amount based on the following equation:

1. January-June: Amount received will equal the monthly amount approved multiplied by the percent of the previous year's apportionments paid by the cut-off date.

2. July-December: The current year's apportionment payments will be evaluated. The amount paid by June 30 of the current year will be annualized to reflect a full twelve month period, and the percent of total apportionments paid for the current year will be calculated based on this amount. If this calculation equals 100%, then the monthly amount paid will equal the monthly amount originally approved. In addition, catch-up payments will be made to bring the total annual amount paid equal to the total annual amount approved. If the calculation is less than 100%, then the amount paid will continue at the same rate paid during the first six months of the year.

These rules will apply to all charges requesting Equitable Compensation. However, the Committee on Equitable Compensation reserves the right to grant exceptions to these rules when special circumstances arise.

Conference Action: Approved

#10 REVISED POLICY:

The Joint Board of Pensions, Insurance, and Equitable Compensation submitted these revisions.

120.0.0 Group Health Insurance Policy

120.1.2 Church Contributions. Beginning January 1, 2003 churches shall contribute at least 72% of monthly **universal** premium for **every** persons under appointment that **are is serving** at least 3/4 **time serving** in the local church. All participating pastoral charges will pay the same premium for **their every** pastor, regardless of single or married status, or number of dependents. The universal premium will be approximately 75% of the family premium if there is not a Preferred Provider Organization (PPO) in place or approximately 69% of the family premium if there is a PPO in place.

Conference Action: Approved

#11 NEW POLICY:

The Joint Board of Pensions, Insurance, and Equitable Compensation proposed this new policy.

The following will follow existing 120.1.4, with existing 120.1.5 and 120.1.6 renumbered as 120.1.6 and 120.1.7.

120.1.5 Surviving spouse of an Active Clergy Person. In the event of the death of a fulltime, active (not retired), clergy member under appointment serving a local charge in the Wisconsin Conference and enrolled in the Conference Health Insurance Plan at the time of death, at the request of the District Superintendent the Joint Board will pay from the Emergency Hardship Account the total health insurance premiums in full for three months and will pay 50% of the premiums for nine additional months for surviving spouse and dependent children. Following this twelve-month period, the surviving spouse is eligible to participate in the Conference Health Insurance Plan, the entire cost to be born by the surviving spouse, and shall receive a subsidy equal to the amount that a surviving spouse would receive if the clergy had died during retirement after age 65. Such payment shall come from the Emergency Hardship account.

Conference Action: Approved as Amended

#12 REVISION:

120.1.5 The Wisconsin Annual Conference will fund retiree health insurance premiums for participating pastors and laity lay employees of the Wisconsin Annual Conference who formally retired after December 31, 1998, based on years of participation in any conference or Methodist denomination group health insurance plan service in the United Methodist or other Methodist denominations, as outlined below. (Those who retired on or before December 31, 1998, will be treated as having at least 25 years of service.)

- a. Beginning January 1, 2003 2005, the Wisconsin Conference will subsidize 72% 65% of the Medicare Supplement premium for the eligible retirees and their spouses who are 65 years of age and older and **the retiree** entered the retired relationship with at least 25 years of service. **The retiree must be 65 years of age or older for the spouse's coverage to be subsidized.**
- b. Beginning January 1, 2003 2005, the Wisconsin Conference will subsidize 22% of the active premium for eligible retirees and their spouses who are less than 65 years of age and who the retiree entered the retired relationship prior to January 1, 2002, with at least 25 years of participation service.

- c. For eligible retirees with less than 25 years of service, the percentage subsidized by the Wisconsin Conference for eligible retirees and their spouses will be 3% less than the percentage as presented in the tables adopted at the 1998 session of Annual Conference “Resolution on Retiree Health Premium Funding (below), **rounded to the nearest whole percent.**

Age at Year of Retirement	Conference Pays Without Medicare	Conference Pays with Medicare
Less than 60 years of Age	1-9 years of service = 0% 10 and above = .6% per year of service Maximum of 15% of premium	1-9 years of service = 0% 10 and above = 2.6% per year of service Maximum of 65% of premium
60 – 64 years of Age	1-9 years of service = 0% 10 and above = .9% per year of service Maximum of 22% of premium	1-9 years of service = 0% 10 and above = 2.6% per year of service Maximum of 65% of premium
65 Years and Above	1-9 years of service = 0% 10 and above = .9% per year of service Maximum of 22% of premium	1-9 years of service = 0% 10 and above = 2.6% per year of service Maximum of 65% of premium

This policy is to be phased in over a 5 year period of time; the phase-in will be as follows:

Retiree Premium Payment Phase-In

Year of Retirement	Proportion From Existing Policy	Proportion From New Policy
1999	80%	20%
2000	60%	40%
2001	40%	60%
2002	20%	80%
2003	0%	100%

- 120.1.6 For clergy or laity lay employees of the Wisconsin Annual Conference retiring after December 31, 2001, the Wisconsin Conference will not provide any funding for retiree of health insurance premiums **for retirees or their spouses** until they the retiree reach reaches their 65th birthday 65 years of age.

120.1.5.d

- 120.1.7 Retirees must have a minimum of 5 **consecutive** years of qualified participation with the **Wisconsin** Conference group health plan immediately prior to retirement to be eligible for retiree coverage.

NOTES:

a. AT THE TIME OF THE PUBLICATION OF THE PRE-CONFERENCE WORKBOOK, THESE PROPOSED POLICY CHANGES HAD BEEN ADOPTED BY THE JOINT BOARD OF PENSION AND EQUITABLE COMPENSATION, BUT HAD NOT BEEN REVIEWED BY THE RULES COMMITTEE.

b. THE 2003 ANNUAL CONFERENCE AMENDED THE INTRODUCTORY SENTENCE TO 120.1.5 TO READ "The Wisconsin Annual Conference will fund retiree health insurance premiums for participating pastors and laity who formally retired after December 31, 1998, based on years of service in any Methodist denomination, as outlined below." THE CONFERENCE SUBSEQUENTLY TOOK ACTION TO DELAY IMPLEMENTATION OF THE AMENDMENT UNTIL THE JOINT BOARD COULD PRESENT TO THE 2004 SESSION THE IMPLICATIONS OF THE ACTION. THE JOINT BOARD IS RECOMMENDING IMPLEMENTATION OF THE PROVISION BASED ON UNITED METHODIST SERVICE.

c. THE "RETIREE'S HEALTH INSURANCE PREMIUMS" CHART ABOVE REPLACES THE CHART PRINTED ON P.250 OF THE 2003 YEARBOOK AND JOURNAL, VOLUME I.

d. IF PROPOSED NEW POLICY 120.1.5 (RULES COMMITTEE ACTION ITEM #11) IS ADOPTED, THESE THREE ITEMS WILL BECOME POLICIES 120.1.6, 120.1.7 AND 120.1.8.

Conference Action: Approved

Action Item 17: **Proposed 2005 Wisconsin Conference Budget**
Submitted by: **Conference Council on Finance and Administration**

(The 2005 Approved Budget is printed at the end of the Action Items)

Action Item 18: **Resolution establishing Covenantal Relationship with Harbor House Crisis Shelter**
Submitted by: **Board of Global Ministries**

Whereas the Wisconsin Annual Conference of The United Methodist Church promotes and supports 'works of mercy' as a part of its Wesleyan heritage and church tradition,

Whereas the Health & Welfare Committee has been given the responsibility of providing connectional relationships with The United Methodist Church founded and created health & welfare ministries under the Book of Discipline and Wisconsin Conference Board of Global Ministries,

Whereas Harbor House Crisis Shelter was developed by the Faith United Methodist Church in Superior, Wisconsin in 2000 with first occupants being served in 2001 as a health and welfare ministry within the Wisconsin Conference of The United Methodist Church,

Whereas the Harbor House Board of Directors has developed a covenant-relationship statement to solidify its connectional relationship with the Wisconsin Annual Conference, and has been active on the Health & Welfare Ministries Committee,

Whereas, the Board of Global Ministries of The Wisconsin Annual Conference supports the newly created covenant/relational statement as reviewed and approved by the Wisconsin Conference Health & Welfare Ministries Committee in April of 2004,

Therefore Be It Resolved that the 2004 Session of The Wisconsin Annual Conference of The United Methodist Church affirms its covenantal relationship with Harbor House Crisis Shelter as outlined below:

COVENANT RELATIONSHIP
Harbor House Crisis Shelter &
Wisconsin Conference of The United Methodist Church

This is a covenant relationship between the Wisconsin Conference of The United Methodist Church (Conference) and Harbor House Crisis Shelter (HHCS), a ministry of Faith United Methodist Church, and a Wisconsin United Methodist Health and Welfare Ministry. The Health and Welfare Ministries Committee (Committee) will function as the point of contact between Harbor House Crisis Shelter and the Conference.

CONFERENCE EXPECTATIONS

1. Communicate with HHCS the requirements and changes in The Book of Discipline of The United Methodist Church (current edition), the rules of the Conference, and the actions of the Conference and the General Conference of The United Methodist Church, which may affect HHCS.
2. Communicate to HHCS the rules and regulations established by the General Council on Finance and Administration of The United Methodist Church regarding the uses of the name “The United Methodist Church” and the Cross and Flame insignia of the United Methodist Church.
3. Maintain membership and active participation in the United Methodist Association of Health and Welfare Ministries (UMA).
4. The Resident Bishop will designate a liaison to work with HHCS to facilitate information sharing and mutual accountability for the expectations agreed by both parties.
5. Support through the liaison, HHCS’s efforts to evaluate the benefits of and process of accreditation through the Educational Assessment Guidelines Leading Towards Excellence.
6. Periodically review the relationship of the Conference and HHCS and reaffirm the relationship as long as both parties agreed to in the Covenant of Affiliation.
7. Advocate and promote HHCS’s mission and programs through the communication channels of the Conference , including the Conference Journal, the Conference proceedings, the Golden Cross appeal, the Conference website and other means.
8. Encourage collaboration among health and welfare ministries, Conference entities and local churches to respond to health and welfare needs within the Conference.
9. Assist HHCS in making high quality spiritual resources available to its guests.
10. Make available to HHCS: (1) Advice and assistance with the recruitment of an Executive Director; (2) information regarding the availability of grants (3) information regarding general resources available through Conference staff and General Church Boards and agencies; (4) assistance with the Conference’s foundation with wills, trusts, and other methods of planned giving; and (5) fair consideration of request for conference-wide fundraising appeals.
11. Celebrate annually at the Conference Session the contribution of HHCS to the mission of the church.
12. Give consideration to the financial needs of all Conference related health and welfare ministries in the Conference’s annual budget setting process.
13. Make training resources available to HHCS staff and Outreach Ministries Team in mutually identified areas of interest, for example: (a) board membership and responsibilities (b)

planned giving (c) providing spiritual life resources to guests (d) connectionalism within The United Methodist Church (e) strategic planning.

14. Instruct the Conference Chippewa District Superintendent to engage in face to face conversation with the Executive Director at least once a year in order to be familiar with and supportive of the HHCS focus and outreach.
15. Instruct pastor(s) appointed to Faith United Methodist Church that one of the missional reasons for his/her appointment is to be involved in developing an active and on-going relationship between the congregation and HHCS.
16. Indemnify and hold HHCS harmless from and against any claims, causes of action, and costs (including reasonable attorney's fees) which may arise from any Conference operations.
17. Carry general liability insurance in coverage amounts sufficient to insure the Conference, its officers, employees, volunteers, and constituent boards and agencies from and against any claims by third parties for activities undertaken by the Conference.

HHCS EXPECTATIONS

1. Be guided in decision making by The United Methodist Social Principles (current edition), The Book of Discipline of The United Methodist Church (including the investment policies).
2. Abide by the rules and regulations established by the General Council on Finance and Administration of The United Methodist Church regarding the uses of the name "The United Methodist Church" and the Cross and Flame insignia of The United Methodist Church.
3. Maintain membership and active participation in the United Methodist Association of Health and Welfare Ministries (UMA).
4. Work with a liaison designated by Resident Bishop to facilitate information sharing and mutual accountability for the expectations agreed by both parties.
5. Periodically review the relationship of HHCS and the Conference and reaffirm the relationship as long as both parties agree to the Covenant of Affiliation.
6. Inform the Annual Conference session whenever HHCS begins a new program of service in response to emerging trends and community needs, particularly initiatives related to racial/ethnic groups, people with disability conditions, the disenfranchised and the undocumented immigrants.
7. HHCS is a ministry of Faith United Methodist Church and therefore, all property will continue to belong to The United Methodist Church upon the dissolution of HHCS.
8. Cooperate with the Committee, the Conference Board of Global Ministries, and congregations in the HHCS service area in creating new and expanded health and welfare ministries within the Conference.
9. Provide high quality spiritual life resources to HHCS guests.
10. Provide to the Conference for publication in the Yearbook and Journal an annual summary of operations.
11. Seek written approval of the Conference Council on Finance and Administration prior to engaging in conference-wide fund raising efforts.
12. Provide to the Committee the HHCS mission statement, other foundational statements and amendments made from time to time.
13. Elect members of The United Methodist Church to the Outreach Ministries Board of Faith

United Methodist Church, including both lay and clergy.

14. Arrange an annual on-site visit with the Conference District Superintendent of the Chippewa District and/or the District Representative from the Board of Global Ministries.
15. Provide the Committee an annual list of names, addresses, and church affiliation (if known) of members of the HHCS Outreach Ministries Board.
16. Identify in promotional materials that HHCS is a ministry of Faith United Methodist Church and therefore, affiliated with the Wisconsin Conference of the United Methodist Church.
17. Indemnify and hold the Conference, its boards, and agencies, volunteers, employees, and members harmless from and against any claims, causes of action, and costs (including reasonable attorney's fees) which may arise from any HHCS operations.
18. Carry professional and general liability insurance in coverage amounts sufficient to insure HHCS, its officers, employees, volunteers, and constituent boards and agencies from and against any claims by third parties for activities undertaken by the HHCS.

Conference Action: Approved

Action Item 19: *Resolution Affirming Covenantal Relationship with Sheboygan Senior Community*

Submitted by: *Board of Global Ministries*

Whereas the Wisconsin Annual Conference of The United Methodist Church promotes and supports 'works of mercy' as a part of its Wesleyan heritage and church tradition,

Whereas the Health & Welfare Ministries Committee has been given the responsibility of providing connectional relationships with The United Methodist Church founded and created health & welfare ministries under the Book of Discipline and Wisconsin Conference Board of Global Ministries,

Whereas Sheboygan Senior Community, formerly known as Sheboygan Retirement Home & Beach Health Care Center, Inc. is a health & welfare ministry begun in 1945 by the First Methodist Church of Sheboygan and incorporated in 1962 as Sheboygan Methodist Home for the Aged, and has been in a covenant-relationship with the Wisconsin Conference of The United Methodist Church since its inception, and

Whereas the Board of Global Ministries of the Wisconsin Annual Conference supports the revised covenant/relational statement as reviewed and approved by Sheboygan Senior Community Board of Directors and the Wisconsin Conference Health & Welfare Ministries Committee in April of 2004,

Therefore be it resolved that The Wisconsin Annual Conference of The United Methodist Church affirms its covenantal relationship with Sheboygan Senior Community as outlined below:

Covenant of Affiliation
A covenant of affiliation between
Sheboygan Senior Community
(Sheboygan Retirement Home and Beach Health Care Center, Inc.) and
The Wisconsin Conference of The United Methodist Church

Sheboygan Senior Community, formerly known as Sheboygan Retirement Home and Beach Health Care Center, Inc., (hereafter referred to as "the Organization") being an organization which has a historic relationship with the Wisconsin Conference of The United Methodist Church (hereafter referred to as "the Conference"), wishes to be reaffirm its covenant of affiliation as outlined:

A. The Organization agrees to:

- 1) Furnish a current mission/vision statement. To keep the Conference informed of any changes/updates made in future years.
- 2) Furnish a statement of philosophy, delineating its historic roots and heritage.
- 3) Make an annual report to the Conference to be included in the Annual Conference Yearbook publication.
- 4) Provide annually a list of the names, addresses and church affiliation of the Board of Directors.
- 5) Make available annual audited financial statements when requested by the Conference.
- 6) Make available copies of its Articles and By-Laws, including any amendments to same.
- 7) Provide a copy of the organizations' dissolution clause consistent with the **Book of Discipline of The United Methodist Church**.
- 8) Actively participate in the Health & Welfare Ministries Committee of the Board of Global Ministries of the Conference and work with any liaison designated by the Conference. The organization can assist in identifying a United Methodist liaison to represent the organization at H&W committee meetings, etc.
- 9) Advise the Conference about any changes in program or direction, as well as the undertaking of capital fundraising campaigns.
- 10) Seek the approval of the Conference prior to engaging in any Conference wide fundraising.
- 11) Participate in the spirit and goals of Project Equality and seriously consider membership in the United Methodist Association.

B. The Conference Agrees to:

- 1) Permit the organization to use elements of the name and logo of The United Methodist Church and/or the Conference, including reference to the affiliation relationship.
- 2) Work with the organization's designated liaison between the organization and the Conference.
- 3) Provide the organization with access to communication channels of the Conference, including the Journal, the Conference Website, Annual Conference proceedings, the Golden Cross Offering, and other Conference means of furthering promotion and interpretation of the organizations' mission and program.
- 4) Give consideration to the needs of the organization in its annual funding process.
- 5) Encourage and facilitate cooperation among affiliated organizations in areas of common concern.
- 6) Assist the Organization in maintaining awareness of spiritual ministry guidelines. Encourage and assist the Organization on programs that enhance its affiliation and spiritual ministry, ie: Order of Good Shepherd; EAGLE accreditation; etc.
- 7) Keep the organization aware of changes in the **Book of Discipline of The United Methodist Church** and the Conference, which may affect the Organization.
- 8) Make available resources to assist the Organization in the following areas:
 - a) Selection of a chief executive officer

- b) Advice regarding availability of grants
 - c) Advice regarding national staff resources
 - d) United Methodist Foundation assistance with wills, bequests, & grants.
 - e) Fair consideration of requests for Conference wide fundraising appeals.
- 9) Maintain membership in the United Methodist Association of Health and Welfare Ministries.
- 10) Reaffirm the Organization each year as long as this Covenant of Affiliation is in practice.

Neither the Organization nor the Conference accepts any legal or financial responsibility for the operations or affairs of the other. The Organization and the Conference mutually agree to indemnify and hold each other harmless for any liabilities potentially arising out of their affiliation relationship.

Conference Action: Approved

Action Item 20: Resolution on the Administration of the Revolving Loan Fund Account

Submitted by: Board of Congregation and Parish Development

Whereas, the Board of Congregation and Parish Development (BCPD) is charged with encouraging and supporting new faith starts and strong healthy churches on behalf of the Wisconsin Annual Conference, and

Whereas, the Revolving Loan Fund administered by the BCPD for provision of loan support for existing local church ministry initiatives is currently under-utilized, with assets amounting to over \$1.4 million dollars, including \$486,625 currently outstanding in loans, and

Whereas, the requests for financial support of new faith starts and strong healthy churches is now beyond the capability of the current Fund for Discipleship and all other BCPD accounts,

Therefore be it resolved, that the BCPD is authorized to administer the Revolving Loan Account in the following ways:

- Up to \$800,000 is designated for loans, including both the balance available for new loans and outstanding loans due.
- The remaining funds in excess of \$800,000 in the Revolving Loan Account will be available for new faith development grants or loans using the same application criteria listed in the current Revolving Loan Policy:
 - Development of new faith communities
 - Ethnic minority congregations
 - Revisioning congregations
 - Mission congregations
 - Congregations in transitional communities

Conference Action: Approved

Action Item 21: ***Partner Relationship with Methodist Church in Cuba***
Submitted by: ***Board of Global Ministries***

Recommendation:

The Wisconsin Conference Board of Global Ministries recommends that the Wisconsin Annual Conference of The United Methodist Church continue our partner relationship with the Methodist Church in Cuba for the next quadrennium (2005-2008).

Conference Action: Approved