Recommendations and Resolutions 2010 – Part 1
Items 1-16

ITEM 1

RECOMMENDATION FROM THE CONFERENCE BOARD OF PENSIONS
RE: 2011 RETIRED CLERGY RENTAL/HOUSING EXCLUSION

Submitted by Conference Board of Pensions

Resolution Relating to Rental/Housing Allowances for Retired or Disabled Clergypersons of the California-Nevada Annual Conference

Date Adopted: 3-24-2010 Number on Board 15; Number Present:11
Number Voting YES: 11; Number Voting NO: 0: Number Abstaining: 0

The California-Nevada Annual Conference (the "Conference") adopts the following resolution relating to rental/housing allowances for retired or disabled clergypersons of the Conference:

BACKGROUND:

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED:

THAT an amount equal to 100% of the pension or disability payments received from plans authorized under *The Book of Discipline of The United Methodist Church* (the "*Discipline*"), which includes all such payments from the General Board of Pension and Health Benefits ("GBOPHB"), during the year 2011 by each retired or disabled Clergyperson who is or was
a member of the Conference, or its predecessors, be and hereby is designated as a rental/housing allowance for each such Clergyperson; and

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

<u>ACCOMPANYING NOTES:</u>

A. The rental/housing allowance that may be excluded from a Clergyperson's gross income in any year for federal income tax purposes is limited under Internal Revenue Code section 107(2) and

regulations thereunder to the least of: (1) the amount of the rental/housing allowance designated by the Clergyperson's employer or other appropriate body of the Church (such as this Conference in the foregoing resolutions) for such year; (2) the amount actually expended by the Clergyperson to rent or provide a home in such year; or (3) the fair rental value of the home, including furnishings and appurtenances (such as a garage), plus the cost of utilities in such year.

B. For decades, the Social Principles of the United Methodist Church and the Investment Guidelines of the General Board of Pension & Health Benefits (GBOPHB) have required significant screening for socially responsible investing, related to the pension and benefit plans for UMC clergy and lay workers. By action of the Directors of the GBOPHB in November 2003, many retirement annuities for both clergy and lay workers are being 'outsourced' to secular, commercial annuity companies, beginning 1-1-04. For these retirement annuities, the historic denominational screening for socially responsible investing is being changed and compromised.

In light of this change, the California-Nevada Annual Conference Board of Pensions urges all Conference Claimants with 'outsourced' UMC retirement annuities to continue pursuing investment inquiries, shareholder resolutions, and other advocacy related to socially responsible investing, with whichever commercial firm you elect to place your UMC retirement annuity contract.

Further information about the UMC program of Socially Responsible Investing can be found by visiting the GBOPHB website: www.gbophb.org

Item __2___

RECOMMENDATION FROM THE CONFERENCE BOARD OF PENSIONS

RE: 2011 'PAST-SERVICE' (PRE-1982 SERVICE) PENSION RATE

Submitted by Conference Board of Pensions

Date Adopted: __2-3-2010 Number on Board _15____; Number Present:_11__
Number Voting YES: _11_; Number Voting NO:_0_: Number Abstaining:_0_.

BACKGROUND:

This 'Past-Service Pension Rate ('PSR') recommendation comes to the Annual Conference every year from the Conference Board of Pensions ('CBOP'), as required by the *Book of Discipline*. It sets the following year's minimum pension amount to be paid (per year of service) to Cal-Nevada pastors who are already retired, for their years of service in this Conference prior to 1982.

The Discipline recommends that these pension rates be not less than 1% of the 'Conference Average Compensation' ('CAC') of the active pastors serving now, and our current PSR is well above that recommendation. Our present PSR of $828 is equal to1.36% of the 2010 CAS of $61,028. It is now and for some years has been the highest UMC pension rate in the nation by a considerable margin. The next highest Rate for 2010 is $767, in the Texas Annual Conference.

Because of the Economic downturn of 2008-2009 and the corresponding reduction in equity markets and investment values, Cal-Nevada Conference Past Service pension reserve funds lost over $5 Million during 2008. Some of that market loss has been recovered since that time. However, the General Board of Pensions and Health Benefits ('GBOPHB') has indicated that beginning in 2011, based on 12-29-09 account balances, that the Cal-Nevada total annual payment to retain the same $828 PSR (with no increase) would rise from $320,827 in 2010 to $2,023,400 in 2011. This is a single-year increase in cost of over $1.7 Million for our Annual Conference, and that increase is presently projected to continue for up to 7 years, to compensate for the recent market losses.

There are no funds in the Conference apportionment budget for this program. This program is currently funded from Conference reserve funds only, as indicated in the '2010 Past-Service Funding Plan' recommendation, also presented in these Conference materials. Paragraph 1506.7 of the *2008 Book of Discipline* reads, in part, "….The annual conference shall review annually the annuity rate for service rendered in the annual Conference prior to January 1, 1982, ***for the purpose of adjusting the rate as appropriate, taking into account changes in economic conditions. Such annuity rate may remain the same or be increased without restriction***…"

In light of this long-standing Disciplinary provision for adjusting the level of the PSR, and in light of the economic downturn and pension investment account losses of 2008, and in light of the current (above required) level of the Cal-Nevada Annual Conference PSR in 2010,

Therefore, be it resolved that the Minimum Past Service Pension Rate paid for Pre-1982 service during the year 2011 be set at $828 per year of service. This represents 0% increase over the 2010 rate of $828 per year of service.

CALIFORNIA-NEVADA - AVERAGE COMPENSATION AND PENSION RATES

-1-	-2-	-3-	-4-	-5-	-6-	-7-	-8-
				Ann. Incr.	Ann. Incr.	Ann. Incr.	PSR as %
Year	DAC	CAC	PSR	DAC	CAC	PSR	of CAC:
				-	-	-	-
1976	10,930	10,833	$105				
1977	11,734	11,726	$112	7.36%	8.24%	6.67%	0.96%
1978	12,647	12,232	$118	7.78%	4.32%	5.36%	0.96%
1979	13,510	12,955	$123	6.82%	5.91%	4.24%	0.95%
1980	14,484	13,852	$130	7.21%	6.92%	5.69%	0.94%
1981	15,661	14,745	$139	8.13%	6.45%	6.92%	0.94%

1982		16,776	15,843	$148	7.12%	7.45%	6.47%	0.93%
1983		18,263	16,948	$159	8.86%	6.97%	7.43%	0.94%
1984		19,416	17,815	$170	6.31%	5.12%	6.92%	0.95%
1985		20,726	18,553	$192	6.75%	4.14%	12.94%	1.03%
1986		21,940	19,488	$208	5.86%	5.04%	8.33%	1.07%
1987		23,449	22,397	$227	6.88%	14.93%	9.13%	1.01%
1988		24,690	23,677	$247	5.29%	5.72%	8.81%	1.04%
1989		25,783	25,342	$270	4.43%	7.03%	9.31%	1.07%
1990		27,040	26,764	$284	4.88%	5.61%	5.19%	1.06%
1991		28,508	28,458	$300	5.43%	6.33%	5.63%	1.05%
1992		30,132	30,731	$317	5.70%	7.99%	5.67%	1.03%
1993		31,520	32,224	$333	4.61%	4.86%	5.05%	1.03%
1994		33,017	33,815	$350	4.75%	4.94%	5.11%	1.04%
1995		34,832	35,643	$370	5.50%	5.41%	5.71%	1.04%
1996		36,062	36,351	$389	3.53%	1.99%	5.14%	1.07%
1997		37,084	37,744	$420	2.83%	3.83%	7.97%	1.11%
1998		38,298	38,471	$460	3.27%	1.93%	9.52%	1.20%
1999		39,337	39,593	$500	2.71%	2.92%	8.70%	1.26%
2000		40,805	41,366	$550	3.73%	4.48%	10.00%	1.33%
2001		42,233	42,561	$578	3.50%	2.89%	5.09%	1.36%
2002		42,930	42,980	$607	1.65%	0.98%	5.02%	1.41%
2003		45,717	46,070	$637	6.49%	7.19%	4.94%	1.38%
2004		49,325	49,974	$669	7.89%	8.47%	5.02%	1.34%
2005		50,931	51,600	$702	3.26%	3.25%	4.93%	1.36%
2006		52,394	53,301	$772	2.87%	3.30%	9.97%	1.45%

2007		54,081	54,211	$795	3.22%	1.71%	2.98%	1.47%
2008		56,044	55,908	$811	3.63%	3.13%	2.01%	1.45%
2009		58,226	59,116	$828	3.89%	5.74%	2.10%	1.40%
2010		60,341	61,028	$828	3.63%	3.23%	0.00%	1.36%
2011		61,716	62,195	$828	2.28%	1.91%	0.00%	1.33%
			AVERAGES:		5.09%	5.15%	6.11%	1.15%

"DAC" means the 'Denominational Average Compensation' of full-time clergy

"CAC" means the 'Conference Average Compensation' of full-time clergy

"PSR" means the Conference 'Past Service Pension Rate' paid, per year of pre-1982 clergy service.

Item 3

PROPOSAL TO DIRECT-BILL ACTIVE CLERGY PENSION COSTS

Submitted by Clergy Benefits Task Force; Contact Don Cunningham

Date Adopted: March 15, 2010 Members: 14 Votes for: 11 Votes Against: 0

OUR RATIONALE

WHAT WE ARE PROPOSING

Beginning 1/1/2012, active clergy pension costs (CRSP-The Clergy Retirement Security Program and the CPP- The Comprehensive Protection Plan]) shall no longer be distributed across the churches by way of the apportionment formula; these costs shall be billed to and paid by each local church (or charge) for its appointed clergy.

During 2011 we will transition to this system using an interim arrangement for one year.

OUR HISTORY WITH CLERGY PENSION PAYMENTS:

Our Conference has operated successfully for many years using the apportionment system to distribute clergy pension costs across the churches, with some churches paying more than others, based on their relative financial strength. This plan was constructed so that some churches would help other churches pay the cost of their appointed clergy.

This worked well when benefit costs were far lower in proportion to other local church and Conference expenditures. Clergy pension apportionments were viewed and explained to local congregations as being missional in nature. However, these costs now exceed $3 Million per year, and comprise over 40% of our total apportionment collections.

WHY CHANGE NOW

The church at every level must be clear about its mission. The current system hides the full costs of appointed clergy which in turn may cause local church and conference leaders to make decisions on the deployment of clergy without understanding the true cost and impact of those decisions on our mission.

WHAT SUPPORT OF THE DIRECT-BILLING PROPOSAL WILL DO

- **Change our current practice from apportioning clergy pensions to billing local churches for the actual pension cost of their appointed clergy.**
- **Place the responsibility for paying the appointed clergy pension and other compensation cost on the site where the work is done.**
- **Allow a transition year to fully implement the change.**
- **Separate clergy pensions from the apportioned (shared) support for the mission and ministry of the Annual Conference and the General Church.**

WHAT SUPPORT OF THE DIRECT-BILLING PROPOSAL WILL <u>NOT</u> DO

It will <u>NOT</u> close churches; Jeopardize pensions for active or retired clergy; Single out any particular kind of church in its effects: Change the number of appointed clergy or the number of appointments; Reduce the total cost of clergy pensions to the Annual Conference; Undermine our commitment to missional churches; Address every challenge we face.

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OUR RECOMMENDATION

Beginning 1/1/2012, the cost of clergy pensions and benefits under the Clergy Retirement Security Program (CRSP) and the Comprehensive Protection Plan (CPP) will be billed to each

local church or charge with clergy participants in these plans. Each church or charge will be billed for the CRSP/CPP cost of its appointed clergy.

WE FURTHER RECOMMEND

The calendar year 2011 will be a transition year wherein the cost of these plans will be allocated to the churches and charges as follows:

1. The CRSP/CPP costs will be included in the apportionment budget. Those churches whose Pensions and Benefits Apportionment exceeds the actual pension cost of its clergy shall pay their Pensions and Benefits Apportionment in full.

2. Those churches whose Pension and Benefits Apportionment is less than the actual cost of their appointed clergy pension will pay their Pension and Benefit Apportionment in full, and they will also be directly billed for half of the difference between the actual cost of their clergy pension and their Pension and Benefits Apportionment.

Item ___4__

RECOMMENDATION FROM THE CONFERENCE BOARD OF PENSIONS
RE: UPDATING DIVISION IX OF THE CONFERENCE STANDING RULES

Submitted by Conference Board of Pensions

Date Adopted: __ March 24, 2010
Number on Board__15__ ; Number Present:12

Number Voting YES: 12 , Number Voting NO: 0 : Number Abstaining: 0 .

Background and Rationale:

Division IX of the Standing Rules covers the "Pension and Benefit Programs" of the Annual Conference. It is a compilation of different rules that have been adopted over many years of Conference actions.

At the 2010 Conference session, the Conference *Clergy Benefits Task Force* is recommending that beginning in 2012, active clergy pension costs (CRSP – The Clergy Retirement Security Program) and CPP (The comprehensive Protection Plan) be billed directly to each local church (or charge) for its appointed clergy.

In order to make such Direct billing permissible under our Standing Rules, the Conference Board of Pensions recommends that Division IX of the Conference Standing Rules be revised and updated as follows. (Proposed deletions are shown as wording with ~~strikethrough lines~~, and proposed new wording is shown in **boldface type**).

Division IX. Pensions and Benefit Programs

A. Pre-1982 Pension Funding:

1. For approved clergy service rendered prior to January 1, 1982, Conference pension obligations shall continue to be met under a 'service annuity program with a defined benefit floor', formerly known as the Ministers' Reserve Pension Fund (MRPF).

2. Each year the Annual Conference shall set a minimum pension rate, to be paid to eligible Conference Claimants during the following calendar year, for pre-1982 service.

3. The Pre-1982 pension rate for eligible surviving spouses in the California-Nevada Annual Conference shall be 75% of the Pre-1982 pension rate for regular Conference Claimants.

4. Each year, the Conference Board of Pensions shall recommend an amount to the Council on Finance and Administration for payment of past service pension costs, and request that it be placed in the Conference budget. Further, the Conference Board of Pensions is authorized to withdraw from reserve funds any funds necessary to meet the required payments.

B. Current Service Pension Funding; The Clergy Retirement Security Program (CRSP), and the Comprehensive Protection Plan (CRSP/CPP):

1. Between January 1, 1982 and December 31, 2006, pension funding for the current service of eligible pastors was made under a defined contribution program, known as the Ministerial Pension Plan (MPP) **and the Comprehensive Protection Plan (CPP)**.

2. The Annual Conference participated in MPP/CPP in accordance with the Discipline and the MPP/CPP Plan Documents, as adopted and amended by the General Conference.

3. Beginning in 2007, the Annual Conference **began participating** ~~*shall participate fully*~~ in the **UMC** Clergy Retirement Security Program **(CRSP)**, as adopted ~~and amended from time to time~~ by the **2004** General Conference.

Contribution Method:

From 2007 to 2011, the church contributions for CRSP and CPP shall **continue to** be made through regular apportionment payments to the Conference Treasurer. **Through 2011,** the Conference Treasurer shall remit the CRSP and CPP contributions to the plan monthly on behalf of Conference participants.

Beginning in 2012, the full cost of CRSP and CPP for eligible appointed clergy shall be direct-billed to the local church or other salary-paying unit where they are appointed by the Bishop. Each local church or other salary-paying unit shall be responsible for remitting the full cost of these programs directly each month. The billing method shall be established by the Conference Board of Pensions.

4. Eligibility for Conference CRSP and CPP Payments: All appointed pastors are eligible for UMC pension plan enrollment, subject to the rules of the applicable Plan Documents. The following pastors are eligible to ~~have their~~ **participate in** the CRSP and CPP **program sponsored** ~~contributions paid~~ by the Annual Conference:

a. Any person in one of the following categories who is under Episcopal appointment to serve as pastor of a local church within the bounds of the Annual Conference, provided that they are receiving clergy compensation for their appointed services:

(1) Conference clergy members including Deacons,
(2) Local pastors, and
(3) Eligible clergy of other denominations

b. Conference clergy members appointed as District Superintendents, Conference Council on Ministries staff, or as Conference Treasurers.

5. Elective Deferrals to the United Methodist Personal Investment Plan (UMPIP), equal to not less than three percent of the participant's contribution base, are strongly recommended for all participants.

6. Each year, the Conference Board of Pensions shall recommend an amount to the Council on Finance & Administration **necessary** for payment of **any uncollected** current service pension costs (CRSP and CPP), and request that it be placed in the Conference **Apportionment** budget **for the following fiscal year (This shall not conflict with the Board of Pensions responsibility under Par 639.4, 2008 *Book of Discipline***.

7. A church other than a United Methodist Church included in an ecumenical parish served by a United Methodist pastor shall arrange with the General Board of Pensions **and Health Benefits** of the United Methodist Church for the direct billing of the applicable pension and/or protection plan contributions required of that parish. A United Methodist Church included in an ecumenical parish shall pay apportionments as required by the Conference Treasurer or CFA.

C. Parity Between Pension Plans

Striving to Maintain parity between the benefits of the various clergy Pension programs shall be the policy of this Annual Conference (Par 1506, 200**8** Book of Discipline).

Item 5

Recommendation to Change the Standing Rules
Regarding the Retired Clergy Association

Submitted by the Retired Clergy Association Board, March 10, 2010

Vote: 15-0-0.

It is recommended that the Standing Rules regarding the establishment of the Retired Clergy Association be amended as follows:

F. Conference Council on Ministries

26. Retired Clergy Association

The Retired Clergy Association of the California-Nevada Annual Conference of the United Methodist Church is an affiliate organization of the Annual Conference operating under the Articles of Incorporation of the Annual Conference.

a. Purpose: To maintain a supportive relationship among retired clergy and diaconal ministers of this Conference; retired consecrated missionaries and retired clergy members of other United Methodist Conferences residing within the bounds of this conference; and spouses and surviving spouses of all the above members. **In addition, we will strengthen our Annual Conference and continue to be of service to the church and the world**.

~~b. Officers: President, President-Elect Past President, Treasurer, Chair of the Contact-Care Committee, Chair of the Spring Fling, Memorials Secretary, Scholarship Program Officer, Publications Officer, twelve (12) Directors at Large elected in three annual classes of four each. The officers shall be nominated by a Nominating Committee and elected annually by the members of the Annual Meeting and Luncheon held at the site of the Annual Conference.~~

~~c. Nominating Committee: The Nominating Committee shall be composed of the President and three members of the Board of Directors nominated from the floor and elected by the members at the annual Meeting.~~

d. **b.** Linking Responsibilities: The President shall serve with vote on the Board of Pensions and on the Commission on the Annual Conference Session. ~~The Memorials Secretary shall serve with vote on the Annual Conference Worship Task Force~~. The Executive ~~Secretary~~ Officer, as staff, shall serve without vote on the Board of Pensions. The ~~Contact Care Committee~~ Retired Clergy Association, as delegated by the Conference Board of Pensions, administers grants from the "Retiree Health Care Support Fund" (See Standing Rule, Div IX.E.1.c(2)(c))

ITEM 6

Cambodia Mission Emphasis

Submitted By: Cambodia Task Force – Conference Board of Missions
Date Adopted: March 28, 2009
Number on Task Force: 7 ; **Number Present:** 6
Number Voting YES: 6 ; **Number Voting NO:** 0 ; **Number ABSTAINING:** 0
Contact Person: Rev. Samuel Vorn, Chairperson – Cambodia Task Force
Fiscal Impact: Unknown at this time.

Background:

At the Annual Conference Session in June 2009, the Conference adopted Resolution #13 establishing a task force under the Conference Board of Missions to explore a mission emphasis for the Annual Conference on Cambodia.

In September 2009, the task force sent representatives to Louisiana to a Cambodia Consultation sponsored by the General Board of Global Ministries (GBGM). In February 2010, a leadership team of eight led by Bishop Warner Brown visited Cambodia on a fact-finding trip to identify priority needs matched to California-Nevada interests and resources.

Cambodia, it was learned, is one of the poorest countries of the world.

The 12th Century temples of Cambodia's Angkor Wat are part of the world's most cherished cultural heritage, but its more recent past is troubled, from the colonialism of the French, to American bombing during the Vietnam War, to the failed "classless society" of Pol Pot, to an occupation by the Vietnamese.

In the reign of Pol Pot, Cambodia suffered one of the most devastating blows to a society's leadership in our times.

During the period since the 1980s when Cambodia has been re-opened to the West, United Methodists *have been* working in this predominately Buddhist country, with California-Nevada taking a leading role. As displaced Cambodians encountered Christian relief workers in camps such as those along the Thai border, Christianity took hold. Cambodian-American United Methodist congregations sprang up in this annual conference and returning refugees such as Rev. Samuel Vorn, Rev. Joseph Chan and Marilyn Chan worked in Cambodia to develop training opportunities, congregations, women's empowerment and livelihood projects. In the 1990s, Cambodia became one of the most important "mission initiatives" of GBGM.

Today, Rev. Joseph Chan and Marilyn Chan work as GBGM missionaries in the country, joined by Katherine Parker representing the next generation of California-Nevada church workers. Rev. Samuel Vorn is head of this conference's Cambodia Task Force.

The wisdom of our elders in initiating the focus on Cambodia has today resulted in 143 Methodist churches and a target for Methodism to become autonomous in Cambodia in 2016. The endeavor has been very much an endeavor of California-Nevada and one that continues today, where three of the nine GBGM missionaries in Cambodia are from California-Nevada and retired Bishop Roy Sano from this conference is the United Methodist Bishop with responsibility for Cambodia.

In the February 2010 fact-finding visit led by Bishop Brown, the team observed genuine and pressing needs for leadership development and alleviation of poverty. Priority needs identified by GBGM missionaries were pastoral support, Prey Veng Methodist Church, Cambodia Methodist Bible School, youth ministry, women's ministry, Community Health and Agricultural Development, and street children.

Therefore, be it resolved that the California-Nevada Annual Conference make Cambodia a mission emphasis of the conference; and

That the conference Cambodia Task Force provide mission education and encourage the local churches and constituents of the conference to support **P**ersonnel (covenant relationships with missionaries), **P**rograms (Advance projects), and **P**articipation (UMVIM trips) relating to Cambodia; and

That the California-Nevada Annual Conference designate part or all of the 2011 Annual Conference Session Special Offering to a project or projects of the Methodist Mission in Cambodia.

Item 7

Resolution Regarding Suspension of Miscellaneous Reserve Fund Requirement

Submitted by: Council on Finance and Administration
Date Voted: 3/20/10; Number on Council: 17
Number Present When Voting: 10
Number Voting For: 10
Number Against: 0

Background: The 12/31/09 balance of the conference's miscellaneous reserve fund was not above the minimum established in our standing rules. The Council on Finance and Administration supports the concept of having a minimum reserve for cash flow purposes and is considering alternatives for restoring the reserve to the minimum required.

Be it resolved that standing rule VI.D.3. Miscellaneous and Reserve Fund minimum be suspended for year 2010.

Item 8

RESOLUTION REGARDING THE NUMBER OF DISTRICTS IN THE CALIFORNIA-NEVADA ANNUAL CONFERENCE

Submitted by the Cabinet and the Conference Committee on District Superintendency
Approved by the full Cabinet March 5, 2010
Approved by the Conference Committee on District Superintendency March 13, 2010
(8 of 11 were present. 8 votes yes)

The Book of Discipline divides the authority for establishing districts in an annual conference between the Office of Bishop and the Annual Conference Session.

The Bishop draws district lines, assigns superintendents, and establishes structure for administration of districts. The Annual Conference assigns the number of districts.

(Paragraph 415.4 of the Book of Discipline includes under the responsibilities of the bishop the duty "to form the districts after consultation with the district superintendents and after the number of the same has been determined by vote of the annual conference.")

In line with Bishop Brown's call to mission focus and fiscal responsibility, the Cabinet with the support of the Conference Committee on District Superintendency is recommending that the Annual Conference Session approve consolidation of the number of districts from 7 to 4. This change will allow for greater administrative and supervisory consistency and efficiency across the conference. It will allow for reallocation of funds for needed executive positions for leadership development and church start/new ministries. It will build on clergy leadership through circuits and allow Superintendents to strategically focus on ministry in churches and circuits through coaching and consultation.

Superintendents will continue to meet and consult with pastors and churches as appropriate across the districts. Circuits will continue to become the primary location for ministry development within the conference. Current district leadership will work together until June of 2012 to recommend appropriate structures for district committees in the new districts. Files and records will be converted to electronic media.

The specific matter before the annual conference is simply stated in the resolution: As of September 1, 2010 there shall be four districts in the California-Nevada Annual conference.

THE RESOLUTION

As of September 1, 2010 there shall be four Districts in the California-Nevada Annual Conference.

Item 9

A Recommendation for the Suspension of Division V of the Standing Rules

Submitted by: the Conference Council on Ministry
Feb. 20, 2010
Voting for 8 against 0 abstaining 0; Number present 8
Contact: Rob Dunning

Background

Our Annual Conference recognizes a need to "rethink church" in the way we organize ourselves in California-Nevada. We would like to be both critical in evaluating our design and creative in forming new structures that will enhance our ability to fulfill our mission. We feel we must be able to open all doors to envision a better way to do our work together. Thus, this recommendation would suspend the rules governing the way we organize conference boards and agencies, in order that we might construct a new model. By suspending the rules, we hope to be free to consider many creative options and begin to experiment with these options. Even though the current rules must be suspended for the work to be done, the current structure will remain in place until mutually agreed upon new options are developed.

This recommendation has been endorsed by the Conference Council on Finance and Administration.

Purpose

- To commit time and energy to evaluating our conference structure and its capacity to directly contribute to the making of disciples of Jesus Christ for the transformation of the world.
- To align the work of the Annual Conference and the local church with the Four Areas of Mission Focus and the conference vision.
- To critically consider the effectiveness and agility of our conference organization and increase its capacity to make decisions, utilize its resources and hold it accountable to the mission.

Recommendation

Therefore, be it resolved that the rules in Division V of the Standing Rules be suspended for the purpose of allowing flexibility and innovation in re-aligning the work of the Annual Conference with the four areas of mission focus identified by the Council of Bishops and affirmed by the

a period of two years for

major Boards and Agencies of the General Church. That the Bishop name a team to facilitate the transition with the goal of bringing new standing rules for Division V of the standing Rules to the 2012 Annual Conference Session. The transition team will work collaboratively with conference leaders during the transition and bring a progress report to the 2011 Annual Conference Session.

Be it further resolved that this suspension of the rules in no way intends to abrogate or dismiss any provisions of the UM *Discipline*.

Fiscal impact: Funds for the start up of the team in 2010 will come from the budget of the Conference Council on Ministry. The Transition Team budget will cover dialogue with consultants and gatherings organized by the team to accomplish its work. Funding request is for $7,300.00 a year from the 2011 and 2012 conference budgets.

Item 10

Registration Fee for Annual Conference Session

Submitted by: The Commission on the Annual Conference Session
Date: Feb 6, 2010 Voting For: 10 Voting Against: 0 Abstaining: 0
Number of Members Present: 10 Contact: Debbie Dillon

Background

Each Annual Conference must hold a session annually to care for the business of the Annual Conference.

The Commission on the Annual Conference Session is charged with the responsibility to evaluate the purpose and process of Annual Conference Session, designate the number and purpose of offerings, plan and arrange for worship, program, business and entertainment (Communion, Memorial Service, daily schedule, orders of the day, speakers, musicians, editor of the printed program, the bar of the conference, registration procedures), and other responsibilities relating to the Annual Conference Session. (*Standing Rule: Division V. G. 1 Annual conference Session, Commission on the*)

In order to make plans and manage the session it requires the conference to enter into contracts connected with site location, facilities and services upon which we depend to hold the gathering. The costs associated with doing the management of the session need to be stabilized so that we can fulfill our contracts and hold the session as planed and designed. Currently the budget for the Annual Conference Session is under the Office and Administration section of the conference budget. In 2009 we collected 43.17% of what was apportioned for the Office and Administration section of the conference budget.

Recommendation

Therefore be it resolved that the expenses for the Annual Conference Session be moved out of the apportioned budget of the conference. We further propose that the full cost of Annual Conference Session be covered through registration fees.

The fiscal impact of this would be to reduce the apportioned budget beginning in 2011 by $85,000.00. Local churches will pay for the registration of lay and clergy members and conference boards and agencies will pay the registration fee for their representatives by virtue of office.

Division 6 Finance

M. Member's Expenses for the Annual Conference Session

1. A registration fee will be charged to cover the full cost of the Annual Conference Session.

a. Retired clergy, diaconal ministers not employed by a local church, Clergy on Leave, shall be exempt from paying the registration fee for the Annual Conference session.

Item 11

Recommendation for Location of the Annual Conference Session

Submitted by: The Commission on the Annual Conference Session
Date Voted: 2/6/10 Number on Commission: 13 Number Present When Voting: 6
Number Voting For: 6 Number Against: 0

Background:

The Commission continues to consider alternate sites for Annual Conference Session. Its focus this year has been to consider the structure of the event, including the number of attendees and alternatives to our current space requirements. Changes to these parameters can open up possibilities for new venues in the future, and the Commission will consider such possibilities pending the actions of this Annual Conference Session.

Let It Be Resolved:

The 2012 and 2013 Annual Conference Session shall be held in Sacramento.

Item_12

Recommendation to Amend Conference Local Parsonage Standard Guidelines

Submitted by Board of Trustees and four members of the Staff Pastor-Parish Relations Committee, Martinez United Methodist Church
Vote: (Board of Trustees only) 8 yes, 0 no, 0 abstain
Adopted: March 29, 2010
Contact: Doug Sibley, Lay Member/Chair, Board of Trustees, Martinez UMC
Financial Impact: No impact to the Conference budget.

Background:

The current Conference Guideline Standards for Local Parsonages ought to be updated. The Martinez UMC has just renovated its parsonage to current Conference and City of Martinez Code standards. The Conference Guidelines do not currently reflect available resources and considerations such as the covenant this Conference has (see Item 16, adopted by the 2008 Annual Conference) or the covenant many of our individual California and Nevada congregations have (see Item 15, adopted by the 2005 Annual Conference) with California Interfaith Power and Light (see http://interfaithpower.org/) or our Conference web page entitled *Environmental Justice (Green)* under the Board of Church & Society ministry section http://cnumc.org/pages/detail/1439.

Resolution:

Amend the 2009 Conference Standing Rules as follows:

within **Division X. Property Matters, B. Local Church Parsonages**

Add a new ¶ 2. (and renumber subsequent ¶¶):

¶ 2. *Ministers and families ~~shall~~ provide their own personal property insurance policies (renters, automobile, etc.) to cover their own personal property whether located within the parsonage, on the parsonage grounds, or anywhere on the campus of the assigned congregation(s).*

New ¶ 3. (add a period to end of sentence.)

within **Division X. Property Matters, C. Local Parsonage Standard Guidelines**

¶ 1. When locating a parsonage, close proximity to church, school, shopping area, hospitals and health care should be considered. ~~Para. 2543.b, 2004 Discipline, establishes requirements for accessibility~~. ¶ *2543 of the* **2008 Book of Discipline** *prescribes the planning and financing requirements of local church building and parsonage projects, including accessibility requirements. Energy efficiency goals and strategies are found in adopted Item 16 of the 2008 Annual Conference as well as in local church (in Nevada as well as in California) covenants with California Interfaith Power & Light (see http://interfaithpower.org). Also refer to the Environmental Justice (Green) page http://cnumc.org/pages/detail/1439 on our Conference web site for articles of Green building projects within the Conference and for links to United Methodist and other Green resources.*

¶ 4.b. A fenced play yard or space for children *and/or pets* is desirable.

¶ 5~~.c. Adequate type of TV antenna~~.

¶ 6.a. (8) Drapes*, blinds or other appropriate energy-saving window dressings, or combination thereof* throughout.

¶ 6.b. (4) Air conditioning (central design), ~~and~~

(5) Sprinkling system for the yards~~.~~,

(6) Double-pane windows,

(7) Adequate/improved wall and ceiling insulation,

(8) Outdoor security lighting,

(9) Remote control operated garage doors, and

(10) An annual parsonage maintenance plan prepared jointly by the Board of Trustees and the Staff Pastor-Parish Relations Committee in coordination with the pastor and family.

¶ 8. The responsibility for implementing the Parsonage Standard Guidelines ~~**be**~~ ***is*** assigned to the District Board of Church Location and Building.

Item 13

Recommendation for Editorial Corrections to Standing Rules

Submitted by Susan Hunn, Conference Journal Editor
April 1, 2010
No fiscal impact

Explanation:

Due to changes in committee names, organization and relationship, some categories of lay membership by virtue of office as listed in the Standing Rules are no longer valid. This recommendation corrects the paragraph to reflect current usage.

Recommendation:

Correct Standing Rule Division IV.A.2.f. (pp. 260-261, *2009 California-Nevada Conference Journal*) as follows:

f. Persons holding each of the following offices shall be lay members of the Annual Conference: the Conference President of the United Methodist Women; the Conference President of United Methodist Men; the Conference Lay Leader; lay delegate or reserve lay delegate to Jurisdictional Conference; each District Lay Leader. Each of the following shall be lay members if the office is held by a lay person: Chairperson or vice chairperson of each of the Conference Council on Ministries, the Council on Finance & Administration, the Commission on the Annual Conference Session; the Agenda Chairperson of the Annual Conference Session; chairperson of each of the Board of Church and Society, the ~~Board of Conference Mission Strategy~~ Board of Missions, the Board of Discipleship, the Board of Higher Education and Campus Ministry, ~~the Commission on Ethnic Minority Congregations and Ministry~~, the Commission on Religion and Race, the Commission on the Status and Role of Women, the Committee on Conference Legislation, ~~the Committee on Personnel Policies and Practices~~, the Conference Board of Pensions, the Conference Board of Trustees, ~~the United Methodist Foundation,~~ the Conference ~~Nominating~~ Committee on Nominations, the District Council on Ministries, the Retired Clergy Association President and the Executive Officer of the Retired Clergy Association.

Item 14

Recommendation to Change Minimum Compensation Rules

Name of Submitting Group: Equitable Compensation Commission
Vote taken **March 2, 2010** Vote: **5 for/0 against**
Contact Person: Howard Parker, Chair howard.parker@gmail.com
Fiscal Impact to Conference Budget: The Commission administers the Minimum Compensation Fund. Our long-term goal is to lower the financial need.

WHY A CHANGE IN MINIMUM COMPENSATION STANDING RULES

Currently:

- *Discipline* sets requirements for annual conference to have an Equitable Compensation Commission.
- Conference standing rules specify a formula for setting minimum levels for clergy compensation – a percentage of Conference Average Salary (CAS) adjusted by years of service.

Problem:

- Without specific policies, matters such as housing, health insurance and professional allowances have caused confusion and misunderstanding.
- Using our Conference Average Salary (CAS) as a benchmark is outdated. Since 2007, clergy pensions are computed based on the Denominational Average Compensation (DAC).
- The current formula's rigidity has reduced flexibility needed in tough economic times.

New approach:

- Establish minimum compensation annually and challenge churches to exceed minimum expectations.

Therefore, be it resolved that the Standing Rules by changed as follows:

Division VII. Equitable Compensation

~~A. Equitable Compensation Commission~~

~~The Conference Board of Missions seeks to encourage missional work in the Conference. The Equitable Compensation Commission, which works in conjunction with the Conference Board of Missions, is responsible for advocating adequate and equitable compensation for each clergy position and for providing minimum compensation support in instances of established need. The Supplemental Compensation Program using Equitable Compensation Funds will be divided into two parts: Minimum Compensation Assistance and Missional Compensation Assistance, and indicated as such by a footnote in the budget.~~

~~B. Minimum Compensation Assistance~~

~~1. Administrative Procedures:~~

~~a. The chairperson of the Equitable Compensation Commission is a member of the Board of Missions. The Equitable Compensation Funds are administered by the Equitable Compensation Commission, in accordance with the requirements of the Discipline and the following rules.~~

~~b. Minimum Compensation Assistance includes a Minimum Compensation Scale, a Maximum Scale for Benefits, plus requirements for Health Insurance and Housing expenses. Any pastor serving a pastoral charge participating in this program shall receive from local church funds, other sources, and minimum compensation supplement, a salary and other compensation equal to, but not to exceed, the amounts specified in the following plan.~~

~~c. The Superintendent is responsible for initiating the process and working with the local churches and pastors. The local churches and pastors complete applications according to procedures established by the Equitable Compensation Commission. A District Committee on Mission Strategy or Equitable Compensation may exist to assist the Superintendent who recommends each application. The Cabinet recommends the total package of all applications.~~

~~d. The Cabinet is to review and approve all Minimum Compensation Requests before the January and May meetings of the Commission on Equitable Compensation. The total of all requests should be within the total funds available for the program. Any changes after this report should be minimal.~~

~~e. The Cabinet shall submit by January I an estimate of need for the next budget year so that the Commission may make an informed request to the Council on Finance & Administration by the January 31 deadline.~~

~~f. Local churches where the pastor is receiving minimum compensation funds shall enter into a written agreement for a graduated program of increased local church compensation payments leading to self support in the shortest possible period. It shall include commitment of the local church involvement in the total life of the community,~~

~~a financial campaign, payments of apportionments, membership recruitment, stewardship education, be approved by the Charge Conference, and signed by the secretary. In addition they will supply such information as required by the Commission.~~

~~g. The Commission on Equitable Compensation will manage Minimum Compensation Assistance in the following ways:~~

~~(1) Provide consultants and workshops for local churches relevant to issues and needs because of being on the Minimum Compensation Program,~~
~~(2) Consult with the Bishop and Cabinet,~~
~~(3) Make final approval of all applications, and~~
~~(4) Annually present its estimate of the total funds needed to Council on Finance & Administration.~~

~~h. As funds are available, the Conference Treasurer shall make monthly disbursements from the Equitable Compensation Fund. No payments of Minimum Compensation will be made until a completed Financial Application has been submitted.~~

~~2. Definitions:~~

~~a. "Minister Year" is defined as a year of appointed service for Conference Members or full time service for local pastors (not including an appointment to attend school but including the current appointment year) for which, prior to January 1, 1982, full pension credit has been granted by an Annual Conference, or for which, after January 1, 1982, the specified contributions are made to the Clergy Pension Plan and the Comprehensive Protection Plan by an Annual Conference. The Cabinet and the Commission on Equitable Compensation may set standards for accepting equivalent years of service given in another denomination.~~

~~b. "Average Compensation" shall be defined and calculated by the General Board of Pensions minus the amount included for housing (This calculation includes amounts paid to pastors for purposes of making Social Security payments).~~

~~3. Minimum Compensation Schedule:~~

~~a. Compensation schedule:~~

~~Clergy years~~	~~%Average~~
~~1-5~~	~~80~~
~~6~~	~~81~~
~~7~~	~~82~~
~~8~~	~~83~~
~~9~~	~~84~~
~~10~~	~~85~~
~~11~~	~~86~~
~~12~~	~~87~~
~~13~~	~~88~~

~~14~~ ~~89~~

~~15~~ ~~90~~

~~b. Pastors serving more than one church shall receive an additional five percent of the pro rata share of the minimum compensation for each local church;~~

~~c. When appointed full time only, Student Local Pastors shall receive 50% of the Minimum Compensation Schedule, but all benefits as listed below shall be paid in full and appropriate housing provided.~~

~~d. clergy and local Pastors appointed to less than full time service may receive Minimum Compensation Program in quarter increments.~~

~~4. Maximum Allowable Benefits:~~

~~a. Payment of Health Insurance Premiums is allowed only for the Conference Health Plan in accordance with Conference policy.~~

~~b. The local church shall include in its budget an amount of $500 for continuing education to be reimbursed as used.~~

~~5. Professional Reimbursements:~~

~~a. Professional reimbursements will be the responsibility of the local church.~~

~~b. Professional reimbursements shall include travel (Standing Rule VI.I.5.b), Annual Conference expenses, continuing education, and may include other items.~~

~~6. Housing:~~

~~a. Each local church is responsible for providing housing with either a parsonage or a housing allowance. If there is a housing allowance, it may not exceed the local rental value of a house that meets Conference parsonage standards. If by agreement, the pastor does not live in the community where the church is located, then the housing allowance may be negotiated to provide the rent necessary to house the pastor and family in an appropriate manner.~~

~~b. Utilities should be based on actual cost or an estimate consistent with the costs of the previous year with a maximum amount of $3,000.00.~~

~~7. Limitations:~~

~~a. A pastoral position, either full or less than full time, may not receive minimum compensation assistance for more than five consecutive years.~~

~~b. Minimum Compensation Assistance shall be used only for pastor in charge.~~

~~C. Special Missional Compensation Assistance~~

~~1. Purpose. To assist in funding compensation packages for pastors appointed to Special Missional Ministries, according to priorities set by the United Methodist Church, the Annual Conference, the Conference Board of Missions, and the Cabinet.~~

~~2. Compensation Package. The compensation package may exceed the minimum compensation assistance guidelines as determined by the Commission on Equitable Compensation in consultation with the Cabinet.~~

~~3. Special Missional Ministries including Ethnic Ministry, Urban Ministry, Town and Country, and New Church Development are the ongoing responsibilities of the Conference Board of Missions, and the Board shall identify these ministries annually to the Conference.~~

~~4. Administration:~~

~~a. The Commission on Equitable Compensation will determine application and disbursement procedures for allocating the total funds available among the missional ministries which are proposed.~~

~~b. The funding and special ministry plans will require an annual review.~~

Division VII. Equitable Compensation

Pursuant to paragraph 625 of the *Book of Discipline*, the Equitable Compensation Commission shall establish minimum clergy compensation; develop guidance and advocacy on equitable clergy compensation; and administer the Equitable Compensation Fund to provide financial assistance for clergy compensation in instances of established need.

A. Minimum Clergy Compensation

1. The Equitable Compensation Commission shall annually provide the conference a separately stated dollar amount to be the minimum compensation for full-time ordained clergy appointed in full connection as members of the conference. In addition, it shall provide a separately stated minimum compensation amount for full-time clergy not in full connection.
2. Each local church shall be responsible for providing housing with either a parsonage or a housing allowance. If there is a housing allowance, it may not exceed the fair market rental value of a suitable home.
3. The Commission shall also establish the minimum benefits to be included as part of minimum clergy compensation, such as, but not limited to, health insurance for the pastor and a professional expense allowance including the expense of attending the Annual Conference Session and continuing education.

B. Equitable Compensation Fund

1. Eligibility for all clergy compensation assistance from the Equitable Compensation Fund requires the participating pastor and local church to adhere to the requirements set forth in these Equitable Compensation rules, including but not limited to the prescribed scale for health benefits and the requirements for

housing expenses. Compensation assistance is available and may apply in quarter increments to clergy.

2. Compensation assistance for pastors serving more than one church may be an additional five percent of the pro rata share of the minimum compensation for each church.

3. The District Superintendent is responsible for initiating an application process and working with local churches and pastors to establish need. The local churches and pastors seeking compensation assistance shall complete applications according to procedures established by the Equitable Compensation Commission and the completed application must include the signature of the District Superintendent recommending approval. Local churches where the pastor is receiving minimum compensation funds shall enter into a written agreement for a graduated program of increased local church compensation payments leading to self support in the shortest possible period.

4. The Equitable Compensation Commission shall review the applications approved by District Superintendents, assess each application, and make a recommendation as to each to the Bishop and Cabinet.

5. Except in unusual circumstances explicitly approved by the Commission, Bishop and Cabinet, a pastoral position, either full or less than full time, may not receive compensation assistance for more than three consecutive years. Compensation assistance may be used only for pastor in charge.

6. The Cabinet, Bishop and Commission shall submit by January 1, or as directed by the Commission on Finance and Administration, an estimate of the amount needed for the Equitable Compensation Fund for the next budget year.

Item 15

RECOMMENDATION

CONFERENCE & DISTRICT ADVANCE SPECIALS

The Board of Missions is recommending to the 2010 Annual Conference Session the following Conference & District Advance Specials to be in effect from: June 2010-June 2011

2011 CONFERENCE ADVANCE SPECIALS

DISTRICT	NAME		TYPE	GOAL
Bay View	#851	Wesley Foundation @UC Berkeley	C	$64,000.00
Bay View	#824	Ecumenical Mission for Peace and Development	C	$10,000.00
Nevada-Sierra	#804	Kelly Campground	C	$20,000.00
Delta	#811	Side by Side Spiritual Companions	C	$10,000.00
Conf.		Cambodia	C	$161,300.00
Golden Gate	#823	San Quentin Families Project	D	10,000.00

2011 DISTRICT ADVANCE SPECIALS

Nevada-Sierra	#859	Nevada-Sierra District 2% Fund	D	$15,000.00
Nevada-Sierra	#822	Ten ($10) for Mission	D	$12,000.00

The following Advance Specials previously approved and in effect for the 2009-2010 calendar-year are:

2010-2011 CONFERENCE ADVANCE SPECIALS

Conf.	#814	West Angola Partnership	C	50,000.00
Conf.	#803	Volunteers In Mission Projects	C	$10,000.00

Item 16

Establishment of Committee on Pacific Islanders Ministry

Submitted by the California-Nevada Pac/Ic Islanders Caucus
Vote: 12 yes, 0 no, 0 abstain (8 present; 5 proxy votes)
Date of Vote: March 19, 2010
Contact: Latu Eveline Koloto
Fiscal Impact: TBD

BACKGROUND:

The Committee on Pacific Islanders Ministry is proposed to be the Conference ministry Committee of Pacific Islanders of The United Methodist Church. This is part of an ethnic initiative of The United Methodist Church (IJMC) intended to provide resources and an advocacy voice for the growth and development of the Pacific Islanders ministry. Pacific Islanders are composed of three major cultural/ethnic groupings: Micronesians, including indigenous peoples principally of the Mariana, Caroline, and Marshall island groups; Melanesians, including indigenous peoples principally of Fiji, the Solomon Islands, and Papua New Guinea; and Polynesians, including indigenous peoples principally of Tonga, Samoa, Tahiti, the Cook Islands, Hawai'i and New Zealand..

The mission of the Conference Committee on Pacific Islanders Ministry is:

1. To affirm the common heritage of Pacific Islanders whose identity is partly anchored in their shared inhabitation of the islands of the Pacific Ocean and the diversity that each Pacific Islander group offers in their particular histories, traditions, and languages.

2. To empower Pacific Islanders of The United Methodist Church to fully participate in the life of the global Church and be agents of Christian love and service.

3. To enable Pacific Islanders of The United Methodist Church to navigate their faith life in their new surroundings using the gifts that they have brought from their respective island heritage and incorporating the necessary and appropriate resources found in new locations.

4. To join all members of the Church in bringing different and diverse gifts to the table of the Lord and ensure that the Church is shaped by all.

The California-Nevada Pacific Islanders Caucus is contributing to the development of a Pacific Islanders Comprehensive Plan which is intended to define issues and develop strategies for Pacific Islanders ministry. The Plan which basically "tells our story" is being developed for presentation to and adoption by the 2012 General Conference with assistance and funding from the General Board of Global Ministries.

RESOLUTION:

Therefore, be it resolved that (1) the Committee on Pacific Islanders Ministry be duly constituted and (2) recognized by amending the Conference Standing Rules, Division V. ***G.*** to add:

Pacific Islanders Ministry, Committee on

a. Responsibilities: It *is* the responsibility of Committee on Pacific Islanders Ministry to assist the Annual Conference in establishing new churches and faith communities; to strengthen and monitor Pacific Islanders ministries within the Annual Conference; advocate for inclusion of Pacific Islanders United Methodists to serve at all levels of the church; and identify, promote, and support the development of Pacific Islander clergy and lay leadership, as well as educational opportunities for Pacific Islander United Methodists of all ages.

b. Membership: A Chairperson, Vice Chairperson, Secretary, and Finance Secretary shall be nominated from the members of the Committee. The Committee, including officers, shall be elected by the Annual Conference. At large committee members shall be composed of at least four Tongans, four Fijians, two Samoans, one Chamorro, and one representing other Pacific Islander groups. The Committee should be composed of an equal number of clergy and laity. The Committee membership shall be organized into three three-year classes.

c. Permanent Standing Committee: An Education Committee shall be composed of the Vice Chair and a Committee member from each Conference District. The purpose of the Education Committee shall be to identify educational opportunities and financial resources which can be made available to Pacific Islanders United Methodists. Educational opportunities include learning technical English to qualify for trade licensing, teaching English as a Second Language, assistance to UM youth for tutoring to stay in high school, as well as scholarships and other assistance for students working towards trade, college, university or ministerial degrees.

d. The Committee on Pacific Islanders Ministry shall be represented on the Conference Board of Missions.