

VI. Reports

A. Camping and Retreat Ministries Transition Task Force

In 2007, Bishop Michael Coyner called together several leaders in the Camping and retreat ministries of both the North Indiana and South Indiana Annual Conferences in order to begin work on a design for a new camping and retreat ministry for the new Indiana Conference. Our goals were as follows:

- Develop a design for a unified camping ministry in Indiana.
- Develop a design for a new Board structure and staff structure for the new ministry.
- Consider how to describe our ministry.
- Look for ways to collaborate in ministry between the Conference structures while these developments are taking place.

We have met together several times and those meetings have produced wonderful discussion. There are some basic items that we were able to agree upon quickly as beginning assertions:

- The Camping and Retreat ministry should be one well-coordinated ministry rather than a collection of individually directed sites.
- We believe that our ministry exists to serve the local church and to excite and enhance the ministries that they have in serving others. We are a tool that they can use to grow their ministries with an emphasis on youth.
- We believe that our ministries are intentionally Wesleyan/Methodist in nature and our programming continues to reflect that as we share Christ with others we serve.
- We have, between the two former ministries, facilities that are well located geographically that can aid the new ministry in providing fine discipleship experiences for “customers” throughout the State of Indiana. We feel that all of the eight sites currently located within our Area can be well utilized in doing so. We also note here that the status of the former South Conference camp at Santa Claus is not clear, but we believe that it could add to the overall effectiveness in ministry if it is able to be utilized by the new ministry.
- We believe that a new camping and retreat ministry can and should be built with the goal of being bigger and better than the “sum of its parts”. We note that “bigger” in terms of numbers of campers is not the only important factor in determining whether a ministry is “better”. Yet in keeping with the mission of the Indiana Annual Conference of “Making Disciples for Jesus Christ,” we believe that an effort to greatly expand this ministry numerically would be in order. We understand that most of the people who make a decision for Christ do so before or during their teen years. This makes the ministry we undertake among children and youth extremely important. Both former Conferences considered the camping programs to be their most effective ministries in making new disciples. Presumably, our new Conference will want to continue to develop this ministry into an outstanding ministry to reach new disciples and to promote continued spiritual growth. We desire to see the new Camping and Retreat Ministry be a ministry “OF” the Conference rather than “FOR” the Conference. As an outreach tool of every Indiana United Methodist congregation, we see our primary market as ALL of the youth of Indiana and surrounding areas, rather than just the youth who attend our churches.
- We also believe that we must pay attention to the expanding diversity in our state, and find ways to offer programs that are more relevant and attractive to young people from urban and ethnic cultures that are growing within the boundaries of Indiana. Some examples might be developing “urban” camps in a city setting to appeal to youth who simply do not relate to the “rustic” setting of our current sites, or camps that are conducted in Spanish or Korean languages.
- We also believe that the camping ministry exists to also help people of all ages and backgrounds to travel on their “spiritual journeys.”

Given these statements about the vision for the ministry, we believe that a strong, visionary Board of Directors would create the environment for these expectations to become reality. We propose a board of not more than 21 members from across the Indiana Annual Conference that would be made up not only of persons with a vision and passion for the camping and retreat ministries, but also persons who have experience and a record of success in governance, development and fiduciary oversight within the Church, non-profit or business sectors. The Board may decide that it could work more efficiently at a smaller size, or establish an Executive Committee that would be empowered to take action in areas to be designated by the entire Board.

The Board, through the Conference Nominating Committee, would bring nominees to each Annual Conference session that have vision and passion for the particular ministries that we undertake, which allows such vision to be self-perpetuating, but gives the Annual Conference the opportunity for oversight and direction.

We envision the following as the functions of the new Board of Directors:

The Board would bring nominees to each Annual Conference session who have vision and passion for the particular ministries that we undertake, which allows such vision to be self-perpetuating, but gives the Annual Conference the opportunity for oversight and direction.

- Provide guidance, direction and supervision to the Executive Director by:
 1. Participating in the creation of the job description;
 2. Setting performance goals;

3. Conducting performance reviews with employment recommendations.

- Provide governance to the ministry in conjunction with CFA and Trustees.
- Ensure fiduciary integrity for the ministry by developing annual income and expense budgets as well as forecasting the long-term revenue needs.
- Establish a development process for current needs and for the long-term vision; Board members should be expected to be personally invested in this ministry as well as prospecting for and cultivating significant donors.

When such a ministry is operated as a division of the Annual Conference, there are many agencies that can impede the implementation of the ministry and program. This does not seem to be intentional; it is simply that other agencies that have some authority over parts of the program (e.g. Conference Trustees, CFA) have their own goals and issues that may not be the same as those of the Camping ministry. Both former Conferences have dealt with such issues over the years, but it has been more apparent in North Indiana, (the Camp Design Leadership Team highlighted this problem in its 2006 report at the NIC session) perhaps because the ministry there was the larger of the two. We see such issues as, again, unintentional, but inevitable as the new ministry grows in its outreach. Therefore, we recommend that the Board of Directors undertake immediate communication with CFA and Trustees in order to ensure common vision and purpose, and a healthy working relationship. These agencies may wish to establish cross-representation in the long term.

We recommend that a national search be undertaken to hire the best possible candidate for the Executive Director position. Further, the Executive Director, in conjunction with the Board of Directors, should establish the staff structure for the new ministry.

Important “connection points” between the Ministry and the Conference exist and can be used as ways to maintain and increase the connection between the two entities.

- The first is marketing the programs that the Ministry would operate. We do want to grow to serve more youth than our Conference serves, yet we still see the United Methodist Churches of Indiana as our most important market and the place where outreach begins.
- Volunteer recruitment would be done primarily - perhaps exclusively, especially in the beginning - from the congregations of our Conference.
- Retreat programs would be offered to our congregations first, and then beyond to other groups as available.
- We also see some potential for a staff position that would function as a ‘liaison officer’ to the congregations of the Annual Conference.

In summary, the Camping and Retreat Ministries Transition Task Force strongly believes that the ministry programs our new Indiana Annual Conference will be operating in the area of camping and retreat ministries can be a strong tool for growth in the ministry of the Conference. Our vision is to expand the ministry to reach new populations and diverse cultures of youth and adults in the state of Indiana and to offer them experiences that will transform their lives, lead to decisions for Christ, and offer growth in faith and discipleship. We believe that one united, focused ministry is a more effective means of operating than several smaller, localized ministries.

Respectfully Submitted Camping and Retreat Ministries Transition Task Force,

Larry E. Dimick and W. Michael Roberts, co-chairs

B. Communication Transition Team

The Communication Transition Team communicates through a full range of media. The primary internal communication tools supporting congregational and district ministries include the nine-issue *Hoosier United Methodists Together* newspaper mailed to more than 13,500 clergy and lay leaders of local churches (and 1,000 subscribers), and the electronic *Hoosier United Methodist News* posted on the Indiana UMC web site in a format that can be downloaded for newsletters and worship bulletin inserts.

Our external communication includes press releases and interviews with public media reporters, as well as our area and new Indiana Conference Web sites.

Your Indiana communication team assists local congregations and their ministries by providing news, commentary, and information about communicating with their communities and the connectional church. We also advise pastors during a crisis in their congregations by coaching them on their responses to public media. Our communications staff is composed of the Director, Dan Gangler, and Communication Assistant Erma Metzler.

Publishing/Together

During 2008, the commission:

- Published nine issues of the 12-page *Hoosier United Methodists Together* newspaper;
- Worked closely with the Imagine Indiana Design and Transition Teams to communicate their work, and assisted with the special conference session in October;
- Published the *Daily HUM News* at annual conference sessions; notified media; provided photos for the *Journal*; and posted daily session reports on the Area Web site;
- Published a weekly Friday e-newsletter, e-vents, a Monday Mission Opportunities listing, a weekly column by Bishop Coyner, and sent Alerts and Announcements to subscribers;

- Designed and implemented a new Indiana Conference Web site that will continue to grow as the former conference Web sites migrate to the new site.

Public Relations

- Special events are promoted internally and through public media. We continued to cover advocates who rally against the expansion of legalized gambling in Indiana, and continued with other organizations to support a comprehensive smoke-free workplace law statewide.
- Public service announcements are placed on cable TV as part of the Igniting Ministry campaign. WICR includes a Sunday, 60-second United Methodist Newsbreak program that I write. Our office also creates both print and electronic promotional materials for the Bishop's Christmas Offerings for Children, which distributed \$130,000 to projects in Indiana and around the world.

In the next year:

- *Hoosier United Methodists Together* newspaper will continue to publish a nine-issue, 12-page newspaper.
- e-HUM will continue publishing download-able, news pages formatted to fit congregational newsletters and the entire issue of each *Together* newspaper in PDF format. We will continue to publish a weekly Friday e-newsletter, e-events list and upload Bishop Coyner's weekly E-pistle.

Communications also will:

- Expand and promote the use of the new Indiana Conference Web-site www.inumc.org;
- Host one-day district communication workshops emphasizing electronic communication;
- Continue production of a one-minute weekly news brief for WICR;
- Work with the new conference directors in serving the 10 new districts and their congregations with the new conference Web site.

Daniel R. Gangler, Director of Communication

C. Congregational Development

In his final moments with his disciples, Jesus said, "...you will be my witnesses in Jerusalem, and in all Judea and Samaria, and to the ends of the earth." (Acts 1:8) Not only was he speaking to those gathered 2,000 years ago, he was—and is—speaking to his followers this very day. As God's Kingdom continues to come into reality, we disciples must continue to be witnesses to those around us.

In the 1800's when Indiana was being settled, this happened through aggressive church planting. Where ever a community began to develop, we Methodists and Evangelicals and United Brethren were there planting new communities of faith. As a result, a significant percentage of Indiana's population came to faith and became followers of Christ, transforming their communities and even the world.

The most recent church development studies point to the fact that new churches are more likely to grow. Churches born prior to 1980 have declined more than they have grown over the past decade. With the change of population patterns and the growth of new communities, the United Methodist Church needs to once again move to reach these growing people groups. This is a significant moment in our church's life – not simply because we have formed a new Indiana Conference, but because of the tremendous challenge and opportunity facing us as we carry out Christ's command to make disciples. With a culture that is becoming increasingly secular, church planting and the starting of new faith communities, congregations, and worship services is just as important as in the 1800's.

Church development will be working in five strategic arenas:

1. New Church Strategy – We would like to see the Indiana Conference plant 20 new churches during the next 7 years.
2. High Potential Church strategy – We will be looking for churches that have 5 of the 8 high potential areas.
 - a. Could have the right location. . .
 - b. Could have good lay leadership. . .
 - c. Could have the right pastor. . .
 - d. Could be healthy. . .
 - e. Could have a sense of urgency. . .
 - f. Could be ready and willing to relocate. . .
 - g. Could be in an area of population growth. . .
 - h. Could have a significant number of unchurched. . .
3. Multi-Site Church Strategy – We would like to come along-side existing congregations to help them develop offsite worshipping communities. We will look for:
 - a. Multi-cell healthy churches. . .
 - b. Large population density areas. . .
4. Growing Church Strategy – A number of our churches in the Indiana Conference are growing at the present time. We will plan to help these churches in every way possible to continue to move forward.
5. Sending of the Saints Training Strategy – There are some churches that have good lay and clergy leadership, and we would like to help those churches begin to grow in reaching new persons for Christ and the church through "best practices" training events.

6. Jesus called his disciples—the saints—to go out into the communities and preach and heal and baptize. To that end, the conference’s new Church Development team is calling all of our churches to play a part.

We propose that every church - working alone or in cooperation with other churches – strive to start one new faith community that is specifically targeting persons outside their church’s constituency over the next two years.

The Church Development team is committed to support our churches in this effort through providing resources, including best practices training, demographic information, discernment and prayer guides, as well as specialized help. We can’t afford not to wholeheartedly pursue this **Sending of the Saints** endeavor, for as Jesus said, “The fields are ripe unto the harvest!”

I would like to thank Gary Schaar, Ken Grubb, Milt Ashby and all who have served the Church Development committees of the previous conferences. The work they did has now prepared us for the next phase of ministry.

Mark A. Gough, Director of Church Development

Ed Fenstermacher, Associate Director of Church Development

D. Council on Finance & Administration

Purpose: To develop, maintain and administer a comprehensive and coordinated plan of fiscal and administrative policies, procedures, and management services to insure that resources are available to accomplish the vision, mission and ministry of the Indiana Annual Conference.

2008 Financial Summary

| | North | South | Total |
|--------------------------------------|------------------|------------------|-------------------|
| 2008 Income | | | |
| Local Church Tithe | 6,700,475 | 7,087,048 | 13,787,523 |
| Tithe Plus (2%) | 1,063,965 | 990,703 | 2,054,668 |
| Total Income | 7,764,440 | 8,077,751 | 15,842,191 |
| 2008 Expenses | 7,549,727 | 8,023,629 | 15,573,356 |
| 2008 Budget Surplus/(Deficit) | 214,713 | 54,122 | 268,835 |

General Church obligations were paid at 71.42% and 71.24% by North and South Conferences respectively in 2008.

2010 Overview

The 2010 budget proposal includes the following components;

1. The local church will be asked to continue to tithe to the Annual Conference. In addition to the tithe, the local church will be asked to pay 1% of their tithable income towards District Budgets which will replace the current District apportionments. All District income will go to fund district ministries and programs closer to the local church. The 2010 budget eliminates the Tithe Plus (2%) asking.
2. For 2010, the Indiana Conference is committed to paying **at least** 80% of our General Church obligations. This is an increase over 2008 giving of more than \$650,000. By 2012, we are committed to meeting this obligation at 100%.
3. The Conference and District staffing included in this budget under the new Indiana structure represents a 33% drop in number of staff persons from current levels.

Recommendations

- I. We recommend the Conference Financial Policies be adopted. These policies will be found on page 301 of the journal.
- II. CF&A recommends the 2010 Annual Conference Budget as presented below.
- III. CF&A recommends that, with the new Indiana Conference structure beginning with this Annual Conference session, CF&A in conjunction with the Leadership Table be given permission to reallocate unspent 2009 approved budgets to meet emerging ministry and transitional needs that arise in the remainder of the 2009 budget year.

1. 2010 Proposed Budget

2010 Budget

INCOME

10% Tithe \$ 13,800,000

1% District 1,380,000

TOTAL INCOME \$ 15,180,000

EXPENSES

General Church Obligations (\$5,907,014 * 80%) \$ 4,725,611 31.2%

District Expenses

Cabinet Compensation \$ 1,159,320

District Budgets 1,380,000

Total District Expenses 2,539,320 16.7%

Pension and Insurance

Retiree Health Insurance Subsidy 1,500,000

Debt Retirement - PTLP Retro Enrollment 450,000

Total Pension and Insurance 1,950,000 12.9%

Conference Budgets

Connectional Ministries 2,175,600

Church Development 1,133,800

Communications 244,887

Administrative Services 1,262,900

Episcopal Office 176,400

Financial Services 958,200

Total Conference Budgets 5,951,787 39.2%

TOTAL EXPENSES \$ 15,166,718

Budget Surplus/(Deficit) \$ 13,282

Rev. Dr. M. Kent Millard, Chairperson

**Indiana Conference of the United Methodist Church
 Connectional Ministries
 2010 Draft Budget Proposal**

| | | |
|-------------------------------------|--------------------------------|--|
| Staffing | | |
| Director (salary and housing) | \$ 98,600 | |
| Associate Level (5) | 350,000 | |
| Contract Resource | 15,000 | |
| FICA, LTD & STD | 10,000 | |
| Insurance | 72,000 | |
| Pension | 48,000 | |
| Travel, Meals, Lodging & Cell | 36,000 | |
| Fuel, Mntce, Title & Ins | 31,500 | |
| Vehicle Depreciation | 32,500 | |
| Continued Education | 12,000 | |
| Total Staffing Expense | \$ 705,600 | |
| Operations Expense | | |
| Office Supplies | 10,000 | |
| Postage | 10,000 | |
| Printing & Copying | 15,000 | |
| Total Operations Expense | 35,000 | |
| Program | | |
| Youth and Young Adult | 40,000 | |
| Discipleship and Leadership | 20,000 | |
| Social Justice and Advocacy | 20,000 | |
| Mission | 20,000 | |
| New Projects and Emergency Response | 200,000 | |
| Total Program | 300,000 | |
| Other Projects | | |
| Camping | 750,000 | |
| Capital Campaign | <i>Paid by Campaign Income</i> | |
| Board of Ordained Ministry | 200,000 | |
| Annual Conference Session | 180,000 | |
| Media Center | 5,000 | |
| Total Other Project | 1,135,000 | |
| TOTAL EXPENSES | \$ 2,175,600 | |

**Indiana Conference of the United Methodist Church
Administrative Services
2010 Draft Budget Proposal**

Staffing

| | | |
|--|-------------------------------------|-------------------|
| Director (salary and housing) | \$ 98,600 | |
| Asst. Director of Office and Conference Svcs | 64,000 | |
| Information Services | 35,000 | |
| Benefits Assistants (3) | <i>Paid through benefit billing</i> | |
| Secretarial Pool/Support Personnel (5) | 185,000 | |
| Health Insurance | 120,000 | |
| Pension/Death and Disability | 75,000 | |
| FICA/Med | 39,000 | |
| Vehicle Depreciation | 12,500 | |
| Travel, Meals, Lodging & Cell | 16,800 | |
| Training | 10,000 | |
| Miscellaneous | 5,000 | |
| Total Staffing Expense | <u>660,900</u> | \$ 660,900 |

Services

Office Operations

| | | |
|--|----------------|----------------|
| Office Supplies | 18,000 | |
| Telephone | 18,000 | |
| Postage | 60,000 | |
| Printing & Copying | 20,000 | |
| Equipment Lease/Mntce/Purchase | 59,000 | |
| Building Lease | 250,000 | |
| Total Office Operations Expense | <u>425,000</u> | 425,000 |

Pension and Health Insurance

| | | |
|---|--------------|--------------|
| Meeting Expense | 5,000 | |
| Total Pension and Health Insurance Expense | <u>5,000</u> | 5,000 |

Human Resources Meeting Expense

3,000

Trustees

| | | |
|-------------------------------|----------------|----------------|
| Meeting Expense | 5,000 | |
| Legal | 50,000 | |
| Conference Property Insurance | 94,000 | |
| Defense Fund | 20,000 | |
| Total Trustees Expense | <u>169,000</u> | 169,000 |

TOTAL EXPENSES \$ 1,262,900

**Indiana Conference of the United Methodist Church
Episcopal Office
2010 Draft Budget Proposal**

| | | |
|---|----------|-------------------|
| Staffing | | |
| Executive Assistant to the Bishop (salary and housing) \$ | 102,600 | |
| Secretary to the Bishop | 44,000 | |
| Administrative Asst to the Exec Asst | 10,000 | |
| FICA, LTD & STD | 3,500 | |
| Insurance | 22,500 | |
| Pension | 22,800 | |
| Travel, Meals, Lodging & Cell | 5,800 | |
| Continued Education | 3,000 | |
| Other | 1,000 | |
| Total Staffing Expense | | 215,200 |
| Operations Expense | | |
| Office Supplies | 3,000 | |
| Postage | 6,000 | |
| Printing & Copying | 3,000 | |
| Total Operations Expense | | 12,000 |
| Episcopal Office | | |
| Travel Expenses | 9,000 | |
| Phone Data | 6,400 | |
| Housing Allowance | 18,600 | |
| GCSA Offset | (84,800) | |
| Total Episcopal Office Expense | | (50,800) |
| TOTAL EXPENSES | | \$ 176,400 |

**Indiana Conference of the United Methodist Church
Financial Services
2010 Draft Budget Proposal**

| | | |
|--|---------|-------------------|
| Staffing | | |
| Director (salary and housing) \$ | 98,600 | |
| Controller & Camping Business Mgr (2, 1 w/housing) | 130,600 | |
| Database Administrator | 53,000 | |
| Acct/DB Clerks (2) | 60,000 | |
| FICA, LTD & STD | 26,500 | |
| Insurance (5) | 60,000 | |
| Pension, LTD & STD | 51,000 | |
| Travel, Meals, Lodging & Cell | 14,000 | |
| Fuel, Mntce, Title & Ins | 10,500 | |
| Vehicle Depreciation | 13,000 | |
| Continued Education | 10,000 | |
| Total Staffing Expense | | \$ 527,200 |
| Operations Expense | | |
| Office Supplies | 12,000 | |
| Postage | 15,000 | |
| Printing & Copying | 9,000 | |
| Audit | 80,000 | |
| Cash Mgmt Fees & Lockbox | 15,000 | |
| Moving Expense | 300,000 | |
| Total Operations Expense | | 431,000 |
| TOTAL EXPENSES | | \$ 958,200 |

Rev. Dr. M. Kent Millard, Chairperson

**2. Conference Financial Policies
General Provisions**

- A. ALL CHURCHES (including New Church Starts and Merged Congregations) WILL BE ASKED TO TITHE THEIR INCOME TO THE ANNUAL CONFERENCE. AT A MINIMUM, A TITHE WOULD BE COMPRISED OF THESE ITEMS;
1. Income from identified and unidentified contributors.

2. Pledged or unpledged income.
 3. Undesignated interest and dividend income.
 4. Income received from building use fees.
 5. Income received from fundraisers and programs in support of the operating budget.
 6. Income from capital campaigns, pass-through giving and tuition-based ministries is not included in the tithing calculation.
- B. ALL CHURCHES (including New Church Starts and Merged Congregations) WILL BE ASKED TO CONTRIBUTE 1% of the church income identified in item A 1-5 to fund the District Ministries.
- C. Tithe income received over and above the set Tithe Income budget in a fiscal year is to be disbursed as follows:
1. 50% of the excess tithe income is to be sent to pay General Church apportionments up to 100%.
 2. 50% of the excess tithe income is to be allocated by the Council on Finance and Administration and reported at the subsequent Annual Conference Session.
- D. GENERAL FUND.
The General Fund is established to provide financial stability for the operation of the Indiana Conference. Its primary purpose is to provide the working capital for daily operation, allow responsible budgeting by providing an interim allocations source, plus it is a source of funds for unexpected exposures or opportunities arising between sessions. This fund is an accumulation of net profits or losses from prior years.
- E. RESERVE FUND.
The Reserve Fund was established as a financial protection fund to absorb significant and unexpected opportunities and exposures beyond the capacities of the budget and the General Fund. The fund is a source of capital expenditures for staff housing and a depository for capital funds from the sale of corporate assets.
There will be a line in the budget to support the Reserve Fund. This asking continues until the Reserve Fund Balance equals \$1,000,000. Should there be a surplus, the amount will be transferred to the General Fund and used according to the guidelines of this fund.
- F. FISCAL YEAR.
The fiscal year shall be the calendar year.
1. Payments from churches received after January 15th each year, shall be credited to the following year's tithing records. Churches may remit their gifts by electronic funds transfer.
 2. Requisitions for year-end disbursements should be sent to the Conference Treasurer's Office by January 15th each year. Only requisitions for expenses that were incurred prior to the end of the fiscal year will be recorded in that fiscal year. Expenses that were incurred after the close of the fiscal year will be recorded in the subsequent year.
- G. We urge the continuation of the support of General Advance Specials and affirm paragraph 812 of the 2008 *Discipline* that reads: "The World Service Fund is basic in the financial program of the United Methodist Church. World Service on apportionment represents the minimum needs of the general agencies of the Church. Payment in full of these apportionments by local churches and annual conferences is the first benevolent responsibility of the Church."
- H. The Total Proposed Budget will be presented early in the Annual Conference Session. The Total Proposed Budget will be acted upon after all agencies have made their reports to the Annual Conference. If there are proposed changes to the Total Proposed Budget, these items shall be referred to the Council on Finance and Administration and action postponed until the Total Proposed Budget is presented.
- I. The Annual Conference goal is to pay General Church Apportionments 100%.
- J. Financial requests coming to the Council on Finance and Administration between sessions of Annual Conference shall be considered by the appropriate committee of the Council before being acted upon by the Council.
- K. The Council on Finance & Administration shall be responsible to ensure that actual expenditures stay within limits defined by the Council on Finance & Administration and the Annual Conference, and within the broad limitation of actual amounts received. Between sessions of Annual Conference, the Council on Finance & Administration shall have the authority to take appropriate actions in response to any unexpected events that impact the Annual Conference financially.

Conference Funds

A. TREASURER'S COMPLETE REPORT AND AUDIT.

The Conference Treasurer shall furnish, on a form established by this Council, an itemized report of balances, receipts, and disbursements during the year.

B. SIGNIFICANT ACCOUNTING POLICIES.

The Indiana Conference follows the requirements of Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 117, *Financial Statements of Not-For-Profit Organizations*. Under FASB Statement No. 117, the Conference is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The accounts of the Indiana Conference are maintained on the accrual basis in accordance with the principles of fund accounting and generally accepted accounting principles (GAAP). Separate accounts are maintained for each

fund; however, the financial statements will be prepared on a basis that shows the financial position and changes in net assets of the Conference in total. Funds with similar characteristics will be combined for financial statement presentation.

(Note of Explanation: The objective of accrual basis accounting is to ensure that events that change the Annual Conference's financial statements are recorded in the periods in which the events occur, rather than only in the periods in which, as a result of these events, the Conference receives or pays cash. For example, using the accrual basis to determine net income means recognizing revenues when earned rather than when cash is received, and recognizing expenses when incurred rather than when paid.)

A summary of the other significant accounting policies utilized by the Annual Conference is reported in the audited Financial Statements in the section titled Notes to the Financial Statements.

C. BUDGET REQUESTS.

The Conference Leadership Table will submit a complete request for the agencies and boards under its jurisdiction; this includes the Board of Ordained Ministry. In accordance with paragraph 635 of the 2008 Discipline, should the Board of Ordained Ministry and its staff, after working through the Leadership Table, find they need to make a further direct request to CF&A, the Council will be agreeable to hear such a request.

D. NEW ASKINGS.

New financial askings during Annual Conference Session must be referred to the Council on Finance and Administration prior to a decision being made by the Annual Conference.

E. CONFERENCE TREASURY.

The Conference treasury shall be continued for all Conference Boards, Divisions, Commissions, and Committees receiving budgeted funds and all bills shall be paid on requisitions.

The following shall apply when determining who has authority to authorize the payment of requisitions and vendor invoices.

1. Staff shall have the authority to authorize (by their own one signature) the following, provided that such expense does not overspend the respective group's budget and that the expense is a valid expense of the group and is in harmony with the group's mission and purpose:
 - a. Valid vendor invoices of \$1000 or less.
 - b. Requisitions for payment of \$1000 or less.
2. A Conference Director shall individually have the authority to authorize (by their own one signature) the following:
 - a. Valid vendor invoices and requisitions for payment provided that such expense does not overspend the respective group's budget and that the expense is a valid expense of the group and is in harmony with the group's mission and purpose.
3. Committees shall have the authority to authorize the following:
 - a. Valid vendor invoices and requisitions for payment between \$1000 and \$5000, by the authority of two signatures – Chairperson, Vice Chairperson, Secretary, or Staff.
 - b. Valid vendor invoices and requisitions for payment greater than \$5000 by authority of two signatures – Chairperson, Vice Chairperson, Secretary, or Staff; and, a copy of the committee's minutes where it was approved.
4. In all cases vendor invoices and requisitions for payment may not surpass the committee's approved budget.

F. CHECK SIGNING.

The Conference Treasurer shall be authorized to sign checks for the Conference funds. In the absence of the Treasurer, an additional person shall be authorized to sign checks.

G. DEPOSITORIES.

Depositories of the Indiana Conference shall be subject to the direction of the Executive Committee of the Council on Finance and Administration.

H. INVESTMENTS.

All apportioned funds held by the Council on Finance and Administration shall be invested at its direction, and interest accrued from these investments shall be used by the Council on Finance and Administration, and the principal sum shall be requisitioned by the boards and agencies as needed.

The Executive Committee of the Council on Finance and Administration, along with the Conference Treasurer, shall be empowered to invest funds in United States Securities, United States Agencies, savings accounts and certificates of deposits in authorized "Federally Insured Financial Institutions", debt instruments of corporations whose activities are not in conflict with the United Methodist Social Principles and which bear a rating of "A" or higher from Moody's Investment Rating Service, or in funds offered by the Indiana Foundation.

Interest credit will be allocated each quarter to any non-apportioned fund that resides in the Annual Conference treasury, has a fund balance of more than \$75,000 at the end of the quarter, and is not already receiving interest from other specific investments. In addition, interest credit will also be allocated each quarter to any endowment or quasi-endowment fund (functioning as an endowment) that resides in the Annual Conference treasury, has a fund balance of more than \$5,000 at the end of the quarter, and is not already receiving interest from other specific investments. This interest credit will be the local prime rate of interest to be calculated quarterly.

The Indiana Conference follows the requirements of Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 124, *Accounting for Certain Investments Held by Not-For-Profit Organizations* or as subsequently amended by FASB. Under FASB Statement No. 124, the Conference is required to report information regarding its investments at fair value based upon quoted market prices, when available, or estimates of fair value. Donated assets are recorded at fair value at the date of donation, or if sold immediately after receipt, at the amount of sales proceeds received.

I. CAPITAL ASSETS.

Capital assets of the Conference are held by the Indiana Conference of the United Methodist Church, Inc. Board of Trustees. In the Indiana Conference financial statements, the value of fixed assets is stated at cost less accumulated depreciation or fair value at date of donation. The cost of property and equipment purchased in excess of \$2,500 is capitalized. Depreciation is computed using the straight-line method over the estimated useful life of each class of depreciable asset.

J. UNEXPENDED BUDGET FUNDS.

Unexpended budgeted funds of Conference Boards, Committees, and Commissions shall revert to the General Fund at the close of each fiscal year with the exception of those funds approved by CF&A and designated funds.

K. CARRY-OVER BUDGET ITEMS.

Carry-over budget items should be considered on a case-by-case basis as a general fund encumbrance in unusual circumstances and not to exceed six months carry-over. A vote of CF&A approval will be required for \$5,000 or more. Less than \$5,000 must be approved through the authorization of the appropriate Director and the Treasurer.

L. OVER-EXPENDING BUDGETS.

The Conference Treasurer has no authority to honor any requisition that would cause an over-expenditure of any budget category in the Conference Budget. It can only occur with the approval of the Executive Committee of CF&A.

M. GENERAL FUND.

The Executive Committee of the Council on Finance and Administration shall have the power to draw upon the General Fund for emergency disbursement, subject to ratification by the Council on Finance and Administration.

N. RESERVE FUND.

Between sessions of the Annual Conference, the funds may be used upon approval of the Council on Finance and Administration and the Leadership Table with notification to the Annual Conference at the next session.

O. DESIGNATED FUNDS.

Designated funds are funds which come from gifts that have been designated for a specific purpose. These funds shall be carried forward and shall be used to build funds for a program or project over multiple years. Designated Fund accounts shall be funded at a rate determined annually by the Council of Finance and Administration. CF&A shall review these accounts annually to determine if sufficient funds are available to underwrite the programs. Upon completion of the program or project, if there is a balance in the designated fund, those monies shall revert to the General Fund. Should monies accumulate in a particular designated fund, and at some point in the future the Indiana Conference determines there is no longer a need for that fund, those monies shall revert to the General Fund and the specific fund account shall be eliminated. Decisions on funding for new designated funds shall be made by the Council on Finance and Administration on the basis of cash available for the funding at year end.

P. RESTRICTED FUNDS.

Restricted Funds are funds which have been restricted by the source, the donor, the General Church or through Special Offerings. These funds shall be carried forward from one fiscal year to subsequent fiscal years until they are depleted or re-designated by the donor. If, at some point in the future the Indiana Conference determines there is no longer a need for a particular fund, the donor, or in the absence of the donor, the Council on Finance and Administration shall recommend to the Indiana Annual Conference how the balance in that fund shall be disbursed. Restricted funds shall be fully funded. Funds shall be set aside in a separate fund and invested. Specific restricted funds shall not earn interest for those funds unless required by the donor at the time the fund is or was established. Interest earned on the pool of invested Restricted Funds shall revert to the Restricted Fund pool until it becomes fully funded. At such time the Restricted Fund becomes and remains fully funded, the earnings shall revert to the Conference General Fund unless otherwise specified by the donor.

Q. BONDING.

A blanket fidelity bond of \$1,000,000 shall be secured to cover all employed personnel in the Conference Treasurer's office.

R. AUDITING.

All agencies receiving financial support from Conference benevolences or from any other authorized Conference-wide appeal shall submit an annual audit to the Council on Finance and Administration. Such audit shall cover their total operation and be prepared by a Certified Public Accountant or Public Auditor.

S. BORROWING AUTHORITY (Book of Discipline para. 613.10)

The Annual Conference Treasurer shall have borrowing authority with the prior approval of the Executive Committee of the Council on Finance and Administration up to \$400,000.

Offerings and Solicitations

A. APPROVALS.

It is required by the Conference that groups desiring to solicit funds from churches in the Indiana Conference shall appear before the appropriate agency of the Conference Council on Finance and Administration annually, and may be required to submit budgets, annual audit, and aims for approval before proceeding.

- B. We recommend that all Disciplinary Special Offerings be supported in the manner prescribed by the *Discipline*.
- C. No Indiana Conference mailing list shall be furnished to any agency for the purpose of solicitation without prior consent of the Council on Finance and Administration and the Annual Conference.
- D. Local churches are not to be asked to receive more than one special offering per calendar month. Such special offerings include those requested by the General Church, Area, Conference and District. Clear emergencies, such as natural disaster relief, shall be an exception to this rule.
- E. Special offerings taken during Annual Conference Session shall be determined by the Leadership Table with approval of CF&A and reported to the Sessions Committee.

Expense Allowance

A. BOARD EXPENSE.

All Conference Boards, Divisions, Commissions, and Committees receiving budget funds shall allow for travel reimbursement for laity only and retired clergy not serving a local church based on the IRS rate for charitable travel. Clergy serving in these groups are to be reimbursed for travel by the ministry to which they are appointed. No meal reimbursements will be made. An allowance of \$45.00 per night for hotel will be allowed. Also, sitters for children and dependent adults shall be paid at the rate of \$4.00 per hour to a maximum of 10 hours per day.

B. PER DIEM DEADLINE.

No per diem or other expenses incurred due to the Conference session shall be paid if not submitted to the Director of Connectional Ministries or Conference Treasurer within 30 days following adjournment of the Conference. Annual Conference session per diem will be made only to retirees not serving a church and district equalizing members. To supplement a person's meal expenses, \$3.50 for breakfast, \$4.50 for lunch, \$6.50 for dinner will be allowed as well as the hotel and babysitting allowance in item (A) above.

District Superintendents and Directors

The salary for superintendents and directors for 2010 is \$80,000. The annual adjustment of this salary is indexed to the Conference Average Compensation annual differential. Annual Housing Allowance will be paid at a rate of \$18,600 to be reviewed by CF&A annually. For clergy holding these positions, salary that is designated as housing exclusion according to IRS Code 107 shall be reported and approved annually by CF&A. No Conference staff, including District Superintendents and Directors, shall receive honorariums for services provided to United Methodist churches in the Indiana Conference or agencies of the Indiana Conference. Vehicle policies are found in the Conference operations policies.

Moving Policies

- A. Persons eligible for conference-paid moves include itinerant clergy within Indiana, district superintendents, conference professional staff, and special appointments fully funded by the Indiana Conference.
- B. The total amount allowed for each move will be determined each year by the Council on Finance & Administration and recommended to the Annual Conference. The amount recommended for 2010 is \$3,100. An amount of \$800 will be added to this total for intra-state moves in excess of 250 miles. Total packing costs, supplies, and labor may not exceed \$500, inclusive within the amount allowed for the total move.
- C. The person to be moved is responsible for obtaining two bids from licensed movers and selecting the mover using the conference approved process.
- D. Self-moves are approved for seminary students. Eligible expenses include the cost of truck rental, equipment, packing materials (\$500 limit applies), fuel cost/mileage and labor. Receipts must be submitted for reimbursement.
- E. The Conference will pay for the first move of a surviving spouse within one year after the death of an active clergy person using limits for the year of death.
- F. Insurance will be provided up to the limits obtainable by the Conference.
- G. Special consideration will be given for some circumstances.
- H. Any situation not covered under this policy will be referred to the Council on Finance and Administration.

Equitable Compensation

- A. Minimum salary for Full-Time Elders appointed to serve a local church be set at 60% of the DAC (Denominational Average Compensation) as calculated annually by the General Board of Pension and Health Benefits.
- B. Minimum salary for Full-Time Associate and Probationary Members appointed to serve a local church be set at 58% of the DAC (Denominational Average Compensation) as calculated annually by the General Board of Pension and Health Benefits.
- C. Minimum salary for Full-Time Local Pastors appointed to serve a local church be set at 55% of the DAC (Denominational Average Compensation) as calculated annually by the General Board of Pension and Health Benefits.

E. The Epworth Forest Project Capital Fund Report

In July of 2008, the Outdoor Ministry Capital Fund Project for Epworth Forest began. The Project is a three year – two phase campaign. Phase one is to fund the building of 6 new cabins, new beach and boat house, and the related infrastructure, as well as the administrative costs, at a cost of ten million dollars. Phase two is the building of the conference center, which will include an auditorium and a dining center, as well as classroom space and a chapel. Within phase two is also a maintenance endowment and administrative costs. The cost of phase two is twelve million dollars.

The campaign has three goals:

- A base goal of 10 million dollars
- A Challenge goal of 15 million dollars
- A Break-through goal of 22 million dollars

The fundraising model used for this campaign is similar to one that would be used by a major hospital, university or other large institution. In this type of campaign, 60% to 70% of the funds are raised from major donors in what is called the “silent phase of the campaign.” The silent phase is the time when major donors are contacted to make individual gifts in advance of the public phase of the campaign. In a hospital or university setting, those donors would already be listed and ready for contact. As a conference, there are no such lists of donors, thus part of the initial time in the campaigns, about the first 24 months, are being spent identifying potential major donors and then seeking their support. At the time of the preparation of this report, from about 15 donors, \$1.6 million in pledges have been secured. In the current economy, this is considered to be very successful.

This fundraising model has many advantages, among which is the opportunity to develop a long term and permanent fundraising pool of donors. These donors have the potential of gifting ministry on many levels, such as endowment, end of life gifts, as well as major gifts for specific projects. The development of a donor base is vital to the ongoing funding and economic health of ministry in the twenty-first century.

The silent phase of the campaign is being done on a regional level. The old NIC has been divided into five regions, with the old SIC as one larger region that will be divided after the camping ministries are united.

Each region will be addressed on about a six month basis. Within these six months, the district superintendent is asked to name ten churches within the district that have the potential to provide major financial leadership for the project. In each congregation, the pastor is contacted and asked for three things: to consider a personal pledge/gift to the project, to provide names of those within the congregation or community who might have capacity or leadership to make a difference in the project and lastly, to set a meeting with the leadership of the church so that a corporate gift in the form of pledges or cash from the church might be ascertained.

The public phase of the campaign is slated to begin in the fall of 2010.

Information about the campaign, the DVD, and the opportunities for online giving are on the website at www.rightfuture.org.

Chris Nunley, Chair OMRT

Nick Yarde Associate Director of Outdoor Ministry

Jean Moorman Brindel, CFRE, AFP

Development officer, assigned to the camping ministry

F. Foundation Reports

North Indiana United Methodist Foundation

United Methodist Foundation of South Indiana

Indiana United Methodist Loan Fund

Our three Foundations have long shared histories of ministry to United Methodists throughout the state. With the advent of the new Indiana Annual Conference comes the dawn of new and exciting opportunities to create a single institution to serve Methodism in Indiana, drawing on the best of our pasts and the hope for a bright future.

In early 2008, the presidents and executive directors of the three Foundations and the Indiana United Methodist Loan Fund formed a taskforce to engage in a dialogue about the possibilities for creating a new, single Foundation. The Executive Assistant to the Bishop, David V. W. Owen, has helped to moderate the discussion and Gene Robbins, President of the Indiana Area Foundation, was asked to chair the group. The taskforce has met nearly monthly and engaged in robust discussions among themselves and with several outside consultants,

Those involved have approached the task with enthusiasm and optimism. We have been careful to follow the example of the Annual Conferences’ Imagine Indiana process and think about ways a new institution could best support the Indiana Annual Conference in their mission to make disciples of Jesus Christ for the transformation of the world. While there is a deep awareness of the concern for integrating the ministries of the existing Foundations, the focus has been on discerning what God is calling us to become.

The three Foundations have existed as organizations separate from the Annual Conferences and Area, but in the case of NI and SI with a membership defined as common to the Annual Conferences. In other words, the Foundations have been separate from, but related to the Annual Conferences.

The consultants all challenged the task force to think about a new entity as an “edge” organization; that is, one that is closely aligned with the Annual Conference, but able to be more nimble, responsive and innovative – to be able to ‘walk on the edges’ much as a coach encourages and equips those who move inside the boundaries of the field of play. Rather than relying on

churches to invest with and in a new Foundation, the focus has been reoriented to how a Foundation would be invested in the future of the church.

A (n Un) Common Vision and Purpose

The following “working statements” were presented to the four Boards of Directors as guiding the development of a new, single Foundation to serve the Indiana Conference:

We envision a future where the church, as the Body of Christ, is no longer constrained by money, but where Christian generosity and faithful stewardship combine to provide abundant resources for the making of disciples of Jesus Christ for the transformation of the world.

The Foundation exists to strengthen the Church by promoting faithful stewardship of the abundant resources God has provided, by connecting (donor) resources with Christian ministries, and working to ensure that sources of funding are available to the Church until Christ comes again.

To that end, it is hoped that the mission of the new Foundation would include but perhaps not be limited to:

- strengthening the administrative and financial effectiveness of local units of ministry through training, consultation and collaboration;
- enhancing clergy leadership and leadership development skills, financial literacy and administrative competence;
- creating sources of funding for ministries both at home and abroad, through fund-raising, capital campaigns, grant development, lending programs, planned giving, and the development of permanent funds;
- being an agent of responsible change and accountability as the church responds to the ever-changing needs of its people.

From Current Ministries to the new mission

The ministries of the new Foundation flow naturally from that of the existing organizations. Within the ‘family’ of foundations, we are currently engaged in strengthening congregational effectiveness through a number of activities. It is presumed that most, if not all, of the current ministries of the organizations will continue in some form in the new Foundation.

As an ‘edge’ institution, the new Foundation can engage the Annual Conference, its clergy and its laity to develop the means to think in new ways about what it means to follow Christ and to engage the world. By sponsoring forums and engaging in discussions with a variety of religious, civic and community leaders and experts, the Foundation can become a place where new ideas are encouraged and new ministries are encouraged to become self-sustaining. As an agent of responsible change and accountability, the Foundation can become an incubator for fresh ideas and provocative ministries.

On March 23, 2009, the Boards of Directors of the four existing organizations gathered to hear the proposal developed by the taskforce (and summarized above.) There was a consensus of affirmation for the proposal, and a charge for the taskforce to move towards a plan for implementation. It needs to be stressed that any ultimate change in the governance of the North or South Foundations will need to be brought before their respective memberships before they can be effected.

The taskforce would like to offer its thanks to Clarian Health Partners, who made a \$15,000 grant from a Methodist Hospital charitable fund to help us begin our work. We would also like to acknowledge Jim Borgmann of DeFur Voran, Muncie, for his review and advice on a variety of legal issues.

Indiana Area Foundation Of The United Methodist Church

Mission Statement

The Indiana Area Foundation of the United Methodist Church seeks to fulfill God’s mission by promoting missional giving among local churches and their membership; and by administering, investing, and distributing funds for missional causes and outreach ministries in the name of Jesus Christ through the United Methodist Church locally and throughout the world.

Vision

The Foundation seeks to encourage persons to grow spiritually by appropriate acts and gifts of love that will have both an immediate impact and a positive benefit and influence on future generations through a variety of planned giving instruments.

The Foundation helps people love and fund those things in the future that they have valued and given themselves to in the past, thereby discovering the joy of giving and deep appreciation of stewardship and philanthropy beyond what they thought they could do for a share in Christ’s mission.

The Foundation looks to the future by committing itself to growing and an ever larger involvement in the Church’s outreach and global witness. To this end, it will create corporate and individually directed trusts, which support missional programs that have specific focus and wide appeal and that are encouraged and planned with appropriate energy and resources.

Management and Governance

The Foundation employs the services of a part-time Executive Director who administers the day-to-day operations through the policies and guidance of a 21 member Board of Directors, consisting of the Bishop of the Indiana Area, his Executive

limited paid services provided by the Area Office staff. Even that has not been enough to continue the entire missional project funding that we so highly desired. However, we continue to be a missional pass-through organization that received \$167,921 help with mission projects. Thanks for your trust to share as good stewards of the existing resources that God has given us. We will be faithful into an unknown future.

One of the big projects has been Holy Land and other travel projects related to the Episcopal Office for new ordinands in the state of Indiana. The original funding for the travel program came from a gift from the H. Wilbur Hardacre Estate of \$100,000. That gift with support from many others including the Al Friesenhengst Memorial Trust has enabled ninety-two clergy to be able to travel at a total cost of \$162,292. Thanks be to God for those persons who have shared in any way with this program which has now completed all of its commitments. There is interest in restarting this program or something akin to it in the future as we move beyond the current financial crisis in our world.

The Indiana Area has continued to support pastors in Louisiana after Hurricane Katrina with \$2504 given in 2008, for a grand total of \$80,569 sent to help with the adjustment to this terrible catastrophe. A new project, Called Anew-Sent with Love, was started with several smaller gifts until one donor gave \$100,000 to help in the vital work of reviewing pastoral effectiveness and the necessary support to help pastors make good decisions in discerning their pastoral futures including outplacement if necessary.

As was reported earlier, the Lilly Endowment Inc. provided a start-up study grant of \$50,000 to study the total health of clergy in the Indiana Area. A needs assessment study indicated that there was considerable need among our clergy and a grant proposal was developed and funded by the Lilly Endowment, Inc. in the amount of \$3,000,000 with \$900,000 for administration. The three million dollars can only be distributed when we have received matching funds from all sources. We will need to be faithful in our stewardship as a call goes out for these development dollars to enhance the total health of our Indiana United Methodist clergy. The Indiana Area Foundation serves as the custodian of these funds.

A fund, *Called Anew-Sent With Love*, has been established by individuals supporting pastors responding to a new calling and sending them with love.

Contributions for the mission programs in support of Indiana Area-wide ministries may be mailed directly to the **Indiana Area Foundation of The United Methodist Church at 1100 W. 42nd Street, Suite 210, Indianapolis, IN 46208**, or submitted through the office of the Conference Treasurer. Please note on the check the area of ministry or mission you wish to support.

The Indiana Area Foundation continues to seek those missional opportunities that we can help fund as faithful stewards of our income and assets in the future. We are glad to be here to serve Christ and His Church.

In closing, please accept my personal thanks as well as the thanks of our Board of Directors, and our Episcopal Leader Bishop Michael J. Coyner, Reverend David V.W. Owen and for the support of individuals and local churches throughout the Indiana Area who are the sustaining force of our commitment to Mission, Outreach and Higher Education Ministries.

James E. Gentry, Executive Director

Indiana United Methodist Loan Fund, Inc.

The Loan Fund connects churches that need money with depositors who want an excellent return on their investment. These deposits were used to make over 100 loans to UM churches throughout Indiana. Our loans total over \$24 million. Churches use these loans to expand or create new ministries. Congregations build new churches, provide handicap access, or expand fellowship halls. We made our largest loan to-date of \$2.64 million in 2008. These loans were funded by over 1,100 investors. Our members are committed to this rapidly growing ministry.

Recommendation

1. We recommend that every local congregation celebrate the ministry of stewardship in all forms, including educating members on the joys of tithing and giving through a lifetime and beyond.

James Caskey, President

North Indiana United Methodist Foundation, Inc.

The Foundation assists local churches in promoting good stewardship and building endowment programs. We also provide churches and their members with useful information on planned giving. Last year we helped 22 churches with development of their endowment programs or investment policies.

We provided investment services for over 140 local churches last year. We offer a pooled investment program consisting of 6 different funds; most are screened to comply with the social principles. Our total deposits were over \$21.9 million by the end of the year. We also administer many funds, which support a variety of mission and ministry programs.

Recommendations

1. We recommend that every local congregation that has not already done so, *consider forming a permanent endowment fund or foundation*. The endowment fund or foundation could then begin a process of educating members on the benefits of planned giving as a means of increasing funding for future ministries.
2. We recommend a **“Planned Giving Sunday”** be celebrated in every church. This special Sunday can be used as an opportunity to explain endowment gifts, how they work, benefits available to donors, benefits to the church, and the joys in giving to the church they love and the Lord they serve.
3. We recommend that each local church take an appropriate offering on **“Retired Ministers’ Day”** in honor and memory of former ministers who faithfully served their members. The third Sunday in June (or some other more suitable date) is suggested as Retired Ministers’ Day.

Jeff Haley, President

United Methodist Foundation of South Indiana

The Foundation's mission is *to provide professional, socially responsible investment, endowment and planned giving services to the people, agencies, ministries and local churches of the South Indiana Conference, and on behalf of the Ministers' Retirement Fund and other endowed gifts entrusted to its care, to the end that Christ's Church is served.* It exists to encourage, gather and steward assets given to support ministries.

The Foundation is governed by a Board of Directors elected by its members. Members are defined as those currently qualified as lay and clergy members of the Annual Conference. Directors are elected as a 'class' that serves a four-year term. A director may be elected to no more than two (2) consecutive terms. The current Board of Directors was elected to serve until 2011, at the last meeting of the membership on October 4, 2008.

2008 was a challenging year for our Investment Trust Funds. Investments under management experienced significant declines of \$2 million in net withdrawals and \$8.5 million in investment declines for a year-end balance of \$24.5 million of invested assets. However, donations remained strong; we received nearly \$190,000 in donations, 82% of which was given in support of the Ministers' Retirement Fund. New charitable gift contracts and Legacy Endowments were established totaling nearly \$250,000, and gifts of investment securities passed through to a variety of churches and ministries totaled nearly \$100,000 dollars.

Investment Trust Fund

The Investment Trust Fund (ITF) is a professionally managed portfolio of investments that complies with the Socially Responsible Investing requirements of *The Book of Discipline of the United Methodist Church* and the Social Principles. ITF is only open to church-related organizations, not to individual investors.

The Investment Committee of the Board works closely with its investment advisor to develop and implement investment policies and strategies appropriate for United Methodist organizations. The committee meets quarterly to monitor the performance of its investments and its thirteen institutional portfolio managers.

Most church funds invested in the ITF hold approximately 65% equities (stocks) and 35% fixed income (bonds and notes). In 2008, these funds declined, on average, 26.5% after all fees. Since the inception of the investment program in 1985, the funds have grown an average of over 7.9% per year net of fees. The 2008 Year End Performance chart is available on the Foundation's website or by contacting the office.

Endowment Services

The Foundation's professional staff has been busy working with a number of congregations in various phases of initiating, promoting or revitalizing their own endowments. Some churches and ministries who want the benefits of an endowment, but not the fiduciary responsibility, have opted to use the Foundation's Legacy Endowment program to accept ministry-sustaining gifts. Both styles of endowment services provide promotional and resource materials to the local committee and provide a stream of income for ministries.

Gift Planning Services

For individuals who want to make gifts to the church from their personal assets or estates, gift planning services supplement the advice of one's personal attorney, accountant and financial planner. A gift planner can help you think through what you want your gift to accomplish and how best to structure your gift to enhance its impact. Professional staff members can help guide those who are drafting trusts, wills and bequests.

The Foundation has the experience and capacity to receive non-cash gifts (i.e. IRA's, stocks, bonds, land, houses, etc.) on behalf of congregations, and is often able to negotiate the sale of such assets at a substantial cost savings that can be passed on with the gift. For persons needing to sustain an income, the Foundation offers charitable gift annuities and charitable remainder trusts.

Ministers' Retirement Fund

Since the 1830's, the Preachers' Aid Society, now the Ministers' Retirement Fund, has helped raise and manage funds to support the "worn out and super-annuated preachers" in the conference. At year end 2008, the fund stood at \$4 million and continues to make a 5% distribution to assist with clergy retirement-related expenses.

The Ministers' Retirement Fund is the largest and, needless to say, the oldest of the Foundation's endowments. Because of its special affinity with the former South Conference retirees, the Foundation will co-sponsors the Retired Ministers' Luncheon at Annual Conference.

Perpetual Memorial Endowment

This second-oldest endowment was established as a resource for the operation of the Foundation and as a means for remembering and honoring beloved pastors and loved ones. As such, it is our privilege to present the listing of Perpetual Memorials.

Audit and Financial Statements

Capin Crouse LLP, Greenwood, Indiana, performs an annual independent audit of the Foundation. The Statement of Financial Position is printed in the Foundation's annual report and copies of the audited financial statements are available upon request.

Foundation Staff

Marie Lang, Executive Director (marie@umfsi.org)

Darcy Weaver, Director of Gift Planning (darcy@umfsi.org)

Jenny Weber, Executive Assistant (jenny@umfsi.org)

Bob Sachs, Administrator (bob@umfsi.org)
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G. Health and Welfare Ministries

1. Conference-related Institutions

Bashor Children's Home

The mission of providing "Help for Today and Hope for Tomorrow" remains at the heart of services provided to young people and their families at Bashor Children's Home. The challenge John Wesley gave all Methodists – "Do all the good you can, by all the means you can . . ." comes to life on this 160-acre campus every day.

Bashor Children's Home's newly constructed 32,000 square foot educational facility has allowed us to treat more children in day programming than in residential. We are now working with over 110 children and their families each day. The long and faithful relationship Bashor enjoys with the Indiana Conference and its member churches has made this growth possible. Our partnership began with the Bashor Deaconess Orphanage in 1923, continued through the "work farm" days of the 1940s, and stood with us as we transformed into a therapeutic residential care facility.

Bashor Children's Home is a place where *Matthew 25* comes alive. If they are hungry, we feed them. If they are naked, we clothe them. If they are sick, we care for them. And when imprisoned by the circumstances present in their lives, we bring them the Gospel message capable of setting them free!

Our current programs include:

Emergency Shelter Care - ESC remains the heart of this ministry. Boys and girls ages 8 – 18 who are in immediate need of services are provided with a secure and structured environment.

FAITH – A five-stage continuum for adolescent boys and girls ages 13 – 18. The program includes Secure, Staff Secure, Substance Abuse, SKILL and Independent Living Services in separate campus locations. The program involves young people and their families in a wide range of treatment issues.

HOPE – A program for boys 8 – 13 who are dealing with sex abuse issues as victims and/or offenders. It also treats residents with severe behavioral problems who cannot be handled in their own home (or in foster care) and are difficult to place.

Bashor Alternative School – A non-residential program designed to help students in grades 6 – 11 who have difficulty functioning in traditional school settings. A structured environment, small teacher/student ratios and behavior modification training allow for more individualized attention.

Elementary Intervention – A non-residential program designed to help students in lower elementary grades who are showing signs of difficulty adapting to the regular school life. Staff work with students in the classroom and provide case management in the home for families on a short term basis.

Foster Care – Bashor has begun training foster families for those residents who have completed our programs, but will not return to their own home.

Franklin United Methodist Community

Today the Franklin United Methodist Community campus covers 120 acres with a continuum of living choices available to older persons. But, a little over sixty years ago the community was just an idea in the minds of the laity and ministers of the old Indiana Conference of the Methodist Church. In 1948, that idea took form in the establishment of an investigative committee under the direction of the Conference Committee on Hospitals and Homes.

In 1949, a corporation was formed, officers were elected and committees appointed. In June of 1950, a plan was developed for purchasing a forty-acre site. The site was to be purchased by Grace Methodist Church, the Franklin Chamber of Commerce and friends from the Franklin community. The Indiana Annual Conference of the Methodist Church accepted the plan at its 1950 session. Architectural work started in 1951, and plans were accepted by the Board of Directors in 1954.

The site was officially dedicated in 1953, the cornerstone was laid in 1955, and the building was opened January 9, 1957, with the first resident moving in January 11, 1957. Twenty-two months later, construction was started on the west wing. Air conditioning in both the original building and the new wing were added at that time. The west wing was occupied in 1960.

Construction on the east wing was begun in 1963, and was completed in 1965. The Wright Memorial Chapel and Fellowship Hall were also built along with the east wing. The completed building contained 207 apartments in 189,000 square feet of floor space.

Construction of cottages located around Methodist Drive were begun in the early sixties and continued through the years. In 1980, a new 101 bed Health Center was opened. Additional cottage construction was begun in Brookside, the 79 acres adjacent to the original property, purchased in the early 1990's. Construction continues today with several new cottages being built each year.

In 1992, the W.T. Murphy Special Care Unit was opened providing state of the art care for persons with Alzheimer's and other kinds of dementia. This facility continues to be a leader in dementia care.

In 1994, Glenburn Home located in Linton, Indiana, requested the Franklin United Methodist Community accept responsibility for their continuing operation and management. Also affiliated with the United Methodist Church, Glenburn Home has become a part of our outreach and a valued asset to the people of Greene County.

A new Community Center, a new nursing wing for the advanced care of Alzheimer's, an addition to the Health Center third floor complete with a remodel of both floors, and a new entrance to Wesley Center were completed in January 2001.

In the summer of 2005, United Methodist sister facility Indiana Asbury Towers in Greencastle, Indiana, became a controlled interest of the Franklin United Methodist Community by virtue of a new board of directors consisting of FUMC leaders. This extended our outreach to Putnam and surrounding counties.

During 2007 to 2009, the Franklin United Methodist Community undertook an expansion and major renovation project. As a part of this effort, the Clubhouse in Brookside was enlarged and refurbished, a new dining room was added to Wesley Center, and additional accommodations for 28 persons opened on the Health Center. The Wellness Center doubled in size, and the completed face lift of Wesley Center included new windows, floor, wall, and ceiling covers, lighting, elevator updates, boilers, sprinkler system, kitchen renovations, and more.

The continuing care retirement community, just 18 miles south of Indianapolis, currently serves over 600 residents, with the assistance of nearly 400 employees and 200 volunteers.

Governing the work of the Franklin United Methodist Community is a volunteer Board of Directors made up of lay persons and clergy from throughout the Indiana Conference of the United Methodist Church and other elected persons. Members of the Board are approved by the Indiana Conference. The Board meets quarterly during the year and exercises its oversight and authority through various committees including Admissions, Executive, Facilities Resources, Finance, Personnel and Strategic Planning. These committees report regularly to the full Board for their action.

The Board of Directors employs an Executive Director who in turn employs an executive management staff. This staff includes the Associate Executive Director, Associate Administrator, Chief Financial Officer, and the Director of Human Resources. These staff members are responsible to see regulations are met and policies are effective and efficient and assist the Executive Director in overseeing the various departments serving the residents of the Community.

For additional information or for a personal tour, please call 1-877-RETIRING or visit us at www.fumeth.com

Keith B. Van Deman

Indiana United Methodist Children's Home, Lebanon

The year 2008 was a busy year with program development, financial assessment and property management at Indiana United Methodist Children's Home. The Home continues to provide a holistic treatment environment which combines guidance, education, counseling and support for children during the most difficult times in their lives. The Home works to help youth relate to their families and friends in a more appropriate manner. Helping these youth to relate in school and community is a goal the Home strives to reach each day.

The members of the Board, along with the Home's volunteers and donors, are all important in assisting the staff to reach out in a caring, heartfelt manner to ease the pain of the youth and families who find their way to the campus. The Home provided nearly two million dollars in charitable care to youth and families across Indiana in 2008. This level of charitable care is only made possible through individuals and groups who support the Home's ministry.

God has blessed the Home with a very professional and caring staff. God has also blessed the Home with a Board of Trustees who care. The Board of Trustees and staff plan to maintain the highest quality of care and treatment to youth and their families in the year ahead.

We invite groups to visit the Home's campus in Lebanon and see firsthand this ministry at work in the lives of children. The Home also can provide a speaker for worship services or church programs. Please visit our website at www.iumch.org to learn more and to plan a campus visit or to schedule a speaker.

1. We request to be continued as a Conference Advance Special Agency.
2. We recommend approval of the apportionment request.
3. We request those in the Conference to encourage church members and other interested individuals to include the boys and girls of Indiana United Methodist Children's Home in their will, gifts and prayers.
4. We recommend the churches across the Conference be encouraged to plan a presentation concerning the work of Indiana United Methodist Children's Home during the coming year using the public relations DVD/video, "Building Better Lives."
5. We request the Home's Bulletin Inserts be distributed to each local church in the Conference one time during this Conference year.

Gary J. Davis, ACSW
Executive Director

Lucille Raines Residence

Lucille Raines Residence, located at 947 North Pennsylvania Street, Indianapolis, IN, is owned and operated by Indiana Area United Methodist Women. Services are available to persons from throughout the state.

The purpose of Lucille Raines Residence is to provide a place and a way of life that will enable the residents to achieve an independent state of life. Resident include, but are not limited to, recovering men and women substance abusers, dually-diagnosed individuals, parolees and the limited physically handicapped. Services are provided to persons regardless of race, creed or gender.

Residency requirements:

- Treatment in a chemical dependency program
- Referral by a counselor or other qualified person

- Employment – 40 hours a week, unless on disability and able to do volunteer work
- Commitment to live clean and sober, work with a sponsor and attend support groups

The basis of the self-help program is a daily inventory of defects in character and the sharing of these defects with another person. It is also suggested that a part of each day be set aside for meditation and prayer – the end result being that one learns to turn his/her life over to God day-by-day. The support that grows out of the sharing forms the community which is the backbone of the program and becomes the strength which enables recovery to occur.

Rent received from residents accounts for approximately half the cost of this ministry. Giving by United Methodist Women is extremely generous – currently, \$6.00 per member per year. The balance comes from Conference Advance Specials and donations.

We strive to make time lived at Raines a period of growth and development, so that as residents move on, they are equipped for the new life which comes from living in recovery – turning around a life undone by their own doing.

Call 317.636.3328 to schedule a T-T-L (Talk-Tour-Lunch) or to make arrangements for someone to share the Raines story with a local church/district group/organization. Website: www.gbgm-umc.org/lucillerraines

Carolyn M. Marshall, Executive Director

United Methodist Memorial Home, DBA Heritage Pointe, The Heritage Of Huntington

During this past year, the United Methodist Memorial Home, DBA Heritage Pointe and The Heritage of Huntington have maintained their commitment to serve adults with respect, compassion and love. It is our philosophy to assist residents to fully enjoy their retirement years, while offering professional and thoughtful guidance and comfortable, modern accommodations.

The Heritage of Huntington, which opened in 2001, is thriving at near capacity levels and provides a safe and nurturing environment for the residents. It has grown to be a vibrant community of people who share an enthusiasm for life in a positive environment. The facility provides 60 healthcare accommodations and 56 spacious assisted living apartments. Many people from the Huntington area choose The Heritage as their home as they are able to remain close to family members.

Ground was broken in the Fall of 2008, for The Heritage of Fort Wayne, the newest addition to the United Methodist Memorial Communities, which is located in Allen County along I-469 and St. Joe Road. This development will be home to 56 villas and a healthcare/assisted living facility. It will provide a neighborhood atmosphere with sidewalks throughout the community as well as beautiful landscaping and ponds. Work has begun to construct three model villas, the clubhouse which will house a fitness center, and two villas for resident members.

Heritage Pointe continues to be a leader in the nursing home/retirement living industry. This is evident as many people come from near and far to make this their home, and the fact that many of the “extra” services provided are included in our rates. Family members are assured their loved ones will receive the highest quality of care and comfort possible.

Heritage Pointe continuously reviews and evaluates services which will benefit our members. Resident participation is tremendous in the various activities offered in the Crafts Department, Fitness/Pool area, and Fulst Recreation Room.

A major project in 2008 was the remodeling of Heritage Pointe’s Innis Building. This ambitious project updated the building’s interior, including new windows and new decors, while retaining the beautiful exterior and porch area. The third floor is home to new residential apartments, complete with full kitchen and laundry facilities in each unit. All assisted living apartments on the second floor have kitchenettes and full bathrooms. The building’s heating, electrical wiring, air conditioning and plumbing have also been replaced.

Development also continues in the Dogwood Glen Villas community located on State Road 5 north of Heritage Pointe. There are currently 36 villas occupied with more under construction. Residents in this community enjoy the serene ponds as well as the Dogwood Glen Golf Course which opened in June 2006. This beautiful nine-hole golf course and clubhouse, which are both open to the public, is just another example of why the United Methodist Memorial Home is a leader in setting the standards for this industry.

We value the relationship with the United Methodist Church and Indiana Conference. The United Methodist Memorial Home is committed to providing the very best of Christian care for each of our residents. We thank you for your prayers and support in helping us make that care possible year after year.

For a tour or additional information regarding Heritage Pointe, Woodridge Townhomes, Dogwood Glen Villas or The Heritage of Fort Wayne, please call (260) 375-2201. For more information on The Heritage of Huntington, please call (260) 355-2750. For more information, please visit our website at www.ummh.org

David P. Souder, Administrator and CEO

United Methodist Youth Home – Evansville

The United Methodist Youth Home was founded in 1979, to provide a safe haven for young women ages 10-21 who had been made wards of the court due to abuse, neglect or behavior problems. Our mission is helping at-risk youth become responsible and productive members of the community. In the past 30 years, more than 1,000 young women have changed their lives thanks to the programs and services offered by the United Methodist Youth Home.

UMYH accepts referrals from throughout the state of Indiana. All of our programs are available to young people and their families regardless of race, color, national origin or religious affiliation. Our programs also accept pregnant and parenting teens with programs designed to teach basic parenting and child development skills.

Funding for our residents' care is based on a per diem rate paid by the Department of Child Services and by the generous support from the United Methodist Church community, individual donors, corporations and grants.

Our residential programs offer troubled female youth a safe and nurturing environment where they can receive the care they need to rebuild their damaged lives. Our smaller home-like setting allows the residents (many for the first time) to experience a "family-like" environment. The UMYH treatment program includes 24-hour supervision, health care, education, behavior modification, counseling, religious education and recreational activities. In January 2009, UMYH added a full time staff position to coordinate our LifeMAP (Life Skills and Mentoring Adolescents) program, which teaches basic life skills to our residents and provides an after-care mentoring program for them as they transition into independent living. In 2008, the United Methodist Youth Home provided programs and services to 100 young women and 4 infants in our residential programs

The United Methodist Home treatment team is led by Clinical Psychologist Barbara C. Jessen, Psy.D., H.S.P.P., Executive Director and Clinical Director. Our treatment staff includes two case managers, a licensed social worker, a services coordinator, the supervising youth care worker and our independent living skills instructor, as well as a staff of full and part-time youth care workers. In addition we have an administrative staff which includes our accounting/hr coordinator, development director, office manager and facilities manager.

The United Methodist Youth Home is grateful for the continued support we receive from the Health and Welfare Committee of the South Indiana Conference, the Golden Cross Offering, the Bishop's Christmas Offering and the United Methodist Church community. Your support has enabled us to help young women that might be overlooked or even forgotten without our services.

BOARD OF DIRECTORS

| | |
|--------------------|-----------------|
| President | Guy Gentry |
| Vice President | Joanna Stilwell |
| Secretary | Les Shively |
| Treasurer | Chris McKeag |
| John "Jack" Barner | Ethel Elkins |
| Glenn Howell | Lewis Plane |
| Keith Shelton | Pat Woodring |

ADMINISTRATIVE STAFF

| | |
|---|-------------------------------------|
| Executive and Clinical Director | Barbara C. Jessen, Psy.D., H.S.P.P. |
| Case Manager | Kelly Salee, M.P.A. |
| Case Manager | LaShawna Suggs, B.S.W. |
| Social Worker | Margaret Svec, M.S.W., L.C.S.W. |
| Services Coordinator | Deshay Montgomery |
| Supervising Youth Care Worker | Anna Baldwin, B.S. |
| Independent Living Skills Instructor | Mandy Osborne, B.S. |
| Development Director | Janet Weyer |
| Accounting/Human Resources Coordinator | Linda Holder |
| Office Manager | Renee Stukey |
| Facilities Manager | Aaron Armstrong |

AMBASSADORS

| | |
|------------------|-------------------|
| Lisa Blankenship | Jayne Dillow |
| JoAnn Drennen | Susan Guard |
| Donna Hulsey | Margaret Jones |
| Shirley Mammoser | Wes Milner |
| Cheryl Mochau | Jo Ann Plassmeier |
| Kay Reiswig | Nancy Roberts |
| Juanita Working | Kim White |

Wesley Manor Retirement Community

Our Mission

Wesley Manor is a United Methodist-related continuing care retirement community committed to serving older adults through love, benevolence, and service.

Our Purpose

It is the purpose of Wesley Manor to enhance the quality of life for retired persons and encourage independence within a secure environment which supports the individual's intellectual, physical, and spiritual needs; to provide opportunities for fellowship and service that will encourage personal fulfillment and happiness; and to make available a variety of social opportunities, programs and activities that will allow residents to remain in the mainstream of life.

Our Core Value

We strive to express an attitude of God's love and compassion.

While welcoming people of all faiths, we believe in honoring and glorifying God and continuing to build relationship and accountability with God's people through our affiliation with the United Methodist Church. To that end, we provide an expression of the Church's ministry to and with the aging. We are committed to achieving and sustaining excellence in the quality of care and services provided to our residents. We believe that aging has a fulfilling purpose in life and that our residents have enduring value to family and community. To that end, it is our objective to provide opportunity for residents to enhance their quality of life through meaningful spiritual, social, physical, vocational, and intellectual pursuits.

We believe in preserving the dignity of the frail and vulnerable by enabling and empowering them, whenever possible, to choose their own care and lifestyle.

Recognizing our special role in our community, we strive to provide healthy, affordable, and ethical aging services for older adults from various socioeconomic and ethnic groups.

We strive to honor the public trust in Wesley Manor through sound financial stewardship and open accountability of the funds and resources God has entrusted to us.

Wesley Manor Notables

Wesley Manor is approaching its 50th year of service to older adults. We are a non-profit 501©(3) organization overseen by a 15-member Board of Directors comprised of nine persons elected by the North Indiana Annual Conference, who now will be elected by the new Indiana Annual Conference.

Recognizing our special relationship with the clergy of the United Methodist Church, we continue to look for ways to foster that relationship. We were privileged to host a District Conference this past year, and even play a few holes of golf at the adjoining Frankfort Country Club. We continue to offer discounts to retired United Methodist Clergy, and we also offer opportunities for spiritual retreat for active clergy.

If you had always thought that Wesley Manor might be too expensive for you or a loved one to afford, we invite you to take another look! Although we have always been surprisingly affordable, Wesley Manor has introduced an affordable option for assisted living that opens the door for a broader segment of eligible members of our community to participate in our ministry.

As a non-profit ministry, we depend upon and appreciate the continued generosity of our donors. Each gift is important in supporting our mission, purpose, and core values. All donations to Wesley Manor are tax-deductible. More importantly, our donors participate in a ministry to a segment of our society that is in jeopardy of isolation, loneliness, and neglect.

Wesley Manor looks forward to growing with the emerging needs of the older adult population. Seeking wisdom, discernment, and provision from God, we look forward to what God has in store for us. We hope that you will come and visit us in Frankfort, where inside or outside, all the seasons are beautiful, especially when you no longer need to worry about the upkeep of your home, mowing the grass and shoveling snow!

Chair of Christian Education, has been appointed interim academic dean through June of 2011. Paul Burnam was appointed director of the Dickhaut Library, replacing Paul Schrodt, who retired. Professor Lisa Withrow was installed in the Norman E. Dewire Chair in Christian Leadership.

Scholarships: Seventy-five percent of the students at Methodist Theological School received some form of scholarship aid in 2008-09; 88 percent received some form of financial aid through work-study, loans or scholarships.

Events: In March, MTSO hosted "Women in Ancient Religion," a major interdisciplinary, international conference cosponsored by Yale Divinity School and several entities within Ohio State University. The keynote address was delivered by Professor Emeritus Loveday Alexander of the University of Sheffield, England. This followed a fall season that featured a number of successful events. The Schooler Institute on Preaching, focused on the practical theme "Rethinking Your Advent Series," featured Dr. Sharon Ringe, a former MTSO faculty member now teaching at Wesley Theological Seminary. At the Mission and Evangelism Institute, whose theme was "Offering Christ in a Multi-religious World," Dr. Ajith Fernando, national director of Youth for Christ in Sri Lanka, was the keynote speaker. "Equipping Christian Leaders to Abolish Modern Slavery" was the theme for the Liberation! Conference, a student-led event coordinated by the local chapter of the Beatitudes Society. Four experts in nuclear regulation and the Church's role in it participated in the forum "New Directions for a New Nuclear Age: Church Influence and Public Policy." And Bishop John Shelby Spong, the progressive Christian author, spoke to an overflow crowd in the Alford Centrum.

Strategic Plan: The MTSO Board of Trustees adopted the school's strategic plan for 2008-2015. The tone for the detailed plan was set by the following statements.

Our Aspiration: In response to the grace and call of God in Jesus Christ, Methodist Theological School in Ohio will prepare and invigorate transformational leaders to engage the church and the world in leadership and service.

Our Identity and Purpose: Methodist Theological School in Ohio is a center for rigorous theological inquiry, spiritual formation and professional development which is rooted in the scriptures and traditions of the Christian faith. We provide a vibrant learning environment for the preparation of skilled, passionate transformational leaders for churches, religious institutions, emerging faith communities, and the wider world. Grounded in our Wesleyan tradition and influenced by our ecumenical and interfaith commitments, we attend to the theological, spiritual, and vocational formation of a diverse group of students involved in a wide range of pursuits. Expecting active participation in our community of learning, we maintain an atmosphere of mutual respect and openness, teaching how to engage in conversation with the past and with others so that new and faithful perspectives may emerge. We strive for our graduates to demonstrate a deep understanding of the heritage disciplines of religious study, to be highly competent in areas of practical theology, and to show evidence of thoughtful reflection. We are committed to individual wholeness, social justice, inclusiveness, and religious diversity. We take seriously our responsibility for stewardship of the intellectual life of the church and our commitment to a just and sustainable world.

Respectfully submitted,

Danny Russell
Director of Public Relations

Hospitals **Clarian Health Partners, Inc.**

The mission of Clarian Health is to improve the health of our patients and community through innovation and excellence in care, education, research, and service. Clarian's status as a conference related unit of the Indiana Conferences rests in our heritage and in our core values. Our heritage received special recognition during 2008 since this was **the 100th Anniversary of the opening of Methodist Hospital** in Indianapolis. The entire Clarian system of medical facilities expresses its gratitude to Indiana Methodists for your vision, prayers, and support in birthing and developing one of the finest hospital systems in the United States. The core values of holistic care for all persons, meeting community need, and doing all the good that we can do continue to motivate us today.

During 2008 we continued to express the healing and charitable mission of United Methodists through our various services. We directly engaged in ministry with the poor through providing charity care to over 26,000 patients totaling more than \$78,000,000. Statewide we provided more than 75,000 inpatient admissions and 1,375,000 outpatient visits through our facilities. While the largest part of our services are delivered through our Indianapolis downtown hospitals, our statewide partners provide an increasing share of service every year. For example, Clarian Health opened a new hospital facility in Lafayette in partnership with the Arnett Clinic during the summer of 2008. In January 2009 Cardinal Health System (Muncie) and Tipton County Memorial Hospital joined the Clarian Health network.

Our vision continues to be to provide the best medical and spiritual care to each person who trusts their medical care to us. Recognition of our capacity to do this included Clarian's inclusion in the "US News and Report" best hospital rankings, the only Indiana hospital to be so recognized, and Methodist Hospital's recognition by the University Healthcare Consortium as the highest quality hospital in their national database.

Our administrative link to the Conference is through conference appointments to the Methodist Health Group: James Lingemann, Kent Millard, Patricia Miller, Gene Robbins, and Ron VerLee. These join others whose key function is to elect members of the Board of Directors of Clarian, in concert with the Board of Trustees of Indiana University. Several members of our Board are United Methodists who see their service rooted in the mission of the church.

Our pastoral service links to the conference include providing psychological assessments for clergy candidates, various services in support of clergy wellness and congregational health ministries, and clinical pastoral education to students, clergy, and laity. Through our downtown hospitals we also continue provisions for discounting the costs of inpatient services to persons covered by the conference insurance plan.

We encourage you to go to a special web page we have created for the annual conference: www.clarian.org/umconference. We have posted there items which we believe will be of particular interest to you, including our 2008 Report to the Community.

Daniel F. Evans, Jr., President and CEO

Steven S. Ivy, Sr. Vice President for Values, Ethics, and Pastoral Services

Parkview Hospital

Parkview Hospital is a not-for-profit, community-owned, acute care hospital and verified Level II Adult and Pediatric Trauma Center. The hospital is the fourth largest in Indiana and an employer of choice in Fort Wayne with over 4,000 employees.

We pride ourselves in combining high tech with high touch to give our patients the best and most compassionate medical care possible. And we've been doing so for more than 130 years. Our physician partners, staff, facilities and trusted, quality healthcare services improve the overall health of citizens in all the communities we serve.

Today, as a member of Parkview Health since 1995, we serve as a partner in an ever-growing family of healthcare providers. Parkview Hospital is dedicated to meeting the region's diverse and changing healthcare needs.

Planning continues for the move of tertiary care services to the Parkview North Campus in December, 2012. A Groundbreaking Ceremony was held in September, 2008, to mark the physical and spiritual beginning of this \$500+ million project with the theme, "...the place where you stand is holy ground" Exodus 3:5. The Rev. Toni Carner, Leo UMC, participated in the Groundbreaking Ceremony as a representative of Parkview's United Methodist heritage. This new facility will be known as the Parkview Regional Medical Center.

Throughout 2008, Parkview's Chaplaincy Services Department worked to meet the spiritual and emotional needs of our patients and their families, staff, physicians and volunteers. We are fortunate to have a very talented and dedicated group of chaplains who provide the highest levels of pastoral care and support to people in various types of life crisis.

Formerly known as Methodist Hospital, Parkview remains a United Methodist affiliated institution while providing care to patients of all faith traditions. We are proud of our historical and philosophical roots in the United Methodist Church. Throughout its 130-year history, Parkview Hospital has remained dedicated to caring for the needs of our fellow human beings with compassion and care. This commitment is in response to Christ's call to mission and ministry—a call to which we remain faithful. We continue to be grateful to the Indiana Conference of the United Methodist Church for its prayerful support of our ministry.

For more information please visit our web site at www.parkview.com or call 260-373-4460

Sue Ehinger, Ph.D., Chief Operating Officer;
Rev. Ann Steiner Lantz, Director, Chaplaincy Services

H. Human Resources Committee

Since its first meeting on November 11, 2008, the committee has been engaged in the process of establishing and monitoring policies and procedures that pertain to personnel employed by the Annual Conference. This has included: 1) formulating an employee handbook, 2) establishing a selection process (drafting position descriptions, advertising them, selecting, interviewing, and hiring personnel), 3) recommending salary ranges, 4) training staff, 5) transitioning from the current conferences to the new conference, and 6) developing guidelines and best practices to share with local congregations.

Sam Odle (Committee Chair) and

Adolf Hansen (Interim Director of Human Resources)

I. Operation Classroom

Thank you for your support in 2008. Because of your support we were able to:

1. Provide over 1500 scholarships to youth in Liberia and Sierra Leone to attend a united Methodist School.
2. Construct 3 libraries, started the construction of 2 new schools, made an addition of 4 classrooms on another school and renovate the outpatient clinic at Kissy
3. Start a village school program and renovate one village school
4. Ship six 40-foot containers and one 20-foot container
5. Purchase chalk for all our schools
6. Pay the salaries for our coordinators and the staff at the Peal Center (the counseling center in Liberia)
7. Assist Dennis Marke, our chief medical officer to continue on his Master's degree in the mother and child.
8. Provide the needed milk for the nutrition unit at Kissy Hospital in Freetown
9. Provide needed medical equipment at Kissy
10. Continuing education for the staff at Kissy and the clinic at Taiama.

Your gifts are the lifeblood of our ministry to the educational and medical needs for the schools, Kissy and Ganta. Included in our needs for 2009:

1. Providing 1600 scholarships for students in UM schools in Liberia and Sierra Leone.
2. Providing 5 scholarships for 5 teachers to continue their education
3. Completing the school at New Georgia, the Urban Center (Brown) and Kabala (Heritage)
4. Constructing a library/science building at Fakunya
5. Opening the computer lab at Albert Academy
6. Providing one staff house at Mokañji
7. Finding the needed ground for the Freetown Girls school
8. Providing the funds to plant a palm oil farm at Baoma so in three years it can become self supporting
9. Establishing a viable vocational program in each of the schools in Liberia
10. Finding donors to purchase a case of chalk (50 needed). We have the chalk but need donors to partner in purchasing it.
11. Providing 400 folding chairs for the Tubman Gray School in Liberia.
12. Provide 2 teaching training seminars
13. Conducting one Counselor training seminar
14. Conducting training seminars for medical staff
15. Gathering the needed supplies for the schools
16. Providing persons with hands on opportunities to be involved in mission.

We invite You to continue to partner with Operation Classroom as we seek to help the youth and adults in two of the poorest countries in the world. Our goals are:

1. To help the schools become self-sufficient and to provide youth with the skills that they can be productive citizens.
2. To upgrade the medical care in Liberia and Sierra Leone so many children do not have to die.

J. Board of Ordained Ministry

Our Purpose

The Board of Ordained Ministry is responsible for the following major activities within the North & South Indiana Conferences:

- To meet the disciplinary responsibilities for the enlistment, recruitment and progress of individuals into service within the Church as certified persons, local pastors, deacons, elders and diaconal ministers.

- To act upon necessary changes in clergy relationship and status of any clergy ministering within the bounds of the conference or on that clergy's behalf.
- To provide support services for ministers' career development.
- To develop standards of effective ministry and provide a means for evaluating the effectiveness of ministers within the annual conference.
- A detailed report of our purpose is found in ¶635.2.a-z of *The Book of Discipline 2008*.

2008 Accomplishments

The 2008 Annual Conference session approved a document of clergy effectiveness from the Board of Ministry. This document stated a definition of clergy effectiveness and put into place a means of helping clergy achieve their highest level of effectiveness as they serve the churches and institutions of this conference. A process for the implementation of that document is being fine tuned and should be in place this coming annual conference.

The Indiana Conference of the Board of Ordained Ministry has approved the following:

- 15 for commissioning on the elder track and provisional membership.
- 1 for commissioning on the deacon track and provisional membership.
- 15 for ordination and full membership as elder.
- 1 for ordination and full membership as deacon.
- 1 for Associate Membership in the annual conference.

Completing the Course of Study:

From North Conference

James W. Abbott, Dale E. Erwin, Duane A. Ginder, Randall Webb

From South Conference

Robert D. Kirts, Philip E. Mitchell, Glenda K. Riggs, James E. Roach

One of the most significant actions of the Board of Ordained Ministry has been a Task Force representing members of the North and South Indiana Conferences to work toward becoming a Board of Ordained Ministry for the Indiana Conference. Healthy dialogue, discernment and good decision-making have created a healthy relationship between these members and the promise of ministry to come.

It is a privilege to offer heartfelt thanks for the past and current Board members from both conferences for the effort, time, prayers and decisions made throughout the years. It is also a privilege to embrace the possibilities of shaping ministry in new ways with the prayers and vision of a new Board of Ordained Ministry.

John Groves, South Board Chairperson

Jack Hartman, North Board Chairperson

K. Pension And Insurance

In 2008, the South Indiana Conference and North Indiana Conference Boards of Pension and Insurance selected members to be part of a Joint Board of Pension and Insurance. This group received the report of the Imagine Indiana Team, adopted by both Annual Conferences in June of 2008 and affirmed by the Uniting Indiana Annual Conference meeting in October. Their task was to finalize recommendations for benefits for the Indiana Conference for 2010 and submit their recommendations to the first meeting of the Indiana Conference in June of 2009.

This group held several meetings in the spring of 2009 and has adopted the following recommendations for the Indiana Conference.

Recommendations

A. Funding Policy

- 1) That three pension-related benefit programs of the UMC (Clergy Retirement Security Program, Comprehensive Protection Plan and Basic Protection Plan or similar plan) be provided to clergy members of the Annual Conference and funded as follows.
- 2) That the following benefits be funded directly at the level of the church or compensation-paying unit:
 - a) Clergy Retirement Security Program (CRSP)
 - b) Comprehensive Protection Plan (CPP)
- 3) That amounts needed yearly to reduce any unfunded liability for prior pension plans be paid first from available reserves. Thereafter, the costs will be paid by the annual conference budget.
- 4) That the costs of the Basic Protection Plan (BPP) for active clergy and similar insurance plan for retirees be paid first by the reserves set aside for that purpose. At the point at which reserves are no longer sufficient to provide the benefit the Board will make an appropriate recommendation to the Annual Conference for either termination or alternative funding of the benefit.
- 5) That the Indiana Conference Board of Pension and Insurance be authorized, at its discretion, to arrange with the General Board of Pensions for active participation in CRSP, CPP and/or BPP by persons who are eligible under special rules but not automatically included as active participants.

B. Clergy Retirement Security Program (CRSP)

- 1) Direct Billing: That the annual conference pay to the General Board of Pension monthly the amounts due for CRSP for the clergy for whom the annual conference is the plan sponsor on the last business day of each month. That the conference director of financial services collect from each church the determined amounts due for CRSP by direct debit (ACH) to the church's bank account on the 25th of each month, or the next earliest business day if the 25th falls on a non-business day.
- 2) That the Compensation Base for funding of the CRSP Defined Benefit be the Plan Compensation of the participant limited to 150% of the Denominational Average Compensation (DAC).
- 3) That the rate of funding of the CRSP Defined Benefit be determined each year by the Conference Board of Pension and Insurance, in conjunction with the General Board of Pension and Health Benefits, and recommended to the annual conference. For 2009, this amount is 10% of Plan Compensation.
- 4) That the Compensation Base for funding of the CRSP Defined Contribution be the Participant's Plan Compensation.
- 5) That the rate of funding of the CRSP Defined Contribution be 3% of Plan Compensation.
- 6) United Methodist Personal Investment Plan (a voluntary plan): That the Conference Board recommends that each participant take advantage of this investment opportunity with the GBOPHB at a minimum of 2% or more. Such amounts should be withheld from salary and paid to the GBOPHB in the manner that they prescribe.
- 7) That the funding of the Clergy Retirement Security Program for the following special categories of pastors be:
Maternity/Paternity Leave: Funding of CRSP to be continued by the compensation-paying unit according to the Plan Compensation existing prior to the pastor being placed on such leave.
- 8) The Board of Pension, with the Board of Ordained Ministry and cabinet, recommend that the normal effective date for retirement be July 1.

C. Funding pre-1982 Service Years

That the Past Service Rate for years of pre-1982 service for 2009 will be \$608.

That the pension benefit paid to the surviving spouse of a deceased pastor having pre-1982 years of service be 75% of the amount paid to the pastor for pre-1982 years of service.

That the following resolution be adopted by the Indiana Conference:

Resolution Relating to Rental/Housing Allowances for Retired or Disabled Pastors of this Conference

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

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 active ordained or licensed pastors; and

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

WHEREAS, the Internal Revenue Service has recognized that the Indiana Annual Conference is the appropriate organization to designate a housing/rental allowance for retired and disabled ordained or licensed ministers who are members of this conference; and

NOW THEREFORE BE IT RESOLVED:

1. An amount equal to 100% of the pension payments received during the year of 2010 be and is hereby designated as a rental/housing allowance for each retired and disabled ordained or licensed minister of the United Methodist Church who is or was a member of the Indiana Annual Conference at the time of his or her retirement or disability,
2. This rental/housing allowance shall apply to each retired and disabled ordained or licensed minister who has been granted the retired relation or placed on disability leave by the Indiana Annual Conference and whose name and relationship to the conference is recorded in the Journal of the Indiana Annual Conference and in other appropriate records maintained by the conference.
3. The pension payment to which this rental/housing allowance applies shall be the pension payment resulting from all service of such retired and disabled ordained or licensed pastor from all employment by any local church, Annual Conference, or institution of The United Methodist Church or any former denomination that is now a part of The United Methodist Church, or from any other employer who employed the pastor 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 ministers pension.

NOTE:

The rental/housing allowance which may be excluded from a pastor's gross income is limited to the lesser of (1) the amount of the rental/housing allowance designated by the minister's employer or other appropriate body, (2) the amount actually expended by the minister to provide his or her housing, or (3) the legally-determined fair rental value of the parsonage or other housing provided. As specified in Rev. Rul. 71-290, C.B. 92, "the only amount that will qualify for exclusion under section 107(2) of the Code as a 'rental allowance' is an amount equal to the fair rental value of the home, including furnishings and appurtenances such as a garage, plus the cost of utilities."

D. Comprehensive Protection Plan (CPP)

In 2010, the death benefit payable to all active clergy on CPP will be \$50,000. The disability benefit from CPP is 70% of Plan Compensation up to a maximum of 200% of the Denomination Average Compensation, less Social Security benefits. Minimum incapacity benefit will be \$40,000. The cost for the benefit will be 3% of Plan Compensation, limited to 200% of DAC, for all participants.

- 1) That the 2010 costs of the Comprehensive Protection Plan of eligible pastors be collected from the churches by Direct Debit to the churches' bank account on the 25th of each month. The respective amount will be paid directly to the General Board of Pension by the annual conference on the last business day of the month.
- 2) That the Plan Compensation in 2010 for funding of the Comprehensive Protection Plan be the Plan Compensation of the Participant limited to 200% of the Denominational Average Compensation (DAC).
- 3) That the Comprehensive Protection Plan (CPP) coverage and special categories of pastors without a compensation-paying unit be:
 - a) Maternity/Paternity Leave: Funding for CPP coverage to be continued by the compensation paying unit responsible prior to being placed on leave, based on Plan Compensation then existing.
 - b) In situations where clergy members are serving less than full-time or below 60% of the Denominational Average Compensation or Conference Average Compensation, the compensation-paying unit shall fund these clergy members for coverage under the Comprehensive Protection Plan at 3.4% of the denominational Average Compensation.
 - c) Clergy members appointed to Leave of Absence for any reason may continue in the Comprehensive Protection Plan as long as they make monthly reimbursement to the Indiana Conference for the billed charges.
 - d) Full Member Elders and Associate Members (or equivalent) appointed to Attend School after having served under active appointment for six consecutive years, other than to Attend School shall continue to participate in the Comprehensive Protection Plan with payments made by the Board of Ordained Ministry.
 - e) Probationary Member Elders appointed to Attend School shall participate in the Comprehensive Protection Plan with payments made by the Board of Ordained Ministry.
 - f) Clergy members appointed to Renewal Leave shall continue to participate in the Comprehensive Protection Plan with payments made by church.
 - g) Clergy members appointed to Sabbatical Leave may continue in the Comprehensive Protection Plan as long as they make monthly reimbursement to the Indiana Conference for the billed charges.

E. Basic Protection Plan (BPP)

- 1) That the Indiana Conference will enroll all full-time or three-quarter time clergy serving an annual conference appointment, including Full Member Elders, Associate Members, Probationary Member Elders, Full Time Local Pastors, Special Appointments serving as annual conference employees and those retired directly from any of the above statuses will be enrolled in BPP or a similar plan offering the same benefit. Those retired must have participated in the Plan for at least five of the last 10 years immediately prior to being eligible as a Retired Participant. Only participants who are enrolled in CPP are qualified for this benefit.

This does not include Special Appointment to non-conference or area agencies, Honorable Location, Appointment Beyond the Church, Student Pastors, or Leave of Absence, or persons retiring under PP359.2a (20 year rule).

- 2) That future Refund Credits accruing from experience within the Plan of BPP be applied, as they are available, to underwrite the annual cost of the BPP or similar plans. The current balance in the BPP account at the General Board of Pension and Health Benefits is \$296,888 and is sufficient to fund this benefit under current cost methods.

F. Group Health Insurance Program Administering the Program

- 1) That the Board of Pension and Insurance will select the policy coverage, carrier (if any), network, benefit structure and/or Third Party Administrator (TPA) for the policy year January 1, 2010 - December 31, 2010.
- 2) That the pastor's personal share of the Indiana Conference group insurance cost, as determined by the Board of Pension and Insurance, be based on family configuration. The treasurer of the compensation-paying unit will withhold this amount monthly from the compensation of the insured. Amounts so withheld and costs for direct bill and other conference provided life insurances or benefits, if any, will be paid to the conference by direct debit/(ACH) from the church's bank account on the 20th of each month.
- 3) That the conference share of group insurance for active participants, with the exception of student subsidies, be allocated based on the number of participants and a fixed charge per participant, regardless of family configuration, shall be assessed monthly to the church or appropriate conference agency.
- 4) That a charge or church taking on a full time pastor for the first time, would be as follows: first billing year, 50%; second billing year, 75%; third billing year, 100% of the then Direct Bill. Charges creating a new associate position shall also be eligible for the direct bill phase-in as stated previously, if approved by the Conference Board of Pension and the cabinet.
- 5) That premiums for all participants (lay or clergy) be paid by direct debit/ACH from the church's/employer's designated bank account. The payment of premium by direct deposit/ACH is a requirement for participation in the program. For mandatory participants, premiums that go unpaid for 120 days due to rejected ACH transactions or non-sufficient funds

will result in the termination of the participant. The district superintendent will be informed after 60 days of arrearage and a grace period will be extended to resolve the situation. Premiums that go unpaid for optional participants will result in termination after 60 days of arrearage.

- 6) That eligibility for health insurance is 30 hours or more per week for conference lay employees.
- 7) That any situation not covered herein shall be determined by the Board of Pension and Insurance, which group shall also manage appeals for assistance from the emergency fund of this board.
- 8) That general polices concerning group membership participation and funding for clergy and laity are included in the Appendix to this report.

Additional Eligibility Rules for Other Groups

| Lay Employees | Employed | Eligibility | Cost |
|-------------------|---------------|--------------------|----------------------|
| Conf. Agency | Full (30 hrs) | Eligible | Same as Conf. Clergy |
| Conf. Agency | Part | Not Eligible | |
| District Asst. | Full (30 hrs) | Eligible | Same as Conf. Clergy |
| District Asst. | Part | Not Eligible | |
| Churches | Full (30 hrs) | Eligible* | Bill Church 100% |
| Churches | Part | Not Eligible | |
| Separated Spouses | | Eligible for 36 mo | Person=103% |

*75% of Eligible employees in church must enroll.

Surviving Spouse of Active Participant (Conference Responsible Clergy/Lay Employee)

The under 65 surviving spouse and dependents of a conference responsible clergy person or lay employees are eligible for continued coverage in the Health Plan, if they were enrolled in the plan at the time of the clergy person's/lay employee's death.

The premium for Surviving Spouse/Dependents is determined each year by the Board and a subsidy of \$250 per month will be credited against the premium prior to any collection.

For Surviving Spouse/Dependents, there will be a grace period of 12 months following the death of the clergy or conference lay employee, during which the conference will pay the full cost of the premium.

For Surviving Spouses over the age of 65, an amount of \$250 will be credited towards the premium charged and collected for the Medicare Supplement Plan (see Medicare Supplement Plan below).

Premium credits are only granted for persons who remain on the Conference sponsored plans. Grants are not paid directly to Surviving Spouses for self purchase of health insurance.

Retired Clergy/Conference Lay Employee and Surviving Spouse Medicare Supplement.

Beginning January 1, 2010, the Indiana Conference will move its Retirees/Spouses and Surviving Spouses from the General Board of Pension and Health Benefits, Healthflex supplemental insurance plan.

Retired clergy, spouses and surviving spouses over the age of 65 will **enroll in one of two plans** being offered by the Indiana Conference as follows:

Plan A – a plan similar to HealthFlex but without some of the extras that HealthFlex brings, such as mental and nervous, Optum Nurse Line, Wellness, WebMD. The estimated cost for this plan for 2010 is \$434 per month, because this plan includes a richer pharmacy benefit with Medco.

Plan B – a lesser plan with less pharmacy benefits, but one that still exceeds what conference retirees could purchase on their own. The estimated cost of this plan for 2010 is \$313 per month.

The Annual Conference will assist with funding of this benefit by providing a premium subsidy based upon years of service in the Indiana conferences. The subsidy is set at \$5-per-service-year per-month, with a maximum of 30 years or \$150 for each retiree and spouse. A subsidy of \$250 per month will be provided for each surviving spouse.

Service years counted towards the subsidy may be in any UMC appointment with pension credit, however, the 5 years immediately preceding retirement must be in the Indiana Conferences with pension credit and the participant must be enrolled during that 5 years in the Conference health plan.

All such funds will be in the form of credit towards the monthly premium of one of two plans being offered by the Conference. Grants will not be paid directly to Retirees or Surviving Spouses for self purchase of health insurance.

Retirees, spouses and Surviving Spouses under the age of 65 may remain on the active health plan and must pay to the Conference via ACH their health premium as determined by the Board. Those clergy who have elected to retire early as of July 1, 2009 and who remain on the Conference health plan, will receive the same subsidy as they would if they were age 65.

G. Adoption Benefit

- 1) Eligibility for the benefit
At least one adoptive parent is in the Health Plan of the Conference. Only expenses incurred while a covered participant under the Conference Health Plan are eligible for payment under this benefit.
- 2) Source of Funding
The source of funding will be the Conference Health Insurance Fund.
- 3) Benefit
Up to \$5,000 per child, \$10,000 per family over a 5 year period, towards actual, unreimbursed expenses related to adoption, including agency fees, attorney fees, court costs, and travel for prospective parents for out-of-state or international adoptions. This amount should be reviewed every two years for adjusting for inflation. Payment will be made once the adoption is final, as evidenced by a court document and/or birth certificate, upon submission of receipts by the conference director of financial services.
Adoption expenses must be submitted within 12 months of finalization.

H. Other Benefits

Accidental Death and Dismemberment and Basic Life Insurance

The Indiana Conference will provide such coverage for the member as part of its health insurance program. Each year the Board of Pension will determine the benefit. Costs will be included in the health insurance rates

Optional Term Life Insurance and Dependent Life Insurance

The Indiana Conference will provide this option in conjunction with its health insurance program. An open enrollment period each fall will allow persons to opt for this coverage or change coverage choices.

Section 125 Cafeteria Plan

The Indiana Conference will assist churches that wish to adopt their own Section 125 plans and offer a conference wide plan in conjunction with the General Board of Pension and Health Benefits and/or use another vendor to offer such a plan at the Conference Board of Pension's discretion.

Addendum to Board of Pensions Report

Retiree health benefits proposal being revised

INDIANAPOLIS - In response to the feedback received from the ten Pre-Conference Briefings across Indiana and various correspondences from our retired clergy and others, the two current conference treasurers, Brent Williams of North Indiana and Jennifer Gallagher of South Indiana, have been working with a benefits consultant seeking other options to bring to the Indiana Annual Conference session meeting this week in Muncie. The following option will likely to be proposed to the Annual Conference.

1. That we proceed with changing from a Healthflex supplemental insurance plan for retired clergy, spouses and surviving spouses due to increasing costs (estimated to cost \$525 per person in 2010), and in place of it, move to a health insurance subsidy based upon years of service in the Indiana conferences, set at \$5-per-service-year per-month, with a maximum of 30 years or \$150 for each retiree and spouse, and with a \$250 per month for each surviving spouse.

AND

a. That we have our retired clergy, spouses and surviving spouses enroll in one of two plans our benefits consultant recommends. These are:

a. Plan A - a plan similar to HealthFlex but without some of the extras that HealthFlex brings, such as mental and nervous, Optum Nurse Line, Wellness, WebMD. The estimated cost for this plan is \$434 per month, because this plan includes a richer pharmacy benefit with Medco.

b. Plan B - a lesser plan with less pharmacy benefits, but one that still exceeds what conference retirees could purchase on their own. The estimated cost of this plan is \$313 per month.

The benefits officers and task force hope the Indiana Annual Conference will approve moving to a health insurance subsidy based upon years of service and offering Plan A and Plan B for retirees to choose the one that better fits their medical needs.

This choice, which will be supported by further information and consultation throughout the fall of this year, will help avoid having our retirees and spouses make their own purchases on the open market. Both Plan A and Plan B are in addition to the basic Medicare coverage that all people age 65 years and over receive.

Appendix Eligibility – 2010

| <u>CLERGY STATUS</u> | <u>TIME</u> | <u>PENSION CRSP</u> | <u>PENSION CPP</u> | <u>PENSION BPP</u> | <u>HEALTH INS.(FD)</u> | <u>MOVING WITHIN</u> | <u>MOVING INTO</u> |
|-----------------------------|-------------|-------------------------|------------------------|------------------------|----------------------------|--------------------------|------------------------|
| <u>APPOINTED TO CHURCH</u> | | | | | | | |
| FULL MEM ELDER/346.1 | FULL | M | M | M | M | YES | YES** |
| FULL MEM ELDER/346.1 | PART | E* | M/ 3.4% DAC | 3/4 Only | NO | YES | YES** |
| FULL MEM DEACON/346.1 | FULL | M | M | Ch | Ch | NO | NO |
| FULL MEM DEACON/346.1 | PART | E* | M/ 3.4% DAC | Ch | NO | NO | NO |
| PROB MEM ELDER/346.1 | FULL | M | M | M | M | YES | YES** |
| PROB MEM ELDER/346.1 | PART | E* | M/ 3.4% DAC | 3/4 Only | NO | YES | YES** |
| PROB MEM DEACON/346.1 | FULL | M | M | Ch | Ch | NO | NO |
| PROB MEM DEACON/346.1 | PART | E* | M/ 3.4% DAC | Ch | NO | NO | NO |
| ASSOC MEM/346.1 | FULL | M | M | M | M | YES | YES** |
| ASSOC MEM/346.1 | PART | E* | M/ 3.4% DAC | 3/4 Only | NO | YES | YES** |
| OTHER DEN. 346.2/3 | FULL | M | M | M | M | YES | YES |
| OTHER DEN. 346.2/3 | PART | E* | NO | NO | NO | YES | YES |
| LOCAL PASTOR | FULL | M | M | M | M | YES | YES*** |
| LOCAL PASTOR | PART | E* | NO | NO | NO | YES | YES*** |
| LOCAL PSTR STUDENT | PART | E* | NO | NO | M | YES | YES*** |
| SUPPLY/INTERIM/LAY | FULL/PART | NO | NO | NO | NO | NO | NO |
| <u>LEAVES</u> | | | | | | | |
| FE/PE/AM | SABB | NO | E/Part 4.4% | NO | E 1year | NO | NO |
| FE/PE/AM | INCAP | CO | NA | NO | E FT Co | FIRST | OFF OF-TO APPT |
| FE/PE/AM | MAT/PAT | NO | NO | YES | E if Full | NO | NO |
| FE/PE/AM | FAMILY | NO | E/Part 4.4% | NO | E if Full | NO | NO |
| FE/PE/AM | LOA | NO | E/Part 4.4% | NO | E 1year | NO | OFF OF-TO APPT |
| FE/PE/AM | H LOC | NO | NO | NO | NO | NO | OFF OF-TO APPT |
| <u>EXTENSION MINISTRIES</u> | | | | | | | |
| FE/AM | ATA | NO | CO3.4% DAC | NO | E | NO | NO |
| PE | ATA | NO | CO3.4%DAC | NO | E | NO | NO |
| CONF/AREA OFFICE | | M | M | M | E | YES | YES** |
| WESLEY FOUNDATIONS | | UMPIP | Inst | NO | E | YES | NO |
| UMC. UNIV. CHAPLAINS | | UMPIP | Inst | NO | NO | YES | NO |
| GENERAL BOARDS | | UMPIP | Inst | NO | NO | NO | NO |
| NON-PROFIT W/GBOP CONTRACT | | UMPIP | Inst | NO | NO | NO | NO |
| NON-PROFIT NO GBOP CONTRACT | | NO | NO | NO | NO | NO | NO |

M Mandatory Participation
Eligible for Participation -
Must Waiver for Non-
Participation
E* Conference Pays for
Benefit
CO Church
CH Selects and

L. Transition Team

A transition team was created by the former North and South Indiana Conferences at their conference sessions in 2008. The creation of the team was part of the adoption of the Imagine Indiana Plan.

Recommendation number three reads:

“That the bishop be authorized to name a Transition Team to oversee the transition from the current conference structures to the new conference, and to carry out the following: a) nominate a Board of Trustees and a Council on Finance and Administration to be elected at the called session in October 2008, and b) select a Committee on Rules and Structure, a Committee on Nominations, a Committee on Human Resources, and an Annual Conference Sessions Committee to serve in the interim until the 2009 Session of the new Indiana Conference.”

In overseeing the transition from the current conference structure to the new conference, we have carried the responsibility of “keeping the vision” to effectively and efficiently “make disciples of Jesus Christ for the transformation of the world!” Many groups have been working to put details to the vision and we have endeavored to support, encourage, explain, listen, and guide the transformation so that it is consistent with the vision of the Imagine Indiana Plan. We understand that form follows function. Last year we adopted a clear vision for “function” and what has happened since the 2008 annual conference sessions is the creation of “form.”

October 4, 2008 was a great day of celebration. We reconciled the amendments to the Imagine Indiana Plan, elected and named seven transition teams, named directors, and gave thanks to God for leading us into this new day for Indiana United Methodists. There was overwhelming joy and support to move forward.

Since October, the Transition Team has met with several groups and ministry teams for the purpose of answering questions and making suggestions for new team formation. Our focus has been on the mission of: making disciples of Jesus Christ for the transformation of the world, resourcing the local church, streamlining structure, caring for clergy, and making a difference. (See Imagine Indiana Report for longer explanations) We continue to believe there is a need for flexibility and transformation in the structures as we move forward. We encourage all of us to be open to how God leads us always into the new!

We say a word of thanks for the many staff members who have faithfully continued to serve and give great ministry in the midst of everything changing around them. The conference staffs of the North Indiana Office, South Indiana Office, Area Office and the Administrative Assistants in each district office have been diligent in their work in a very difficult situation. Thank you all for your faithfulness to the new Indiana Conference!

We recognize the hard work of Bishop Coyner and both Cabinets in facilitating the creation of ministry clusters and discerning the 10 district lines. In the 10 well attended Tip-off Events there was a great sense of excitement and cooperation in the forming of ministry clusters.

Picture a congregation who is experiencing a desire to reach out and minister to the community in new ways. They share this desire with their ministry cluster that, in covenant together, pray and help discern what might be the most effective way to reach beyond the church. They discover more information is needed to understand their community so together they engage the help of conference staff to better understand their community. During this discovery time the form of ministry needed becomes clear. Together there is renewed energy for new outreach ministries. They commit themselves to pray, encourage, and hold each other accountable for the new ministry.

Picture a congregation who has experienced an unexpected emergency. The pastor’s family has encountered a serious illness that will require him or her to be absent from the pulpit for several weeks. The ministry cluster communicates immediately and discerns how to offer pastoral care for the clergy family. The ministry cluster creates a plan to provide for the pastoral care needs of the affected congregation. The congregation and the pastor in need are both cared for by people they know and trust and with whom they are in covenant relationship.

These are just two pictures of the mission that we imagine ministry clusters will provide. We look forward to training coming later this year for cluster leaders.

The Transition Team affirms the leadership of the Order of Elders, Order of Deacons, and the Fellowship of Local Pastors who initiated and helped guide the creation of clergy covenant groups. Clergy find support and encouragement from their peers through these groups.

Picture a pastor who is struggling to balance home life, church life and self care. The clergy covenant group listens and asks questions. In conversation and prayer, ideas emerge to better balance life demands. The clergy covenant group holds the pastor accountable for desired changes in an atmosphere of respect and love.

Picture the clergy covenant group meeting in retreat to rest, renew, and remember their individual calls to ministry. They gather away from their congregations for prayer, communion and theological reflection. This trusted confidential group takes responsibility to ask each other the hard questions of faithfulness - “How is it with your soul!” This time away leads to renewed energy for creative leadership in the congregations they serve.

Picture a pastor who has had a good ministry but now is stuck as to “what’s next!” The pastor talks with the covenant group and ministry cluster who asks the pastor the questions that begin to clarify what the next moves could be. The pastor then presents these new ideas to his or her district superintendent. Together they discern how conference staff might assist in finding the right resource folks and begin to make the changes that take the congregation into a new chapter of making disciples for the transformation of the world.

These two groups are in their infancy. We shall see their value increase as we learn together how to live in community with each other and hold each other accountable in love with support and encouragement.

The Transition Team gives thanks for the work of the Directors who have discerned staffing needs, hired new employees, and worked with conference groups in transforming our work. God is good! We must remember that we are not finished. We

are just beginning the process of a renewed commitment to follow as God leads us into a new future. We are pleased with the plan of Church Development and Connectional Ministry to have staff present and available in each district. We are excited about the new forms of electronic communications that will connect us including a new conference Web site, opportunities for discussion groups, the use of Web streaming, as we continue monthly print publication. We support the work of Conference Finance and Administration who offer a balanced realistic budget. We affirm the District Superintendents who are creating district budgets and living within the 1% asking. We commend the work of the Trustees as they faithfully address legal and property concerns. We are indebted to the work of the Nominating Team as they have intentionally initiated new networks to secure leadership for the many ministries and missions of the Indiana Conference that will help us in our vision to make Disciples of Jesus Christ for the transformation of the world. They received more than 370 surveys from people offering their gifts and service to the church. We applaud the Boards of Ordain Ministry as they have worked together to transition into the Indiana Conference. We are encouraged by the work of the United Methodist Women who are moving forward in becoming one entity.

A special word needs to be said for the work of the Rules and Structure Team. We are thankful for the Rules and Structure Team for establishing and presenting the rules and structure of the Indiana Conference in compliance with the Imagine Indiana Plan and the Book of Discipline. This has required creating ministry teams that will offer a range of services to support the emerging ministries growing from the “grass roots” of the conference. These services will come in three primary forms. 1) They will provide resources in the form of materials and leadership. 2) They will set policies in some areas, but primarily they will seek to nurture the ministries growing throughout the state. 3) They will help affinity groups work together to be more effective. Conference teams now will have a very minimal funding function. We believe that strong and effective ministries need to have strong relationships with congregations who support and believe in their mission. The process of district and conference advanced giving will continue, but will reemphasize its original intent of personal connection in “making disciples of Jesus Christ for the transformation of the world.”

Picture a Ministry Cluster who study their demographics and determine that a new community youth ministry would be one approach to extending their ministry. The Cluster leader calls the Conference staff person in youth ministry who networks with the Ministry Cluster to help it plan the start of a new ministry.

Picture a congregation’s trustee who needs information about property insurance options, who calls the District Assistant who is able to direct them to the person who provides the needed information.

During these past months the Transition Team has kept the vision before us. We have carefully reviewed the processes used by directors and groups as they discerned specifics in creating the Indiana Conference. In our discernment, we have discovered changes we need to make in order to keep the vision yet be practical in the formation of the Indiana Conference. This is living out of our core values to be flexible and open to new ideas that may enable us to be more effective in our mission to make disciples of Jesus Christ for the transformation of the world.

As Transition Team members, we have considered recommendations and suggestions from several groups, and we have discerned the following are consistent with the Imagine Indiana plan, therefore we recommend The Indiana Conference move forward with these adaptations and changes.

1. We recommend support for the Cabinet recommendation of district lines and the launching of the new ten districts January 1, 2010. [See Addendum 1]

Explanation: These district lines are the result of three factors:

- a. The discernment of congregations as they formed ministry clusters and discerned in which district they envision their ministry.
 - b. The number of congregations that will need the connection with the District Superintendent, and
 - c. The number of clergy who will require the supervision of the District Superintendent
2. We recommend support of the discernment and work of the Director of Connectional Ministries and Director of Church Development who are moving from hiring and supervising deployed staff who reside in resource centers to securing and supervising experts in ministry areas who will serve congregations, ministry clusters, and clergy throughout the Indiana Conference. Conference staff will not reside in a specific location but will be available to provide leadership where needed, create networks of skilled leaders who can assist others, develop district leadership and provide training resources.
 3. We recommend support of the Rules and Structure Committee report. Their report reflects a streamlined structure with a Leadership Table. The Transition Team affirms the addition of Higher Education chair with voice and vote on the Leadership Table.
 4. We recommend that we expand the concept of five bi-district Resource Centers into ten District Centers to bring the network of resources even closer to congregations and ministry clusters. This change keeps us consistent with the Imagine Indiana Plan, reduces the added layer of bi-district structure, and helps our plan to comply with The Book of Discipline for the United Methodist Church. [See Addendum 2]

Explanation

This transition team has heard the concerns of those it would directly affect by having only five bi-district resource centers. The Transition Team along with The Cabinets and the Boards of Ordained Ministry have discerned that the bi-district resource centers add a layer of bureaucracy and complexity, would limit the amount of leaders who would be able to resource congregation, clusters, and clergy, are not user friendly for the congregation, and are cumbersome for the work of the districts and the delivery of resources to congregations. The Transition Team concurs that having ten District Centers helps to “flatten” the structure and to bring it closer to congregations. The ten single-district center model allows the center to be more focused on the needs of a particular district and allows more leaders to exercise the skills in equipping other leaders around them.

The Transition Team and the Cabinet are committed to the goal that these ten District Centers will focus upon supporting and resourcing the ministry of congregations, ministry clusters and clergy providing a team of leaders to help congregations achieve the mission of “Making Disciples of Jesus Christ for the transformation of the world.” To be consistent with the Imagine Indiana staffing plan found on page 16 of the Imagine Indiana Plan, the ten centers will: [The district leadership team will decide if staff positions are full or part time with the exception that the District Superintendent is full time]

* Denotes changes

- a) Have a District Superintendent * **[not two]** whose job description has been revised to reflect the designs of the Imagine Indiana plan where the DS is focused upon leading a team of persons engaged in supervising and resourcing local congregations.
- b) Have an Assistant to the District Superintendent* **[new title is District Assistant]** who will be responsible for all administrative tasks related to the districts within its geographical boundaries. This will include a strong connection to the conference administrative staff and to the administrative volunteers and staff of each congregation within the geographical boundaries of the district. Also included are communication needs and schedule/calendar for the district.
- c) Work in partnership with the equivalent of five full time Coordinators of Congregational Ministry ***[new title is Associate District Superintendents]** who may be lay or clergy and perhaps shared between two districts, some may be part time as discerned by the district leadership team, who will function as a network link for connectional ministries, especially a connection for youth and young adult ministries, will provide a connection for clusters and congregations, programming needs, oversight of district committees, and assist the District Superintendent as determined.
- d) *Work as partners with Church Development Staff who shall be deployed into the districts to work directly with congregations, ministry clusters, and with district strategy visions for new church starts and re-development in existing congregations.
- e) *Work as partners with Connectional Ministries staff deployed from the conference office who will respond to the requests of the congregations and Ministry Clusters to help connect congregational ministries to the networks, programs, and resources available from the conference, Jurisdiction and the General Church.

To be consistent with the Imagine Indiana district structure plan found on page 15 of the Imagine Indiana Plan, the ten district structure will:

*Denotes Changes

“There will be a District Leadership Team that will also serve as the Committee on District Superintendency. Those who will serve on this team include a representative from programmatic groups that are required (United Methodist Women and United Methodist Men; Committee on Ordained Ministry; Committee of Church Location and Building), a representative from programmatic groups that are determined by the respective districts (such as Congregation Redevelopment; New Congregation Development; Missions and Volunteers in Mission; Social Advocacy, Justice, Ethnic Ministries; Discipleship Leadership Training); two or more lay leaders, a district superintendent* [not two] the assistant to the district superintendent ***[new title -the district assistant]** and coordinator of congregational ministry, ***[new title - associate district superintendent]** ***[add - with the understanding that when needed there will be church development and connectional ministry staff available for consultation.]**”

“A district conference will meet once a year ***[instead of a combined district conference]** at a time and place decided by the district superintendent. Members of the conference will be composed of any member of a United Methodist church located within the boundaries of the district, including the pastor, lay member to annual conference, and lay leader.”

“There will be a district apportionment that will support the work of the district superintendents.

[*Conference funding will support the work of the associate district superintendent.]”

Picture the District Superintendents traveling the district and being present in congregations, clusters, and with clergy to achieve their goals. District Superintendents will fulfill their responsibility for healthy and helpful supervision that leads to fruitful congregations and healthy clergy by being in the district, not based in an office. In order for this to be achieved, each District Superintendent and each district will need a skilled District Assistant. This

person will serve as first contact for local congregations, clusters, and clergy in order to connect to the diverse resources available, including but not limited to scheduling personal time with the District Superintendent and/or deployed conference resource staff and facilitating the work of district committees.

Picture a team of leaders working together with congregations, clusters and clergy to respond to discerned needs and provide locally skilled trained resources. District Superintendents will work in partnership with each other, deployed conference staff, and network with congregations, clusters, and clergy who have demonstrated leadership in a variety of ministries in order that a connection may be established between the resources and the specific discerned needs of congregations, clusters, and clergy.

5. We recommend the Bishop name a new Transition Team consisting of not more than ten people, who are not members of any leadership team the Indiana Conference, for the purpose of the oversight of the ongoing process of transition by: holding us accountable to our vision and mission, discerning a clear measurement of our effectiveness, evaluating the direction of our transformation and providing a continual faithfulness to what God is doing among us. God is able “to accomplish abundantly far more than all we can ask or imagine” (Ephesians 3:20)
6. With a deep sense of gratitude, we recommend the current Transition Team be discontinued and the work of continuing transformation be given to the Indiana Conference Leadership Team.

Cindy Reynolds on behalf of the Transition Team

Team members are: Al Brothers, Herb Buwalda, Beverly Calendar-Anderson, Jim Coy, Brian Durand, Ida Easley, Bert Kite, Ashley Moreland, Kayc Mykrantz, David VW Owen, Kaye Patton, Cindy Reynolds, Roger Summers, and Ike Williams

ADDENDUM 1

DISTRICT ALIGNMENTS INDIANA CONFERENCE 2010

NORTH DISTRICT

Counties of Lake, Porter, LaPorte, St. Joseph, Elkhart, Starke, Marshall (except for Culver Emmanuel, Poplar Grove, Santa Anna, Richland Center, and Burton), Kosciusko (except for Pierceton, Morris Chapel, Packerton, Center, Mentone, Burkett, Akron, Beaver Dam, and Talma); **plus** DeMotte from Jasper County.

NORTHEAST DISTRICT

Counties of Lagrange, Steuben, Noble, DeKalb, Whitley, Allen, Huntington, Wells, and Adams; **plus** Pierceton, Morris Chapel, and Packerton from Kosciusko County.

NORTHWEST DISTRICT

Counties of Wabash, Fulton, Pulaski, Cass(except Galveston), White, Jasper(except DeMotte), Newton, Benton, Warren, Tippecanoe, Carroll, Miami(except Miami, Bennett Switch, Converse, and Amboy); **plus** Culver Emmanuel, Poplar Grove, Santa Anna, Richland Center, and Burton of Marshall County; Stone Bluff, Salem, Covington, and Attica from Fountain County; Rossville and Mulberry from Clinton County; and Mentone, Burkett, Akron, Beaver Dam, Center, and Talma from Kosciusko County.

WEST DISTRICT

Counties of Fountain (except Stone Bluff, Salem, Covington and Attica), Montgomery, Putnam, Vermillion, Clay, Vigo, Parke, Owen, Sullivan, Greene (except Newberry and Scotland); **plus** Ellettsville, Arlington, and Fairview from Monroe County.

NORTH CENTRAL DISTRICT

Counties of Howard, Grant, Tipton, Clinton (except Rossville and Mulberry), Boone, Hamilton, and Madison; **plus** Galveston from Cass County and Miami, Bennett Switch, Converse, and Amboy from Miami County.

CENTRAL DISTRICT

Counties of Hendricks, Marion, Hancock, Morgan, Johnson(except Edinburgh), and Shelby(except Marietta, Flat Rock, and Geneva).

EAST DISTRICT

District #7: counties of Blackford, Jay, Delaware, Randolph, Henry, Wayne, Fayette, and Union; **plus** Carthage from Rush County.

SOUTHEAST DISTRICT

Counties of Franklin, Decatur, Bartholomew, Brown, Dearborn, Ripley, Jennings, Jackson, Ohio, Switzerland, Jefferson, and Rush (except Carthage); **plus** Edinburgh from Johnson County, Marietta, Flat Rock, and Geneva from Shelby County; Korean UMC, St. Paul, St. Marks, Bloomington First, Crossroads, Walkers Chapel, Garrison Chapel, and Simpson Chapel from Monroe County; and Greene Co. Chapel and Solsberry from Greene County.

SOUTHWEST DISTRICT

Counties of Knox, Davies, Martin, Dubois, Pike, Gibson, Posey, Vanderburgh, Warrick, Spencer, and Perry; **plus** Newberry and Scotland from Greene County.

SOUTH DISTRICT

Counties of Lawrence, Orange, Washington, Scott, Clark, Floyd, Harrison, and Crawford; **plus** Harrodsburg from Monroe County.

ADDENDUM 2 - Cabinet Recommendation –

The Imagine Indiana Plan states: “There are two essential parts to the work of the church at the conference level. One is making resources available to congregations. The other is administering the support services needed to enable the work of the church to be vital and effective, locally and globally. Each of these must be fluid and subject to adjustments, changes, and adaptations” (Page 20).

The Imagine Indiana Plan states: “Bi-District Resource Center

The center will be responsible for the coordination of all administrative and programmatic tasks related to the two districts within its geographical boundaries. It will support the work of the district superintendents as they carry out their work, and connectional ministries staff as they carry out their work, each in their respective areas of responsibility, leading and supporting clergy and laity in leadership positions, in order to be effective in ministry in and through their congregations and ministry clusters” (Page 14).

The Imagine Indiana Plan states: “In addition, we propose two major shifts in the focus of the new conference. The first is the strengthening of congregations through passionate and visionary leadership and attainable resources for effective church ministry. This means that more resources will be provided at the district level rather than the conference level. The second is a new understanding that the conference board’s/teams are for governance and policy. Staff is for carrying out ministry, in collaboration with clergy and laity at all levels of ministry” (Page 20).

After careful examination and intentional work to organize their ministry according to the Imagine Indiana Plan, the Cabinet has discerned that the use of the Bi-district structure is cumbersome and would require a second level of bureaucracy because by Discipline and for effective delivery of resources a district structure would also be required.

Therefore:

The Cabinet recommends an adaptation to the structure in order to provide the most effective delivery of resources and networking for congregations, ministry clusters, and clergy. The Cabinet recommends that we flatten the structure and bring the resources closer to the local communities by moving from 5 Resource Centers to ten District Centers; one in each district in order to support the work of the District Superintendent, the needs of the district and to provide more direct resources and networking to congregations, ministry clusters, and clergy. The District Centers will serve as first contact for all resources and network needs of congregations, ministry clusters, and clergy. This will help ensure that more resources will be provided at the district level rather than the conference level. It will provide clarity to the delivery of resources and simply for congregations, ministry clusters, and clergy the means by which they can link to the available resources.

District Superintendents will work in teams to hold each other accountable for their ministry and to enhance the delivery of resources and networking to the congregations, ministry clusters, and clergy. It seems that District Superintendents and deployed staff can be better stewards of time and money by having the support of ten district centers.

Districts will cluster together when it is discerned that resources to congregations, clusters, and clergy are enhanced by more than one district working together.

Conference deployed staff: connectional ministry staff and church development staff will provide direct services to congregations, clusters, and clergy to deliver and network resources. They will work in concert with the District Superintendents and be deployed to the local communities.

This recommendation is supported by the Board of Ordained Ministry and other ministry groups who have discerned that they can better deliver service and resources to the congregations, ministry clusters and clergy in a district structure rather than a bi-district structure.

A District Center shall:

1. Provide the District Superintendent with the freedom and support to effectively travel the district to meet with congregations, ministry clusters, and clergy, and provide a local connection for people.
2. Provide a local connection for local congregations, ministry clusters, and clergy. People will know who to call upon for specific issues as they struggle with niche and specific ministries. They will be able to build a trusted relationship with resource staff personnel who will be equipped to connect them to the resources.
3. Provide for effective administrative support and a communication network.
4. Employ one District Assistant in each resource center.
5. There will be the equivalent of five full time Associate District Superintendent positions, who may be lay or clergy, to work with the ten district superintendents.
6. There will be a working partnership with the deployed Church Development Staff and Connectional Ministry Staff.
7. Expenses of the District Centers will come from the 1% District Asking.

“An effective conference is an efficient conference supporting congregations by using good stewardship of resources, time, and money. We imagine a new Indiana Conference that models responsiveness within a structure flexible for changing times, and that is carefully monitored by a Conference Leadership Team” (Page 5).

“Flexibility is core as we live into a new conference. 10 resource centers offer the possibility of greater flexibility to the areas they serve and allow the District Superintendent to be better stewards of their time.”

Care for Clergy

We imagine a new Indiana Conference where our clergy and laity work in partnership, and we know that our clergy must receive appropriate care and support for this partnership to be maintained.

10 resource centers provide a closer link for clergy care and support.

Make a Difference

“Our United Methodist connection is uniquely capable of assisting individuals, congregations, and conference ministries make a difference in Indiana and around the world. We imagine these connections will be clear and easily accessible in our new Indiana Conference.

These five practices of a fruitful annual conference take shape in our recommendation for a new Indiana United Methodist Conference. They focus attention on two areas. One is leadership, and the other is efficient and effective organization—at the level of congregations, ministry clusters, combined districts with resource centers, and the conference.

Imagine . . . healthy, passionate leadership among clergy and laity.

Imagine . . . growing, vital congregations in every community.

Imagine . . . structures that allow ministry to excel.

Imagine . . . an annual conference that is making a difference in the lives of people.”

10 resource centers can better focus their attention on the local congregations, ministry clusters, and clergy to provide a direct relational link to the resources and networking available.

M. Board of Trustees

The twelve-person Board of Trustees is primarily responsible for the legal and property concerns of the Indiana Conference of the United Methodist Church, Inc. This has been an interesting and novel process as we have moved down the road with the two prior Annual Conference Boards of Trustees since last summer and the new Annual Conference Board of Trustees since the Uniting Conference last fall. We deeply appreciate the diligence and cooperation of the Boards of Trustees of the North Indiana Conference and the South Indiana Conference under the capable leadership of Susan Kirkpatrick and Brian Williams respectively, the invaluable support and effort of Conference Directors Brent Williams and Jennifer Gallagher, and the advice and counsel of attorneys, Steve Fink and John Neighbours, as well as Bishop Coyner and Executive Assistant David V. W. Owen.

Activities of the past year

The Indiana Conference Trustees were elected at the Uniting Conference on October 4, 2008. The formation meeting was held and officers elected on October 24, 2008. As its first item of business, the Indiana Conference of The United Methodist Church, Inc. was incorporated as an Indiana not-for-profit corporation and by-laws were adopted and recorded with the Indiana Secretary of State.

Under the direction of the Indiana Conference, the Trustees have begun the process of selecting a site for the new Conference office in Indianapolis and are working with the existing Trustees of the former South and North Indiana Conferences and the Districts of the South Conference to sell the former Conference offices and any parsonages that will need to be sold as a result of District realignment. Any parsonages provided for District Superintendents in the former North Indiana Conference are owned by the annual conference, while such parsonages in the former South Indiana Conference are owned by the districts.

The Indiana Conference Board of Trustees makes the following Recommendations:

Recommendation 1:

The Indiana Conference Board of Trustees recommends that the Indiana Conference authorize the Board to research the potential for a conference-wide property and casualty insurance program to insure adequate and complete coverage for all churches and conference-owned property within the bounds of the annual conference and to return with a recommended plan regarding same to the 2010 Annual Conference.

Recommendation 2:

The Indiana Conference Board of Trustees recommends that the Indiana Conference of The United Methodist Church provide an adequate housing allowance in order to allow district superintendents and other appropriate employees of the annual conference to provide their own housing instead of providing conference-owned or district-owned parsonages, subject to the annual conference policy on housing allowances and in amounts determined to be sufficient by the annual conference. The Indiana Conference Board of Trustees further recommends that any parsonages or other housing owned by the former North Indiana Conference or the former South Indiana Conference or any district thereof be sold as soon as practicable and that the net proceeds of said sales be deposited with the annual conference for appropriate investment in order to provide a funding source for annual conference housing allowances.

Annual net proceeds to be determined by trustees in accordance with donor intent.

Trusts under the care of the Board of Trustees:

| | | |
|-------------------------------|---|-----------|
| Daisy Wood Trust | Balance 12/31/08 | \$18,321 |
| Temporarily restricted trust. | Annual net proceeds to Decker Chapel UMC. | |
| Groendyke Trust | Balance 12/31/08 | \$121,489 |
| Permanently restricted trust. | Annual net proceeds go to Conference Board of Pensions. | |
| Carrie Legg Trust | Balance 12/31/08 | \$12,893 |

Permanently restricted trust. Annual net proceeds go to Charlottesville UMC.

N. United Methodist Men

Purpose:

Helping men grow in Christ so others can know Christ.

The first item to present is the upcoming International Gathering taking place at the Belmont University in Nashville, TN on July 9 to 12, 2009. "God to Man, Man to Man, Man to Boy" is the theme, which focuses on mentoring. Please visit www.gcumm.org for information, promotional video and the registration forms (wives are welcome). If you have any questions, call 1-866-297-4313. It is rapidly approaching but there is still time to register! Please check it out.

Earlier this year the "No Man Left Behind" training opportunity took place in Michigan. McGrawsville UMC represented our conference with their leadership team and came away blessed and with additional ideas for Men's Ministry. We would like to host this training event in the Indianapolis area. It will be coming soon to our lay schools as an accredited Lay Speaking Course, and is being finalized now. This was taught for a second time at the Northwest District Lay School by Ken Hudgins and Willie Green. It was a great event.

Another training opportunity is with the Men's Ministry Network. It is called "Men's Fraternity". This is a 3 year program. Year 1 covers "The Quest for Authentic Manhood; Year 2 is "Authentic Manhood-Winning at Home and Work"; and Year 3 is "The Great Adventure". This meets during the school year, September through May, once a week with a recess for 4 weeks during the Thanksgiving/Christmas season. Darryl Sheggrud is the Regional Representative and his e-mail is djsheffrud@gmail.com. His work phone is 260-348-7637. The program is \$300 per year for all the materials. The Rev. Gregg Parris of Muncie Union Chapel UMC is leading a Men's group at his church of 150 using these materials.

Our Civic Youth Ministries suffered a great loss with the passing of our Conference leader, Jack Hawley. Jack was a faithful leader and was really committed to BSA. We miss him greatly. Please keep his family in prayer. In this light, we are looking for new leadership in this area. If you know of someone, please let me or Dave Martin know. Civic Youth Ministry continues to happen here in Indiana. There are Boy Scouts receiving the rank of Eagle, as well as Webelos moving up their ranks. Civic youth ministries comprises BSA, GSA, Campfire, 4-H, and BB/BS. I want to encourage every district to have a Bishop's Dinner here in Indiana. Our Bishop is really busy and we understand he cannot lead all of them, but these dinners can be led by our Superintendents. Let's do this and grow Civic Youth Ministry across the state.

SOSA or Society of St. Andrew has had another great year here in Indiana with the leadership of David McCleary. At the 2008 General Conference of the UMC, the 992 member body of elected clergy and laity voted to formally recognize the Society of St. Andrew as an official partner in the alleviation of hunger in the United States. The advanced special mission project number for Indiana is 982225. For the 5th straight year, we were in the top 10 conferences for Meals for Millions donations. We were in 6th place for 2008 with \$8,554.04 in money raised, 77,657 pounds of food gleaned, representing 24 events, 24 farmers, 422 volunteers and being distributed to 186 food agencies. Thanks to everyone for your hard work and contributions. Please give SOSA your support. Just think what would happen if our 210,000 UM members in Indiana would give just \$1.00 each! Send your checks to "Meals for Millions", c/o The Society of St. Andrew, 3383 Sweet Hollow Road, Big Island, VA. 24526-3054. With SOSA's low overhead and mostly volunteers, a serving of food costs just 2 cents. Please give generously as the need now more than ever is great. Please know the reality of what we can do here in Indiana is so much greater than what we are doing and if your church donates food to food agencies in your area, please let David know. His e-mail is davemccleary@yahoo.com and his telephone is 574-269-1143 or, 574-267-4454. PLEASE NOTE: David McCleary accepted the position of Jurisdictional Hunger Relief Advocate. He is doing both jobs, and doing them exceptionally. We are blessed for his leadership.

The Upper Room is struggling as many are in these hard times. The workers have been let go for lack of funds. All that is left is Migdiel Perez, the manager for The Upper Room Living Prayer Center. I, like countless others, have received the electronic version of the Upper Room daily which just stopped. I called and was told 10 people were laid off. These prayer lines serve a world in need of prayer. It is a blessing for both those in need of prayer as well as the volunteers. Many of our volunteers have been lost due to illness or death in 2008. The Prayer Center is in need of both funds and new volunteers to support the prayer lines. It cost \$24,500 in 2008 for the toll free prayer line. The number of calls was 398,456. Please consider these needs. There are training sheets to be filled out when you receive the telephone calls as well as sheets covering Bible references for the various prayer requests.

Another thing we want to embrace this year is building some P.E.T. vehicles. This is a wooden 3 wheeled vehicle that can be used by a paralyzed person or someone missing their limbs as all you need is your arms. There is a storage compartment in the back to carry things. Stop by our booth and see one on display.

We voted to become a State Conference last October, with 10 districts utilizing the cluster concept. We as UMMen have come together as a State Organization and have many of the Districts filled, but some are vacant and we are in search of Men's Ministry leadership. We will strive to put all out leadership in place, to do the training needed and assist where needed. For structure, we would like to have a Conference Committee with the officers and a Civic Youth Ministries Chairperson, a SOSA Hunger Relief Advocate, a Conference Prayer Advocate and a Missions Chairperson. We would like that to be modeled at the District level, the cluster level and also at the Local level to reach all our local churches.

There is also a need for a Men's Ministry Specialist. Currently we have 2 men who are almost there. Ken Hudgins and Gary Hostetler. For those of you who want to embrace Men's Ministry as that, Ministry, please check out the link to www.gcumm.org and click on the Men's Ministry Specialist tab.

Blessings,

Ken Hudgins and David Martin

O. United Methodist Women

The organized unit of United Methodist Women shall be a community of women whose PURPOSE is to know God and to experience freedom as whole persons through Jesus Christ; to develop a creative, supportive fellowship, and to expand concepts of mission through participation in the global ministries of the church.

The function of the conference and the district organizations of United Methodist Women is to work with the local units to be most effective in living our Purpose using the resources made available to us through Women's Division and following the book of Discipline.

The year 2009 has been a year of transition for United Methodist Women with a Steering Committee and subgroups made up of equal representation of both the North and South Conference United Methodist Women. This group formulated a slate of officers for the new Indiana conference of United Methodist Women beginning in January 2010. New Standing Rules were written, a budget and pledge created, as well as guidelines for the 2010 School of Christian Mission. The ten new districts will be following a similar format.

An Organizational Meeting of the United Methodist Women of Indiana will be held at Zionsville UMC, in Zionsville, IN. on October 17, 2009. At that time the 2010 Officers will be elected and installed and take office January 1, 2010. Standing Rules, Budget and Pledge for 2010 will also be approved at the October 17th meeting.

Steering Committee: Jeanie Park and Vickie Newkirk Conveners, Sue Shafer, Jacque Hardin, Ellen Rhoades, Alma Sigler, Mary Jane Compton, Pat Weeks, Sally Lindenmayer, Carolyn Maxey, Rosa Bernard, and Vertelle Staton

South Indiana Conference: The Local Units continue to be faithful to our purpose in this time of Conference and District changes. We continue to encourage education for mission using our 3 Studies, Response Magazine, the Reading Program, and the Prayer Calendar. We continue to support Lucille Raines Residence, a ¾ house in Indianapolis owned and operated by United Methodist Women of Indiana. We continue to support the Milk Program with boxes of dried milk and money for the Nutritional Program at Kissy Clinic in Sierra Leone. We were faithful to Mission Giving through Women's Division with \$207,079.84 in 2008.

School of Christian Mission was held on the UIndy Campus in July. Over 300 Women, Children and Youth attend the Weekday School and the Super Saturday Event.

The UMWomen's Conference was held at Seymour First on October 18, 2008 where officers were elected to serve the year 2009.

A District Training Event was held in November.

A Silent Retreat was held in March at Sarto House in Evansville with 55 in attendance.

A Women's Spiritual Retreat led by Carolyn Marshall was held at McCormick's Creek in April with 100 in attendance.

North Indiana Conference United Methodist Women: The local women sent \$315,198.15 to Women's Division in support of our 102 national mission institutions and over 400 international projects in over 100 countries. The local units also support many mission projects in their communities with their time as well as their dollars.

In February, Carolyn Marshall, past Women's Division president and executive director at Lucille Raines Residence challenged us at our Spiritual Retreat to live in the present.

We are planning for the North Conference School of Christian Mission to be held July 8-12 at Manchester College. Studies will include "Food and Faith", "The Beauty and Courage of Sudan" and "Giving Our Hearts Away: Native American Survival".

All of the 9 Districts as well as the North Indiana Conference United Methodist Women are planning fall gatherings to celebrate who we have been in our present districts and conference and then looking forward to the October 17th meeting of the United Methodist Women of Indiana. Harriett Jane Olson, Deputy General Secretary of Women's Division will be with us at this inaugural celebration.

Submitted by Sue Shafer President South Indiana Conference United Methodist Women and Jeanie Park, President North Indiana Conference United Methodist Women