

RECOMMENDATIONS

*The South Georgia Conference
of The United Methodist Church*

2022 Annual Conference Session



**June 5-8, 2022
Columbus, Georgia**

1 **RECOMMENDATION 1 – Conference Board of Trustees**

2
3 2021 ANNUAL REPORT
4 THE BOARD OF TRUSTEES OF
5 THE SOUTH GEORGIA ANNUAL CONFERENCE OF
6 THE UNITED METHODIST CHURCH, INC.

7
8 REAL PROPERTY
9

10 Title to the seven James A. and Virginia Willingham Wood Homes in Epworth Acres on St. Simons Island is held
11 by the Trustees.
12

13 Title to the two Office of Connectional Ministries parsonages in Epworth Acres is held by the Trustees. These
14 properties are maintained by the Trustees with money in the Office of Connectional Ministries Maintenance Fund
15 which is invested at the Georgia United Methodist Foundation.
16

17 The Trustees believe that the amount held in the OCM Maintenance Fund will be sufficient to take care of all future
18 expenses related to the parsonages and the OCM office building.
19

20 Title to three homes for retired ministers at Magnolia Manor in Americus is jointly held by the Trustees of the South
21 Georgia Conference and the Trustees of Magnolia Manor. Two additional homes at Magnolia Manor were built in
22 2006 with the majority of the cost provided by the Superannuate Homes Fund.
23

24 Title to the Episcopal Residence at 522 Waverly Park Drive; Macon, Georgia, is held by the Conference Trustees.
25

26 MAINTENANCE AND INSURANCE OF REAL PROPERTY
27

28 Maintenance and Insurance for the OFFICE OF CONNECTIONAL MINISTRIES PARSONAGES and OFFICE is
29 paid by the Trustees with funds from the OCM Maintenance Fund which at the end of 2021 totaled \$731,022.04.
30 Expenditures during 2021 totaled \$23,581.57.
31

32 Currently doing major long overdue renovation and updating of the OCM building particularly to support our
33 camping ministry. The project is expected to cost \$144, 064 which will be paid from the OCM Maintenance Fund.
34

35 Maintenance and Insurance for the JAMES A. AND VIRGINIA WILLINGHAM WOOD HOMES is paid by the
36 Trustees with funds generated by payments made by residents of the homes and income from investments restricted
37 for that purpose. Expenditures during 2021 totaled \$84,200.00.
38

39 Maintenance and Insurance for the RETIRED MINISTERS' HOMES AT MAGNOLIA MANOR, AMERICUS is
40 paid by Magnolia Manor from funds remitted by the residents of the three homes.
41

42 Maintenance, Insurance and Mortgage payments for the EPISCOPAL RESIDENCE are overseen by the Episcopal
43 Residence Committee. Funds for this purpose are provided by the General Council on Finance and Administration
44 and the South Georgia Annual Conference. The Conference Treasurer administers these funds. The total
45 expenditures for maintenance and insurance during 2021 was \$27,598.84.
46

47 BOY SCOUTS OF AMERICA BANKRUPTCY
48

49 The Boy Scouts of America bankruptcy case has involved every chartering organization, and included a potential
50 80,000 claims against the Boy Scouts. An ad hoc committee of United Methodist bishops, chancellors, and others
51 was formed to negotiate with the claimants and the Boy Scouts. A potential settlement has been reached and is
52 before the Court. Our Trustees participated in the vote as guided by Bishop Scholl and the ad hoc committee. We
53 have approved the settlement with funds provided by the Annual Conference, in consultation with the Council on
54 Finance and Administration. Details remain confidential, as the settlement is not yet finalized. No funds will be
55 requested from local churches.
56

57 FUNDS ADMINISTERED BY THE BOARD OF TRUSTEES
58

59 All Funds invested in accordance with the Social Principles.
60

- 61 1. THE TOOLE FUND – Income from an original gift of \$1,000.00 by Mrs. C. L. Toole in memory of Dr.
62 Toole was designated by the donor to be paid annually to the Conference Board of Missions. As of

- 1 December 31, 2021, the Fund had an inventory value of \$6,601.57. Income for 2021 of which \$109.65 has
2 been paid to the South Georgia Committee on Missions.
3
- 4 2. THE FUND OF SPECIAL RELIEF – This Fund originated in 1830 to be used for ministers of the
5 Conference as the name indicates. Stipulation has been made that three-fourths of the annual income be
6 distributed by the Trustees to the Conference Committee charged with administering the Fund and the
7 remaining one-fourth be added to the corpus of the Fund. Inventory Value of this Fund as of December 31,
8 2021: \$170,060.18. Total income for 2021 was \$2,821.76 . \$2,118.57 (75%) was paid to the Treasurer of
9 the Fund of Special Relief, and \$703.19 (25%) was added to the corpus of the fund.
10
- 11 3. MELTON CHILDREN’S HOME FUND – This Fund was created by the estate of Eddie Clark Melton
12 through the Georgia Railroad Bank and Trust Company of Augusta, Georgia, in January 1985. On
13 December 31, 2021, the corpus of this Fund was \$17,413.21. Income for 2021 was \$289.24 and has been
14 paid to the Methodist Home for Children and Youth.
15
- 16 4. CATCHINGS ESTATE TRUST FUND – This Fund was created under the will of Julia Cone Catchings,
17 dated June 1, 1906. The corpus of the Fund is “to be held by the Conference Trustees for, and the income
18 therefrom applied to the relief of such infirm, dependent and friendless persons as may in their judgment,
19 be worthy and deserving of aid.” Under these terms, distribution of the annual income has been made to
20 five causes in 2021. The corpus of the fund as of December 31, 2021, was \$78,468.65. Checks in the
21 amount of \$260.68 each have been made payable to the following Conference causes and institutions:
22 Golden Cross Fund – Conference Treasurer
23 Magnolia Manor
24 The Methodist Home
25 Necessities – Conference Board of Pensions
26 Fund for Special Relief
27
- 28 5. COVINGTON CAMPING SCHOLARSHIP FUND – This trust fund was established in 2002 through a
29 bequest from the estate of Zlypha B. Covington of Thomasville, Georgia, in memory of her parents, John
30 Nathaniel Bowman and Annie Renfroe Bowman and is to be used for camping scholarships. The initial
31 corpus of this Fund was \$11,640.00. The annual income is forwarded to the South Georgia Conference
32 Office of Connectional Ministries to be used for deserving children and youth who participate in the
33 camping program at Epworth By The Sea. The value of the Fund on December 31, 2021, was \$23,016.61.
34 Income of \$382.31 was paid to the Office of Connectional Ministries.
35
- 36 6. COWART FUND – The Annual Conference received an undesignated bequest from the Estate of Mrs.
37 Wilma Cowart of Effingham County. The 2007 Annual Conference passed a resolution designating this
38 fund for:
39 1. New Congregational Development
40 2. Legal Expenses
41 3. Assistance for persons leaving the ministry
42 4. Discontinued or abandoned property, and
43 5. Future capital needs of the Annual Conference.
44 These designations remain in effect unless changed by future action of the Annual Conference.
45
- 46 7. HARNSBERGER FUND – The Annual Conference received an undesignated bequest from the estate of
47 Mr. and Mrs. Clyde Harnsberger of Macon. This fund is governed by the same 2007 resolution as the
48 Cowart Fund.
49
- 50 8. BIRCHALL FUND – The Annual Conference received an undesignated bequest from the estate of Mrs.
51 Eloise Birchall of Macon. The 2013 Annual Conference designated \$100,000.00 of this amount to be added
52 to the capital projects needs of the Annual Conference with the remainder to be held as a contingency until
53 designated for future uses.
54
- 55 9. MAJOR GIFTS FUND – In order to account for the Cowart, Harnsberger and Birchall gifts according to
56 the expense categories established by the Annual Conference, the Trustees have consolidated the
57 accounting for these gifts under the Major Gifts designation. As of December 31, 2021, the balance
58 remaining in the designated categories was as follows:

		Balance as of	Percentage of
		12/31/2020	Fund
3	New Congregational Development	\$0.00	0.0 %
4	Legal Expenses	\$81,214.27	8.2 %
5	Assistance for persons leaving the ministry	\$38,434.76	4.1%
6	Discontinued or abandoned properties	\$28,864.34	3.1%
7	Future capital needs	\$718,585.99	72 %
8	Contingency	<u>\$124,835.05</u>	<u>12.6%</u>
9		\$991,935.41	100.00%

10

11 10. WOOD HOMES FUND – This fund has accumulated from gifts, grants, rents, fees, etc., from the seven
12 James A. and Virginia Willingham Wood homes at Epworth Acres on St. Simons Island. It is used to
13 maintain these homes. Balance in the Wood Homes account at Morgan Stanley and checking account as of
14 December 31, 2021, totaled \$1,258,731.78.

15

16 11. OFFICES OF CONNECTIONAL MINISTRIES (“OCM”) PARSONAGES FUND – This is the fund
17 discussed above which was created from the proceeds of the sale of two of the Office of Connectional
18 Ministries Parsonages and the amount remaining in the Parsonage Reserve Fund which had been held by
19 the Annual Conference. The balance in this fund on December 31, 2021, was \$731,022.04.

20

21 12. EPISCOPAL RESIDENCE RESERVE FUND – If the entire budget item for the maintenance and
22 insurance of the Episcopal Residence is not spent in a given year, the unused funds are placed in the reserve
23 fund. Expenses vary from year to year, so this practice provides a cushion against major expenses which
24 may exceed the budget in a given year. The balance in this fund on December 31, 2021, was \$157,626.42.

25

26 13. TRUSTEES’ EXPENSE FUND - This fund comes from the Conference budget and is used for accounting,
27 financial, travel, and internal business of the Board of Trustees of the South Georgia Conference of The
28 United Methodist Church, Inc. Expenditures from the fund in 2021 totaled \$4,453.12 The annual budget is
29 \$5,750.00.

30

31 RESOLUTION OF THE BOARD OF TRUSTEES OF THE SOUTH GEORGIA ANNUAL CONFERENCE OF
32 THE UNITED METHODIST CHURCH, INC.

33

34 The following Resolution was adopted at a regular meeting of the Board of Trustees of the South Georgia
35 Annual Conference of The United Methodist Church, Inc., a Georgia nonprofit corporation (the “Trustees”) held on
36 February 22, 2022:

37 Whereas, at the 2019 Special General Conference of The United Methodist Church, the General
38 Conference adopted an amendment to *The Book of Discipline of the United Methodist Church* (“*The Discipline*”),
39 codified at ¶2553, pursuant to which a local congregation may choose to leave its annual conference for reasons of
40 conscience over disagreements related to human sexuality, or the actions or inactions of its annual conference
41 related to these issues; and

42 Whereas, on June 4, 2019, the South Georgia Annual Conference (the “Annual Conference”) approved a
43 disaffiliation policy (the “Disaffiliation Policy”) consistent with ¶2553 of *The Discipline*, allowing a local
44 congregation to leave the Annual Conference when a significant number of members of a congregation express a
45 desire to leave; and

46 Whereas, pursuant to ¶2553 and the Disaffiliation Policy, the Trustees adopted a disaffiliation agreement
47 setting forth the terms upon which a local church may leave the denomination (as modified from time to time, the
48 “Disaffiliation Agreement”); and

49 Whereas, both the Disaffiliation Policy and ¶2553 of *The Discipline* provide that the right to disaffiliate is
50 limited and that a local church desiring to exit the denomination must complete the process prior to December 31,
51 2023; and

52 Whereas, the regularly scheduled 2020 General Conference of The United Methodist Church was
53 postponed due to the global COVID-19 pandemic, and has not yet been held; and

54 Whereas, it was anticipated that further action would be taken at the 2020 General Conference to deal with
55 disagreements within The United Methodist Church related to human sexuality, and as a result ¶2553 and the
56 Disaffiliation Policy were approved as temporary measures to address these disagreements, and were to expire on
57 December 31, 2023; and

58 Whereas, because of the uncertainty over the global pandemic and whether the 2020 General Conference
59 will be held, the Trustees desire to extend the time within which local congregations may choose to leave the Annual
60 Conference on the same terms set forth in the Disaffiliation Policy and ¶2553; and

61 Whereas, on March 15, 2022, the Council of Bishops of The United Methodist Church affirmed that ¶2553
62 is the primary provision of *The Discipline* to be used for disaffiliation and separation; and

1 Whereas, prior to the adoption of ¶2553, the Trustees relied upon the provisions of ¶2549 to negotiate the
2 terms upon which a local church could be closed, and the members of the local church could purchase the property
3 of the closed church from the Trustees; and

4 Whereas, the Trustees wish to provide a means for local churches desiring to exit the denomination on the
5 terms outlined in ¶2553 after the expiration of ¶2553;

6 NOW, THEREFORE, BE IT RESOLVED, the Trustees adopt this resolution affirming that, after the
7 expiration of the provisions of ¶2553 and the Disaffiliation Policy, and in accordance with the provisions of ¶2549
8 which vest the Trustees with the power to dispose of property of a closed church their sole discretion, the Trustees
9 will continue to enter into disaffiliation agreements with local churches that desire to exit the Annual Conference on
10 the same terms outlined in ¶2553 and the Disaffiliation Policy; and it is

11 FURTHER RESOLVED that a local church shall have a limited right to exit the denomination pursuant to
12 this Resolution which shall be available until the later of any new deadline set by General Conference for
13 disaffiliation or December 31, 2024; and it is

14 FURTHER RESOLVED that any Disaffiliation Agreement entered into pursuant to this resolution shall
15 require approval by a majority vote of the Annual Conference in accordance with the Annual Conference's existing
16 Disaffiliation Policy.

17 LEGAL TITLE

18
19
20 The correct legal name of the Board of Trustees corporation is

21
22 The Board of Trustees of the South Georgia Annual Conference of the United Methodist Church, Inc.

23
24 All gifts, grants, and bequests should be designated accordingly. Any gifts or bequests of real property should be in
25 fee simple, and title should be vested in the above-named corporation.

26
27 Respectfully presented,
28 Rev. Dr. Jimmy R. Asbell, Jr. President

29 30 BOARD MEMBERSHIP

31 Trustees (Directors) of the Corporation classed according to The Discipline with () noting the year they were first
32 elected.

33 2021 – Glenn A. Martin (15), Clate Ralston (19) L.K. Pendleton (18)

34 2022 – Julia Magda (16), Michael A. Green (17) Cecil Haywood (20)

35 2023 – Amy Fletcher (20), Beverly Copeland (20), Jimmy R. Asbell, Jr. (20)

36 2024 – Tommy Mason (13), Mike Dover (21), John Brooks (21)

37
38 Officers of the Corporation:
39 Rev. Dr. Jimmy R. Asbell, Jr., President

40 Tommy Mason, Vice President

41 Amy Fletcher, Treasurer

42 Glenn Martin, Secretary

43
44 Ex-officio members are:

45 Cater C. Thompson

46 Conference Chancellor

47
48 W. Warren Plowden Jr.

49 Chancellor Emeritus

50
51 Derek W. McAleer

52 Director of Administrative Services

53 **RECOMMENDATION 2 – Commission on Equitable Compensation**

54 55 **REPORT #1**

56 **Statement of Purpose, Policies, and Procedures**

57 58 I. PURPOSE:

59 In keeping with the duties and responsibilities set forth in *The Book of Discipline, 2016*, the Commission on
60 Equitable Compensation of the South Georgia Conference understands its purpose as follows:

- 1 A. To affirm the basic and traditional United Methodist principle that each pastoral charge is responsible for
2 setting and paying the salary(ies) of its minister(s).
- 3 B. To develop a plan of adequate ministerial support of those who have committed their lives to the itineracy.
- 4 C. To establish a minimum standard schedule for ministerial support in the Conference.
- 5 D. To encourage pastoral charges to provide adequate salary support to which their pastor is entitled.
- 6 E. To administer a system of assisting those charges which are unable to provide that minimum standard
7 through a supplement which is paid monthly to the church/charge treasurer.
- 8 F. To recommend to the Annual Conference for their approval that Equitable Compensation funds be used to
9 supplement base compensation beyond the minimum base compensation schedule when the Commission
10 feels that the mission and ministry of the annual conference will be served best by so doing. (§625.6 *The*
11 *Book of Discipline, 2016*)

12
13 II. POLICIES REGARDING ADMINISTRATION OF MINIMUM SALARY SUPPLEMENT: (§625.9 *The Book*
14 *of Discipline, 2016*)

15
16 A. QUALIFYING REQUIREMENTS FOR CHURCHES/CHARGES:

- 17 1. The Fall Charge Conference sets the pastor's total compensation (including salary and accountable
18 reimbursable expenses) for the ensuing year. In consultation with the District Superintendent, the
19 Charge Conference shall examine this salary in the light of the minimum standard set by the Annual
20 Conference. If the salary set by the Charge Conference is below the minimum standard for the pastor,
21 the Charge Conference shall request the District Superintendent to file for a minimum salary
22 supplement. This application should be signed by the pastor and two lay persons from each charge.
- 23 2. Each church/charge which applies for minimum salary supplement is **required** to conduct an approved
24 financial stewardship program. **The pastor shall see that each church/charge fulfills this**
25 **expectation.**
- 26 3. Other than new church starts, any local church or charge requesting equitable compensation which has
27 additional paid staff other than the pastor must document in writing with their request the specific need
28 for additional staff.
- 29 4. Each church/charge shall furnish a parsonage or housing allowance for the pastor and family in
30 keeping with guidelines established by the Annual Conference.
- 31 5. The maximum supplement from the Commission on Equitable Compensation should not exceed 50%
32 of the pastor's salary, except in special situations approved by the District Superintendent and this
33 committee.
- 34 6. No local church or charge shall receive minimum salary supplements for more than five consecutive
35 years, except in special consideration approved by this committee.
- 36 7. It is the responsibility of every charge receiving equitable compensation funds to report these funds on
37 the pastor's W-2 for the year.
- 38 8. Equitable Compensation support is only available to churches which are part of the South Georgia
39 Conference. Churches which disaffiliate are not eligible to receive funds. Payment will end the month
40 the Annual Conference votes to approve a church's disaffiliation.

41
42 B. QUALIFYING REQUIREMENTS FOR PASTORS:

- 43 1. The minimum salary supplement shall apply only to pastors serving full-time (with the exception of
44 full conference members serving less than full-time, in keeping with §342.2, *The Book of Discipline,*
45 *2016*): Full Conference Members, Associate Members, Probationary Members, Provisional Members,
46 and Local Pastors. Retired Supply Pastors shall qualify up to the amount established by the Annual
47 Conference.
- 48 2. If at any time a change of status of the pastor occurs which would affect his/her minimum salary
49 payments (i.e., loss of a dependent, marriage, birth of a child, salary change, change in conference
50 relationship, change in appointment, etc.), it is the responsibility of the pastor to notify the District
51 Superintendent. The District Superintendent shall then notify the Commission and the Conference
52 Treasurer.
- 53 3. Definition of "dependent" shall be any person in the pastor's family who is considered a dependent on
54 the pastor's income tax returns.
- 55 4. Special cases will be considered when the District Superintendent presents a request. If an appointment
56 does not normally qualify for minimum salary supplement and the District Superintendent feels it is
57 warranted (mission situations, specialized ministries, etc.), the case will be considered and an
58 appropriate amount decided upon by the Commission.

59
60 III. EQUITABLE SALARY SUPPORT FOR NEW CHURCH STARTS:

- 1 A. The Commission on Equitable Compensation currently provides a maximum of \$50,000.00 for new church
2 starts, to be used over a period of five years. Distribution over the five-year period will be at the discretion
3 of the Director of Congregational Development and the District Superintendent, in consultation with the
4 local leadership. We recognize that perhaps as much as half of the total could be used in the first year. This
5 supplement is contingent upon the annual evaluation and recommendation of the Director of
6 Congregational Development and the District Superintendent. As the processes of new church starts and the
7 Office of Congregational Development change, we are reviewing how our funds can be used effectively to
8 assist new church starts.

9
10 It would be expected:

- 11 1. That any new church should become self-supporting in regards to salary within five years.
12 2. That all new churches would be served by a full-time pastor with several years of pastoral experience
13 and possibly some specialized training, and therefore might have a salary above normal minimum
14 salary level for their conference status.
15 3. That pastors and local leaders would be required to file the same annual application forms as other
16 applicants for supplements from the Commission on Equitable Compensation.
17 4. That new church starts would not receive supplement from the Commission on Equitable
18 Compensation during the second five-year period, except in unusual circumstances, as requested by the
19 Cabinet on an annual basis.
20

21 IV. PROCEDURES FOR APPLICATION AND DISBURSEMENT OF FUNDS:
22

- 23 A. The Pastor and District Superintendent are responsible for filing all requests for minimum salary
24 supplements for the charges in his/her district and for notifying the Treasurer and Chair of the Commission
25 of any changes during the year.
26 B. In August, the Administrative Services Office will send application forms to each District Superintendent.
27 After the salaries for the ensuing year have been set by the Charge Conferences, the District Superintendent
28 will supply application forms to be completed to the appropriate persons of each charge. Completed forms
29 shall then be returned to the District Superintendent for his/her approval. The District Superintendent will
30 then forward all applications to the Conference Treasurer and Commission Chair, no later than December
31 1. No checks will be issued until applications have been processed by the Commission on Equitable
32 Compensation. The Commission shall return incomplete applications.
33 C. Each application should include:
34 1. Completed forms including appropriate signatures.
35 2. Copies of the requested budgets for the two years shown on the form; *
36 3. Copy of actual income and expenses for the current year. *
37 4. Indication of what financial stewardship program the charge is using, and the results of that program.
38 *Applications from a charge or a church on a charge must include budgets and financial reports for
39 each church on the charge.
40 D. Prior to conducting the Fall Charge Conference, the District Superintendent shall notify the officials of
41 each charge that they are encouraged to set the next year's salary above the minimum to which their pastor
42 is entitled. If the salary is set below the minimum salary standard, the District Superintendent shall inform
43 the charge that they should file an application for minimum salary supplement to be paid to their pastor by
44 the Annual Conference.
45 E. The District Superintendent or Commission on Equitable Compensation may require that a church or
46 charge enter into negotiated agreements as a condition of receiving Equitable Compensation. Such
47 agreements generally include a plan for coming off Equitable Compensation within five years, and may
48 include other benchmarks for attendance and funding.
49 F. The Conference Treasurer is responsible for the disbursement of funds on a monthly basis. The funds will
50 be deposited directly to the bank account of church (or charge) receiving the supplement prior to the first
51 day of the month for that month. No paper checks shall be issued.
52 G. The Conference Treasurer and the District Superintendent shall inform each other of any changes that occur
53 within the district of which he/she may not otherwise be aware.
54 H. The Commission realizes that errors can be made. In the event of error, either overpaid or underpaid, funds
55 should be returned immediately to the Conference Treasurer for correction. The pastor shares the
56 responsibility with the Commission in seeing that the payments are correct.
57

58 **REPORT #2**

59 **Minimum Salary Scale for January – December 2023**
60

61 The Commission on Equitable Compensation is recommending a 3% increase for 2023 in minimum salary. We have
62 struggled to balance the needs of our clergy for appropriate wages with the ability of our churches to pay the rising

1 costs of clergy, both salary and pension and rising insurance costs. Congregations are very concerned about funding
 2 for present ministries. Minimum salary has risen more than 20% since 2010. More and more of our churches cannot
 3 afford a full-time pastor. Cost of benefits is a major factor.

4
 5 We hope that every church will consider a raise, or at least a bonus, for their pastor in 2023, particularly with rising
 6 inflation. We recommend that minimum salary amounts be as follows:

	<u>2022</u>	<u>2023</u>
Full Conference Members	\$47,077	\$48,489
Probationary and Associate Members	42,271	43,539
Full-time Local Pastors	39,625	40,814
ADDITIONAL BENEFITS:		
Spouse (or first dependent, if not married)	700	700
First dependent, if married (second, if not married)	600	600
Each additional dependent	500	500

7
 8 We call your attention to the legislation of the 2016 General Conference which affects Equitable Compensation
 9 payments to Full Conference Members serving “less than full-time” (§342.2 "Support for Ministers Appointed to
 10 Pastoral Charges Who Render Less than Full-Time Service. Each pastor who is in good standing and who is
 11 appointed by the Bishop for less than full-time service under the provision of §338.2 shall have a claim upon the
 12 Conference Equitable Salary Fund in one-quarter increments according to the guidelines established by the Annual
 13 Conference Commission on Equitable Compensation.”)

14
 15 We also call attention to §1506.14 which states “Pension and benefit contributions are the responsibility of the salary
 16 paying unit of a participant in the Clergy Retirement Security Program and the Comprehensive Protection Plan...”
 17 (*The Book of Discipline, 2016*). This legislation makes the Commission on Equitable Compensation responsible for
 18 paying its share of the minister’s pension and benefits.

19
 20 In order to maintain the proposed minimum salary scale, the Commission on Equitable Compensation has a budget
 21 request of \$189,380 for the year 2023. The amount requested is a \$12,500 increase over 2022, due to restoring
 22 some funding for new church starts. It is evident that our churches have worked very hard to financially support
 23 their pastors. It is also clear that our Bishop and Cabinet have kept in mind the conference relationship of our pastors
 24 and the fiscal capability of local churches in the appointment making process. We commend the churches, the
 25 Bishop and the Cabinet for their strong efforts in this area.

26

<u>2023 Budget Requests</u>	
Salary Support	\$100,000
New Church Starts	37,500
Appointment Grants	10,000
CRSP, CPP Benefits	16,000
HealthFlex Benefits	25,000
Committee Expenses	<u>800</u>
TOTAL	\$189,300

27
 28 This budget request is based on the following assumptions:

- 29
- 30 1. That churches paying minimum salary and below will raise salaries by at least the amount that the
 - 31 minimum standard is raised.
 - 32 2. That the District Superintendents will continue to work closely with each charge paying the minimum scale
 - 33 or less to ensure that at least a raise of the amount proposed in the standard will be adopted by each charge.
 - 34 3. That the responsibility of the pastor’s salary rests with the local church. Each church shall work to ensure
 - 35 and maintain adequate salary support.
 - 36 4. That a strong minimum salary program will have a ripple effect throughout the churches paying above the
 - 37 minimum; thus, the Conference will be providing a standard by which all churches may be guided in
 - 38 setting an equitable salary for pastors in 2023.

39
 40 The Commission reminds the Annual Conference of the work of the Clergy Workload Task Force in 1998. This task
 41 force report, which was approved by the Annual Conference, pointed out that a minimum number of members to
 42 sustain a full-time work load and be able to provide support for a full-time pastor was 150 members, with 100 in
 43 average worship attendance. This is a very delicate and sensitive area of concern. All of us want our churches to
 44 provide full services. At the same time, other churches feel they have been called upon to support pastors at smaller,

1 neighboring churches to a level which challenges the ministry of their own congregation. **The purpose of Equitable**
 2 **Compensation is not to delay decisions churches need to make about their own size, activity, and ability to**
 3 **financially support a full-time pastor.** We believe those discussions best occur within the local church, as the
 4 members look realistically at their own situation to determine if they should call upon funds from the offering plates
 5 of sister congregations.

6
 7 We wish to commend all the District Superintendents, Local Church Committees on Pastor/Parish Relations,
 8 Committees on Finance, Administrative Boards, and others who have worked diligently over the past years to help
 9 many churches to sustain salary levels in keeping with our covenant in The United Methodist Church.

10 **REPORT #3A**

List of Churches Receiving Equitable Compensation Salary Funds in 2021

Districts	Churches	Total
Coastal	Asbury	\$ 9,866.00
Coastal	Grace (Brunswick)	12,000.00
Coastal	Greater Trinity	1,200.00
Coastal	Pinkney Chapel	1,200.00
Coastal	Speedwell	18,134.00
Northeast	Daisy	2,845.00
Northeast	Hagan	2,235.00
Northwest	Ellaville	7,060.00
South Central	Bemiss	2,166.66
	Total	\$ 56,706.66

11
 12 **REPORT #3B**

13 **List of Churches with Unpaid Benefits Bills**
 14 **Whose Balance is Greater Than 180 Days Payment**
 15 **as of December 31, 2021**

16 **These Churches Eliminated Their Debt in 2021**

<u>District</u>	<u>Church</u>	<u>12/31/2020</u>	<u>12/31/2021</u>
Coastal	Oak Hill	3,366.22	(318.63)
Coastal	Wesley Oak	49,642.74	0.00
North Central	Midway (Rockledge)	987.06	0.00
Northeast	Asbury (Waynesboro)	1,687.58	0.00
Northeast	Mount Zion (Pulaski)	3,112.10	0.00
Northeast	Portal	1,969.36	0.00
South Central	Bickley	2,100.00	0.00
Southwest	Providence (Brooks Co.)	5,371.71	0.00

These Churches' Debt Was Reduced in 2021

<u>District</u>	<u>Church</u>	<u>12/31/2020</u>	<u>12/31/2021</u>
Coastal	Canaan Community	45,958.48	42,326.48
Coastal	Clinch Chapel	1,141.44	106.23
Coastal	Grace (Brunswick)	15,374.25	2,776.39
Coastal	Greater Trinity	13,945.62	6,897.12
Coastal	Hamilton Chapel	16,914.00	9,914.00
Coastal	Nesby Chapel	1,474.17	430.08
Coastal	Pinkney Chapel	21,793.98	15,633.98
North Central	Howard Chapel	55,585.83	47,127.36

North Central	Joycliff	84,826.77	79,051.77
North Central	Piney Mount (Tennille)	40,440.71	36,358.45
Northeast	Charlestown	3,132.86	353.49
Northeast	Horse Creek	23,171.56	14,397.64
Northeast	LifeSpring	9,720.18	8,770.18
Northeast	Oak Park	7,084.00	4,678.02
Northeast	St. Andrews	19,878.39	17,912.63
Northwest	Andersonville	40,987.65	40,487.65
Northwest	Evan's Chapel	2,525.63	2,025.63
Northwest	Union (Georgetown)	4,154.04	2,312.67
South Central	Herring Memorial	8,562.50	887.50
South Central	Waresboro	8,065.95	6,389.45

1

These Churches' Debt Remained the Same

<u>District</u>	<u>Church</u>	<u>12/31/2020</u>	<u>12/31/2021</u>
Northwest	Georgetown	10,948.56	10,948.56
Northwest	Matthew Chapel	2,370.76	2,370.76
Northwest	Midway (Columbus)	4,495.12	4,495.12

These Churches' Debt Increased in 2021

<u>District</u>	<u>Church</u>	<u>12/31/2020</u>	<u>12/31/2021</u>
Coastal	Mosaic	58,790.22	65,056.12
Northeast	Brannen Chapel	36,432.29	36,749.62
Northeast	Soperton	5,762.50	6,517.84
Northwest	South Columbus	71,341.79	87,338.19
Northwest	Bigham's Chapel	0.00	1,288.44
South Central	Harper's Chapel	60,030.56	61,326.96
South Central	Mary's Chapel	(61.52)	429.66
South Central	Sweetwater	1,776.00	1,949.50

Total balances over 180 days due 854,087.75 744,922.58

2

3

REPORT #4

4

**Equitable Compensation Funds Being Used
to Supplement Salaries Beyond Minimum Salary**

5

6

7

The Book of Discipline, 2016 ¶625.6 provides that an annual conference can approve the use of Equitable Compensation Funds to supplement the base compensation beyond the minimum base compensation schedule upon the recommendation of the Equitable Compensation Commission when the Commission feels the use of such funds is in the best interest of the mission and ministry of the annual conference.

10

11

In 2021, such funding was provided to Ellaville UMC and Speedwell UMC.

12

13

REPORT #5

Conference Arrearage Policy

14

15

16

Background:

Recognizing that the South Georgia Conference has experienced, for several years, an alarming amount of arrearages owed to our active pastors, the Equitable Compensation Committee submits this policy as an effort to protect both our clergy and the annual conference. Since direct billing of pension was initiated in 2006 (insurance has been direct billed for more than 25 years), there have been more than \$1 million in shortfalls when local churches did not meet the compensation owed to pastors (typically unpaid health insurance premiums or the church's share in pension costs). When a local church does not meet its obligations, the other local churches in the conference must pay the bill through the apportionment system.

24

1 In 2012, the General Conference invited conference equitable compensation committees to develop an arrearage
2 policy for the protection of clergy and the annual conference when a church or charge is unable to pay the full
3 compensation due to a pastor, whether cash salary, housing, health insurance, or pension obligations.
4

5 The policy below outlines our proposal to the South Georgia Annual Conference to adopt a policy which includes:
6 - A process for notification when compensation is in arrears
7 - Courses of action when an arrearage occurs
8 - A statute of limitations for claims against the Annual Conference
9 - Provisions for reporting the churches whose arrearages have required disbursement from conference funds
10 to compensate pastors

11
12 It is our hope that this policy can both ‘bring into the light’ some issues of financial concern as well as set our
13 conference on a course to rectify a growing problem of arrearages.
14

15 **Introduction**

16 ¶624.2. in *The Book of Discipline (2016)* allows for each annual conference to establish an arrearage policy to deal
17 with the situations that arise or that have arisen in the past. ¶625.2.d entitled *Equitable Compensation*, also
18 references the conference arrearage policy. Below is ¶624.1 where it states:

19 ¶624. *Payment Obligation – 1. Each church or charge has an obligation to pay the base compensation, the*
20 *benefits adopted by the annual conference, and other ministerial support (including housing) adopted by the*
21 *charge conference, to its pastor(s). If it becomes apparent that a church or charge will be unable to so provide*
22 *the base compensation, support, and benefits adopted by the charge conference, the church or charge SPRC*
23 *chair, finance chair, or treasurer, shall immediately notify, both in writing and verbally, the pastor, district*
24 *superintendent and congregation. This communication shall indicate all avenues explored to meet the base*
25 *compensation, support, and benefits, including requesting consideration for a short-term emergency subsidy*
26 *grant from the Equitable Compensation Fund (¶625.7). If it becomes necessary to reduce a pastor’s*
27 *compensation, it shall occur at the end of the conference appointment year.*
28

29 **The 2018 session of the South Georgia Annual Conference adopted the following Arrearage Policy in** 30 **accordance with ¶¶624.2. and 625.2d of *The Book of Discipline (2016)*.**

- 31
32 1. Local church treasurers receive a monthly statement on pension and insurance obligations. Beginning in
33 January 2018, quarterly statements will be sent to all pastors and S/PPRC chairs to identify all pension and
34 insurance obligations that are due. When the local church treasurer becomes aware that the church will be
35 unable to provide to the pastor full payment of a regularly scheduled payroll or housing allowance installment,
36 or to remit to the Conference Treasurer full payment for regular direct billed benefit payments such as pension
37 and health care, the church treasurer shall immediately notify both verbally (within 24 hours) and in writing/via
38 email (within 3 days) the Pastor, the Lay Leader, and the Chairs of S/PPRC, Finance, Trustees, and the
39 Administrative/Church Council of the impending arrearage. Upon receipt of such notice, the Chair of S/PPRC
40 and/or the Pastor shall immediately (within 3 days) notify the District Superintendent of the impending
41 arrearage. It is the pastor’s responsibility to keep copies of all such written notifications, and to provide
42 additional written confirmation to the District Superintendent when an arrearage has taken place. Failure to
43 document salary or benefit arrearages may result in a loss of compensation and/or forfeiture of pension and
44 benefits.
45
46 2. Upon receipt of notice of a pending arrearage, the Chair of S/PPRC shall immediately (within 24 hours) call a
47 meeting of the Pastor, Lay Leader, and Chairs of Finance, Trustees, and the Administrative/Church Council to
48 discuss the financial situation and seek remedies to prevent an arrearage from occurring.
49

50 Such remedies might include:

- 51
52 a. Drawing from invested funds, including short-term borrowing from designated funds,
53 b. An emergency appeal for special giving from the congregation,
54 c. Other sources
55

56 According to *The Book of Discipline (2016)* ¶624, such remedies cannot include a reduction in the Pastor’s
57 compensation until the beginning of the next Conference year.
58

- 59 3. If, after consultation among the Lay Leader and Chairs of S/PPRC, Finance, Trustees, and the
60 Administrative/Church Council, it becomes apparent that the church may be facing a long-term financial crisis,
61 the Chair of S/PPRC shall notify in writing the Pastor and District Superintendent that:

- a. A temporary Equitable Compensation Subsidy Grant may be necessary to maintain compensation for the remainder of the Conference year, or
 - b. A change in pastoral compensation or appointment may be necessary at the beginning of the following Conference year.
4. If the local church becomes delinquent in the pastor's cash compensation plus housing (i.e. more than 30 days delinquent), the District Superintendent shall notify the Commission on Equitable Compensation, which on its own initiative may do any or all of the following, but not limited to:
 - a. Meeting with the local church and pastor to seek resolution of the issue.
 - b. Developing with the local church a payment plan so that the pastor receives full payment of compensation by the end of the conference year.
 5. If a local church becomes delinquent in the payment of the pastor's direct billed pension and benefits (i.e. more than 30 days delinquent), the Conference Treasurer shall notify the District Superintendent, and the Commission on Equitable Compensation. The local church shall submit a payment plan to the Conference Benefits Officer, including the District Superintendent and the Committee on Equitable Compensation. The plan submitted must ensure that the Conference receives full payment of pension and health benefits by the end of the conference year.
 6. It is the responsibility of the pastor to provide evidence of an arrearage by providing documentation such as: Treasurer's Reports, Charge Conference reports of adopted salary and compensation, check stubs, W-2 forms. A note accompanying such documentation shall be signed by the Pastor, S/PPRC Chair, Trustee Chair, Treasurer, and Administrative/Church Council Chair.
 7. The statute of limitations for filing a claim for funds from the Annual Conference (i.e. notification to the District Superintendent of the arrearage) for any salary arrearage is one year from the date of the initial arrearage. Once an appointment ends the Pastor no longer has claim on the local church for compensation funds (§342.4).
 8. An Administrative Complaint may be filed against a pastor who fails to report an arrearage according to the time lines established in this policy.
 9. Churches which are in arrears to the Annual Conference with respect to benefits payments will be reported in the Annual Conference Journal as "churches receiving equitable compensation." These specific churches will be reported based on the following methodology:
 - a. Benefits balances "greater than 180 days" at the end of the current year to the end of the previous year.
 - b. Any church whose "greater than 180 days balance" increased based on item (1) will be reported as a "church receiving equitable compensation."
 - c. Continuing our conference's practice, funding for such churches will be provided via the "Benefits Underpayment" line item in the conference budget until exhausted. Additional funds will be paid out of conference reserves. These payments shall be considered as payments on behalf of the local church, and the conference retains the right to have these payments reimbursed by the local church.

Respectfully submitted,
Mr. Phillip Lord, Chair
Dr. Derek W. McAleer, Dir. of Administrative Services

RECOMMENDATION 3 – Conference Board of Pension and Health Benefits

Caring for the pension and health needs of those who have and are faithfully serving the church continues to be the mission of the Conference Board of Pension and Health Benefits and of Wespath.

The task of our Conference Board of Pensions and our Administrative Services Office is to fully implement these caring ideals of our annual conference. In order to put these ideals into practice, the following practices and policies are adopted:

- 1) The Administrative Services Office will bill churches/agencies directly for the cost of the following plans (if their minister is a participant):
 - Clergy Retirement Security Program (CRSP) for full-time and 3/4-time ministers

- United Methodist Personal Investment Plan (UMPIP) for 1/2-time and 1/4-time ministers
- Health insurance (HealthFlex) for active ministers serving full time

2) The Conference will continue to bear, on the decimal apportionment system, the financial responsibility for the following:

- Pension liability for the Pre-82 Pension Plan (mainly PSR increases)
- the Comprehensive Protection Plan (CPP)
- the health insurance program (HealthFlex) for ministers on disability
- Health Reimbursement Account (HRA) funding for retired ministers (if Report #7 is approved, only funding for pre-65 retirees)

Agencies which do not receive apportionments will be billed directly for the CPP related to any clergy staff appointed to that agency.

3) Wespeth will bill churches/agencies directly for the minister's personal contribution to the United Methodist Personal Investment Plan (UMPIP).

The Denominational Average Compensation (DAC) for 2023 will be \$76,211. The Conference Average Compensation (CAC) for 2022 will be \$87,921. These figures are based on salary plus 25% for housing.

**REPORT #1
PRE-1982 PENSIONS AND BENEFITS
(FORMERLY CONFERENCE CLAIMANTS)**

Since 1982, ministerial pensions have been funded each year by the church or agency which a minister serves. PRE-1982 PENSIONS is the term used to describe the funding of pensions for those ministers, both active and retired, who have years of service credit prior to 1982. The South Georgia Conference met its obligation to fund the Pre-'82 Pension in 2019. Actuaries tell us we are never "fully funded," as funding depends on investment performance and mortality, among other items. Nonetheless, we expect only modest payments on this account in coming years.

Pre-'82 pensions are provided at a Past Service Rate (PSR). Essentially, you multiply the number of years served by the PSR to arrive at an annual pension. Beginning in 2014, any increase in the past service rate for Pre-82 pension benefits must be fully funded in advance of the increase. For service rendered prior to January 1, 1982, *the following rates are anticipated for 2023:*

Retired Full Members, Associate Members and Local Pastors	<i>\$799.00 per service year</i>
Widows or Widowers of Participants	<i>\$559.00 per service year</i>

These rates are an increase of 2% from the current PSR of \$783.00. We are pleased to report that our level of payment into the Pre-'82 plan should enable us to have annual increases of 2%, without the need to apportion those increases. The actual 2023 PSR will be set at the fall 2022 meeting of the Conference Board of Pensions, based on sufficient earnings.

**REPORT #2
THE CLERGY RETIREMENT SECURITY PROGRAM (CRSP)**

Employer contribution for 3/4- and full-time ministers

The 2004 General Conference adopted a new pension plan for ministers called the Clergy Retirement Security Program (CRSP) which offers a unique two component benefit design that began on Jan. 1, 2007. The core program, which is provided to all eligible clergy (including deacons), consists of separate defined benefit and defined contribution plans. These components, which combined with Social Security and personal savings, are designed to replace 75% - 100% of income at retirement, assuming participants are contributing to Social Security and have saved some funds personally (either through the United Methodist Personal Investment Plan, also known as UMPIP, or other savings).

- A "defined benefit retirement plan" promises a specific dollar amount at retirement regardless of market conditions or investment performance. At the beginning of CRSP, the Defined Benefit portion of CRSP was a benefit equal to 1.25% of the Denominational Average Compensation (DAC) at the time of retirement multiplied by the number of years of credited service in the plan. Changes to the plan made at the 2012 General Conference have set the benefit equal to 1.0% of the DAC beginning January 1, 2014. The prior CRSP benefit formula will remain effective for all covered service prior to January 1, 2014.
- A "defined contribution retirement plan" promises that a defined amount of money will go into an active clergy person's account annually. The Defined Contribution portion of CRSP had a benefit equal to 3% of the

1 minister's "Pension Plan Compensation" each year through December 2013. The "Pension Plan Compensation"
2 for each minister is the taxable salary plus non-taxable contributions to a 403 (b) plan and a section 125
3 cafeteria plan plus 25% of the above for housing. If a parsonage is not provided, the actual amount the minister
4 receives for housing will be included. Beginning January 1, 2014, the Defined Contribution contributed by the
5 Church is now 2% of the "Pension Plan Compensation" with an additional 1% matching contribution if the
6 minister contributes at least 1% to UMPIP. Ministers contributing at 1% to UMPIP will have church
7 contributions to the Defined Contribution Plan equal to 3%. Those opting not to participate will receive church
8 contributions equal to 2%.

9
10 ***We recommend that the minister's pension be billed to their local church/agency as follows:***

11
12 1. Beginning January 1, 2015, the defined benefit portion of CRSP (CRSP DB) will be assessed to churches
13 based on a specific percentage of the clergy's "Pension Plan Compensation." The actual percentage to be used will
14 be calculated by the conference after consultation with the actuaries at Wespath. Churches will then be charged for
15 their share of the CRSP DB based on their current appointment status and salary information. Changes to
16 appointments and salaries midyear will be reflected in the billing at the time of the change.

17
18 2. Each church having a participating clergy will be assessed 3% of their clergy's "Pension Plan
19 Compensation," which will go directly into their clergy's designated account at Wespath to fund the defined
20 contribution portion of CRSP based on the decision of the minister to participate in the minimum contribution
21 requirements for matching funds; and

22
23 3. The amounts calculated for the two parts of CRSP will be billed to the church or salary-paying unit.

24
25 Pastors and/or Church Treasurers who experience any billing problems are asked to contact the Conference
26 Administrative Services Office.

27
28 **Employer contribution for 1/2-time and 1/4-time ministers**

29
30 The 2013 Annual Conference approved that the benefits for ministers serving 1/2-time or 1/4-time appointments will
31 be provided by the United Methodist Personal Investment Plan (a defined contribution plan). These benefits are
32 described in Report #3 under United Methodist Personal Investment Plan.

33
34 **EXTENSION MINISTRY APPOINTMENTS**

35
36 Under the CRSP pension plan, church-related institutions and agencies can sign an agreement with Wespath to offer
37 the United Methodist Personal Investment Plan for the employers' portion of the minister's pension, or they can sign
38 an agreement with the Conference Board of Pensions and Health Benefits (CBOPHB) in order to allow their active
39 ministers to participate in the Clergy Retirement Security Program. Church-related institutions and agencies which
40 choose to enroll their active ministers in CRSP through the South Georgia Conference will be responsible for the
41 costs associated with their minister's participation in the plan. Church-related institutions and agencies are also
42 encouraged to enroll their active ministers in the Comprehensive Protection Plan. Ministers appointed to extension
43 ministries are reminded that when their compensation changes, they need to notify Wespath and the Administrative
44 Services Office in order for their pension contributions to be calculated properly.

45
46 **REPORT #3**

47 **UNITED METHODIST PERSONAL INVESTMENT PLAN (UMPIP)**

48
49 **Employer contribution for 1/4- and 1/2-time ministers**

50
51 As of January 1, 2014, ministers serving less than 75% appointments are no longer eligible to participate in the CRSP
52 and will be enrolled in UMPIP as their primary pension plan. Churches will be billed 14% of the minister's pension
53 plan compensation (salary + housing, see Report #2) which would be directly deposited in the minister's account
54 subject to the minister's personal participation of a 1% match. Those choosing not to participate would only receive
55 13% in their UMPIP account. Churches will be billed by the Administrative Services Office for the church's cost of
56 the minister's participation in UMPIP. (Wespath will direct bill the churches for the minister's personal pension
57 contribution.)

58
59 **Minister's Personal Pension Contribution:**

60
61 Beginning in January 2007, the Personal Investment Plan was modified, and the new name is United Methodist
62 Personal Investment Plan (UMPIP). In 2021 and 2022 ministers covered by the Clergy Retirement Security Program

1 (CRSP) are urged to pay a minimum of 3% of their salaries into their United Methodist Personal Investment Plan
2 (UMPIP) accounts with Wespath. UMPIP contributions can be tax deferred (“Before Tax Contribution”) or tax paid
3 (“After Tax Contribution”) based on an agreement with the church prior to the beginning of the year. An additional
4 option is to have contributions invested in a Roth account. Wespath will continue to send bills directly to churches
5 and church-related institutions and agencies for their minister’s contributions into UMPIP. Contributions to UMPIP
6 over the minimum 1% matching contribution will continue to be encouraged of all ministers as an important part of
7 their retirement planning.
8

9 **Auto-Enroll Program:**

10
11 Your Board of Pensions has been concerned for some time over the number of pastors who do not contribute to their
12 own retirement through UMPIP. We believe many of the pastors who do not contribute fail to do so simply because
13 they never completed the necessary paperwork. We began auto-enrolling clergy in the UMPIP program beginning in
14 the fall of 2017 for 2018 compensation. Auto-enrollment will assume a 1% contribution. Clergy are able to opt out of
15 enrollment, so we will not force those who intentionally have not enrolled. Very few clergy do opt out. We will
16 continue to auto-enroll clergy in this plan. Auto-enrollment will bless many of our clergy by enabling them to provide
17 for their retirement.
18

19 **REPORT #4**
20 **THE COMPREHENSIVE PROTECTION PLAN (CPP)**

21
22 In 2023, the Contribution Rate for CPP shall be 3% of the Active Participant’s Plan Compensation for the year, not to
23 exceed twice the Denominational Average Compensation (DAC). Plan Compensation for the Comprehensive
24 Protection Plan is the same as it is for the Clergy Retirement Security Program, which is defined in Report #2. Based
25 on this rate and the DAC, the maximum contribution for each full-time minister will be \$4,574 for 2023. The South
26 Georgia Conference pays for CPP through the apportionments. So, the amount each church pays for the
27 Comprehensive Protection Plan will not usually be equal to the actual cost of CPP for their minister(s).
28

29 ***It is recommended that funding for the Comprehensive Protection Plan (CPP) be as follows:***

- 30
31 (1) CPP will be apportioned to the charges based upon the same “decimal” which is used for the other
32 apportionments.
33 (2) Each local church treasurer is urged to make a monthly payment of the CPP apportionment to the
34 Administrative Services Office with their other apportionments.
35 (3) Participating agencies will be directly billed 3% of plan compensation for any clergy appointed to the
36 agency.
37 (4) The Director of Administrative Services shall remit payments on a monthly basis to Wespath on behalf of
38 all pastors covered by the Comprehensive Protection Plan (CPP).
39

40 **REPORT #5**
41 **HEALTH INSURANCE PROGRAM**
42 **(HEALTHFLEX)**
43

44 In 2023, the Conference Board of Pension and Health Benefits will continue to offer a health benefit program.
45 Health insurance is not mandated by the General Conference, but we wish to provide these benefits as long as they
46 are affordable. In a group policy, the cost of premiums is directly related to prior claims experience. Our group is
47 relatively small and older, which usually leads to higher claims, and thus higher costs. This year’s premium increase
48 is lower due to an improved claims experience. Participation in the Conference health insurance program
49 (HealthFlex) is mandatory for persons in the following categories who are under full-time appointment:
50

- 51 1. To the Local Church:
52 A. Members of the South Georgia Annual Conference appointed to full-time service who are:
53 a - an elder in full connection (*2016 Discipline*, &338.1);
54 b - an associate member (*2016 Discipline*, &321.3);
55 c - a provisional member on the elder track (*2016 Discipline*, &326);
56 B. A full-time local pastor who is under episcopal appointment to a charge located in the South Georgia
57 Annual Conference (*2016 Discipline* &318.1);
58 C. An ordained elder or ordained clergy from other annual conferences or other Methodist denominations
59 appointed to a local church within the South Georgia Annual Conference (*2016 Discipline*, &346.1); or,
60 D. A clergy member from another denomination under episcopal appointment to a local church within the
61 South Georgia Conference as defined by the *2016 Discipline*, &346.2.
62 2. To an Extension Ministry:

1 An ordained elder, an associate member, or a probationary member (other than a missionary)
2 appointed beyond the local church within the connectional structure to a unit of the South Georgia Annual
3 Conference (*2016 Discipline*, §344.1(a)(1)) with pension responsibility by the Annual Conference. This includes
4 members who are serving as district superintendents, connectional ministries directors and staff, congregational
5 development officers, assistant to the bishop, conference treasurer, director of ministerial services and other
6 appointments with salaries funded by the Annual Conference.

7
8 ACTIVE MINISTERS

- 9 1. All ministers covered under the mandatory participation rules will have 100% of the cost of their premium
10 billed directly to the local churches they are serving.
11 2. The cost of health insurance for participants on incapacity leave and receiving disability benefits from the
12 Comprehensive Protection Plan who are in a mandatory participation category will be paid by the Conference
13 through the apportionments.
14 3. Salary-paying units of Extension Ministers (including Conference Evangelists) must pay the full cost of the
15 premiums in order for them to participate in the health insurance program (HealthFlex).
16

17 RETIRED MINISTERS

18 Since January 1, 2013, we have used the services of Via (formerly One Exchange) to provide supplemental
19 insurance policies to ministers retired from the South Georgia Conference and their spouses who are eligible for
20 Medicare. Health Reimbursement Accounts (HRAs) are established with Via (formerly One Exchange) to help
21 cover the cost of the insurance based on previous participation in HealthFlex and years of service in the South
22 Georgia Conference.
23

24 ***Beginning July 1, 2016, the rates will be:***

25 20 years of service/participation in South Georgia plan	- <i>\$2,520 annually</i>
26 10-19 years of service/participation in South Georgia plan	- <i>\$1,890 annually</i>
27 less than 10 years of service/participation	- <i>no contribution</i>

28
29 These amounts are subject to change based on the decision of the Conference Board of Pensions. From time to time,
30 we survey our retirees concerning the actual cost of their supplemental insurance.
31

32 Report #7 presents our recommendation that the South Georgia Conference establish a Funding Reserve Trust for
33 Post-Retirement Clergy Benefit Plans. If established, this Trust will assume responsibility for funding retiree
34 healthcare for pastors over 65 in retirement.
35

36 **HEALTHFLEX PREMIUMS FOR 2023**

37
38 The premium for the “default” plan (CDHP C2000) is \$985/month in 2022; in 2023, the premium will increase to
39 \$1,081/month. This 9.7% increase (\$96/m) is related to very high claims in 2021. Our lower “claims experience” in
40 2017, 2018, and 2019 helped keep our premiums in line, but 2020 and 2021 were not good. **In our continuing
41 effort to help local churches, the Conference Board of Pensions will pay \$82.50 per month towards the
42 premium of the clergy person. The amount billed to local churches is expected to be \$998.50/month.** We are
43 using rebate funds from “good claims experience” years to offset these premium increases. While these funds will
44 not last indefinitely, they do now provide some immediate assistance. The Board of Pensions is exploring ways to
45 offset some of this increase for clergy families. Our proposal is not complete in time for publication, but will be
46 presented to the Annual Conference.
47

48 Our claims experience in 2021 was 120.6% overall (meaning for every dollar we paid in premiums, the insurance
49 paid out \$1.20 in claims). In 2020, claims were 1.25 cents for every dollar in premiums. These high claims not only
50 result in increased premiums, they make it unlikely any other insurance carrier will bid for our business. We are
51 faced with paying high premiums or not offering insurance coverage.
52

53 Our clergy population is older than the average insured group. As long as our conference wishes to provide health
54 insurance for pastors in a group plan, we will struggle with these costs. Our carrier, HealthFlex, does provide
55 numerous wellness benefits and incentives to live healthier, as well as coaching and other assistance to those
56 wishing to get healthier. These could produce better health in our clergy, which would benefit the clergy as well as
57 lower our claims. Our participation in these wellness incentives is low. Pastors must overcome their resistance to
58 participation in their own wellness if we are to continue providing health insurance.
59

60 **MISCELLANEOUS INFORMATION**

61 USING THE HEALTHFLEX EXCHANGE:
62

1 Beginning in 2011, our “active plan” (for participants under age 65) was changed to a Consumer Driven Health Plan
2 (CDHP), a type of health insurance plan that allows the participant to use a health reimbursement account (HRA) to
3 pay certain health care expenses directly, while a high-deductible health plan protects them from catastrophic
4 medical expenses. This model resulted in significant savings for the conference and delayed premium increases for
5 three years. The Conference Board of Pensions monitored the type of plans available and their costs, and decided to
6 participate in the private HealthFlex Exchange in 2017.

7
8 Participating in the Exchange allows participants to choose from several health plans instead of only one. Each plan
9 has its own deductibles, coverages, and costs. In addition, the Exchange provides dental and expanded vision
10 coverage. Participants are more likely to find a plan which suits their particular needs.

11
12 *We will continue to participate in the HealthFlex Exchange in 2023.*

13
14 SOUTH GEORGIA CONFERENCE WEBSITE: www.sgaumc.org

15 The Administrative Services section of the Conference website includes many useful forms and articles regarding
16 pension, health insurance, flexible spending accounts, and related matters. In addition, the Housing Allowance
17 Resolution for Retired or Disabled Ministers is available on the website.

18
19 **REPORT #6**
20 **WELLNESS INITIATIVE FOR SOUTH GEORGIA**

21
22 The Conference Board of Pensions continues to embrace better health and “wellness” for our ministers and laity.
23 Because of the increasing cost of health care and the increasing number of our participants with chronic illnesses,
24 the Board of Pensions realizes that by emphasizing “wellness” and working to improve the health of our clergy we
25 will not only improve the ability of clergy to be in ministry but should, in the long term, have an effect on the rising
26 costs of insurance. To say this differently, the key to lowering premiums for our health insurance is to increase the
27 health and well-being of our clergy.

28
29 We encourage ministers to become more responsible for their health-related behaviors. Virgin Pulse is included in
30 each of the health plans, with varying rewards based on participant behavior. Information on enrolling in Virgin
31 Pulse can be obtained on the South Georgia Conference website or by contacting the Administrative Services Office
32 at 478-738-0048.

33
34 HealthFlex is further encouraging active participants to be more responsible for their health. We expect to continue
35 the requirement that all participants in the active HealthFlex plan must take the Health Check (formerly HQ Health
36 Quotient) by August 31, 2022, to avoid increased 2023 individual deductibles. If a participant's spouse is covered
37 under the active plan, both the participant and the spouse must separately take the Health Check by August 31, 2022,
38 to avoid an increased 2023 deductible for the spouse/family. Health Check is accessed through the Virgin Pulse app
39 or website.

40
41 We encourage all ministers to have a “wellness” exam annually. Guidelines related to “wellness” exam by age
42 groups are on the South Georgia Conference website, www.sgaumc.org.

43
44 The annual “Blueprint for Wellness” (BFW) offered by our insurer not only provides a needed service, but also has
45 a cash incentive for active participants! Participants can have the BFW done at Annual Conference, at a Quest lab
46 nearby (please schedule this through your Wespath Benefits Access portal online), or have a blood-check kit mailed
47 to their home. In many cases, this free bloodwork will replace the bloodwork your doctor orders, at no cost to the
48 participant. Contact the Administrative Services office for more information.

49
50 **REPORT #7**
51 **SOUTH GEORGIA ANNUAL CONFERENCE**
52 **FUNDING PLAN FOR RETIREE HEALTH CARE BENEFITS**

53
54 The South Georgia Conference (the “Conference”) will continue to offer access to a health benefit program for our
55 retired ministers. The Conference is not liable for healthcare for retirees, their spouses, or surviving spouses.
56 However, the Conference desires to provide access and assistance for such benefits as long as they are affordable (in
57 the same way we desire to provide such benefits for active pastors).

58
59 In January, 2013, retirees were transitioned to individual Medicare supplement policies through Via (formerly One
60 Exchange). The Conference no longer offers HealthFlex for those who are Medicare eligible. Retirees who were on
61 our HealthFlex insurance for 20 or more years of service in South Georgia will have a Health Reimbursement
62 Account (HRA) funded at \$2,520 beginning July 1, 2016. Those with 10 to 19 years on our insurance will have a

1 \$1,890 HRA and those with less than 10 years will bear the full cost of their insurance. This change dropped our
2 Accumulated Post- Retirement Benefit Obligation from \$24,429,641 on 12/31/2010 to \$11,581,484 on 12/31/2014.
3 As of 12/31/2018, it was \$10,108,462.
4

5 Between 2018 and 2020, two major changes occurred which impact retiree health care liability. First, a new
6 mortality table was adopted which more accurately reflected the actual experience of retired clergy. Second, changes
7 in the investment environment (especially lower interest rates) lowered the “discount rate” from 4% to 3.5%. This
8 lowered discount rate has the effect of increasing liability, since lower investment earnings are anticipated. Our
9 Accumulated Post-Retirement Benefit Obligation thus increased to \$16,457,048 as of 12/31/2020.
10

11 Our Conference maintains a Reserve Account for Retiree Medical Benefits with Wespeth that had a value on
12 December 31, 2021, of \$4,245,761. These funds came from the 2007 Performance Dividend, Medicare D rebates
13 and HealthFlex Incentives, as well as recent payments to secure our retiree healthcare funding. Note that much of
14 the increase in value is in the form of unrealized investment gains, and is not actual cash.
15

16 Uncertainty about the direction of The United Methodist Church and the South Georgia Annual Conference creates
17 additional uncertainty about the security of our retiree healthcare funding. The Conference Board of Pension and
18 Health Benefits wants to secure our retiree healthcare funding as we move into this uncertain future. We further
19 believe there is benefit in doing this now, while we have adequate time to consider the proposal, rather than at some
20 future date when we may be rushed or feel pressured. After considering the impact of church disaffiliations and the
21 potential breakup of the denomination, the Board recommends that our conference establish a Funding Reserve
22 Trust for Post-Retirement Benefit Plans. Such a Trust would make this benefit available to retirees and those near
23 retirement even if our conference resources shrink. The proposed Trust document, explanatory videos, and other
24 information were posted on the conference website in January 2022 to provide time for consideration and feedback
25 on the proposal. Establishing this Trust is a wise way of securing this benefit for our retired clergy.
26

27 The Trust will be funded by assets held by the Conference Board of Pensions for the benefit of retired clergy. We
28 are awaiting an updated actuarial study to confirm the amount of funding needed: it will be in the \$12-\$16 million
29 range. Once the actuarial report is received, we will publish proposed funding sources online so that Conference
30 members will know how the funding works prior to being asked to vote on the proposal. We do not anticipate
31 requiring any funds from local churches to fund the Trust.
32

33 **FUNDING RESERVE TRUST FOR POST-RETIREMENT BENEFIT PLANS** 34 **SUMMARY**

35
36 *The full legal document establishing the Trust is available on the conference website, www.sgaumc.org. It is 23*
37 *pages long. In order to save printing, a summary is provided here. Delegates are encouraged to download the*
38 *actual document to read in pdf. format, as well as the FAQ which accompanies it.*
39

40 **Overview**

41 **1. General**

42
43 **Purpose** – The Trust is an irrevocable trust. Its purpose shall be to receive and hold contributions from the Grantor
44 (the South Georgia Annual Conference) for the Clergy Benefit Plans, and to distribute the same to the Plans.
45

46 **Qualification of Trust** – This trust is exempt from federal and state income tax.
47

48 **Clergy.** Clergy means a pastor in accordance with ¶339 of the BOD, who is an ordained elder, probationary deacon
49 (according to 1992 BOD), associate member, provisional elder, or local pastor approved by vote of the clergy
50 session, who has been appointed by the Bishop of the Grantor to be in charge of a station, circuit, cooperative parish,
51 extension ministry, ecumenical shared ministry, or to a church of another denomination or on the staff of one such
52 appointment on or before Dissolution Date and the appointment to serve is within the boundaries of the Grantor.
53 [This definition is taken from the BOD ¶339].
54

55 **Dissolution Date.** Dissolution Date means the date the Grantor ceases to exist in its current form; the number of
56 churches within the boundaries is decreased by twenty percent (20%) or more; the boundaries are materially
57 changed; or the Grantor ceases to be an Annual Conference of The United Methodist Church as defined in Section
58 IX of the BOD.
59

60 **Successor Supported Organization.** After Dissolution Date, a Successor Supported Organization means an entity
61 or conference which sponsors a benefit plan which satisfies the requirements of Section 2.01(b) and in which Clergy
62 of the Grantor participates.

1 **2. Beneficiaries**

2
3 **Clergy Benefit Plans** – The initial clergy benefit plan is the Medicare Connector Program HRA provided through
4 VIA Benefits (formerly ExtendHealth). The agreement also provides that other benefit plans could be added, but not
5 removed from, the list of Clergy Benefit Plan. However, to be added, the plan must be sponsored by a Successor
6 Supported Organization and must provide benefits based on retiree’s service to Grantor before the Dissolution Date
7 and must provide benefits of the type provided by the Clergy Benefit Plan.
8

9 **Interest of Clergy Benefit Plans in Trust** – Participants in the clergy benefit plans are not beneficiaries of the trust.
10 Only the benefit plans are beneficiaries.
11

12 **3. Trust**

13
14 **Composition** – The Trustees will hold and administer all sums of money securities, property, etc. for the Trust. The
15 trustees will not distinguish between the principal and income.
16

17 **Contributions** – Trustees have no duty to require contributions to the Trust, but are only responsible for the
18 amounts received by the Trustees.
19

20 **4. Trustees**

21
22 • **Prior to Dissolution:**

23 Each member of the Grantor’s Board of Pension and Health Benefits will be a Trustee and the individual’s term will
24 terminate at the conclusion of their term with the Board.

25 • **If Dissolution were to occur:**

26 New Trustees shall be elected by the current Trustees. There shall be no less than 16 and no more than 20 Trustees.
27 Trustees shall be clergy members of the Grantor or lay members of a congregation of the Grantor prior to
28 Dissolution Date. There shall be an equal number of lay and clergy Trustees.
29

30 Trustees shall be elected to four-year terms in rotating classes. Trustees may serve a second term. Trustees shall be
31 representative of the clergy who are beneficiaries of the Plan (i.e. race, gender, geography). At least one of the
32 Trustees elected each year shall be a retiree who is a beneficiary of the Plan. The Director of Administrative
33 Services and Benefits Officer of any successor supported organizations shall serve as ex-officio Trustees.
34

35 **General Responsibility** – The trustees manage the funds held in trust, decide whether to add additional benefit
36 plans as beneficiaries of the trust, handle distribution of funds from the trust to the Clergy Benefit Plans, and
37 determine if any staff support is needed. They do not make distributions to the beneficiaries of the benefit plans or
38 set the terms of the benefit plans. Eligibility for retiree healthcare benefits is determined by the Conference Board of
39 Pensions.
40

41 **Removal** - Removal requires a unanimous vote.
42

43 **5. Investments**

44
45 Trustees have the authority to invest and reinvest funds, to establish and alter an investment policy, and to select
46 investment managers.
47

48 **6. Governance, Investment Managers, and Custodians**

49
50 **Responsibility with Respect to Co-Trustees** – Trustees will generally share all powers and responsibilities jointly,
51 but they may by unanimous agreement allocate certain obligations, responsibilities, or duties to a specific Trustee.
52

53 **Governance/Administrations** – Trustees must meet at least once a year and meetings can be held by telephone or
54 other similar means. A majority of Trustees constitutes a quorum.
55

56 **7. Miscellaneous**

57
58 This section provides for best practices, audits, records, and similar matters.
59

60 **8. Amendment and Termination**

61
62 **No Diversion** – Income to the Trust may not be diverted to the Grantor or Successor Supported Organizations. If the

1 Trust is being terminated, funds will be distributed to Grantor or SSO after all liabilities are paid off.

2
3 **Amendments** – This provision discusses how Trustees may amend provisions to the Trust. However, Trustees may
4 not amend the purpose of the Trust because it is an irrevocable trust and may not remove any existing Beneficiaries.
5 The Trustees may add new similar benefit plans as Beneficiaries.

6
7 **Clergy Benefit Plan Termination** – If a Clergy Benefit Plan is terminated, all the rights and responsibilities will
8 continue until all Clergy Benefit Plan benefits have been paid off.

9
10 **Trust Termination** – There are three events which will terminate the irrevocable trust:

- 11 (i) Clergy Benefit Plan benefits due under the Clergy Benefit Plans are fully paid. The Trust will terminate
- 12 automatically at such time;
- 13 (ii) The assets of the Trust are less than \$500,000; or
- 14 (iii) There are less than thirty (30) surviving clergy. At termination, Trustees will determine any final
- 15 distributions needed.

16
17 **REPORT #7 SUPPLEMENT**
18 **RETIREE HEALTHCARE TRUST**
19 **FREQUENTLY ASKED QUESTIONS**
20

21 **Section 1: Questions and Answers**

22
23 **What is a Healthcare Trust?**

24 According to Investopedia, a trust is a fiduciary relationship in which one party, known as a trustor, gives another
25 party, the trustee, the right to hold title to property or assets for the benefit of a third party, the beneficiary.

26
27 In this case, the South Georgia Conference (trustor) would give assets (funds) to the Trust (trustee) to benefit the
28 retiree healthcare plan (beneficiary), which currently provides funding for supplemental healthcare for retired clergy
29 and conference staff.

30
31 **Why are you suggesting the South Georgia Conference establish a Trust?**

32 Many conferences and other denominations are struggling to fund retiree healthcare now. The future of the United
33 Methodist denomination is uncertain. The Conference Board of Pension and Health Benefits wants to secure our
34 retiree healthcare funding as we move into this uncertain future. We further believe there is benefit in doing this
35 now, while we have adequate time to consider the proposal, rather than at some future date when we may be rushed
36 or feel pressured.

37
38 **Who will the Trust benefit?**

39 The proposed Trust will benefit all clergy and conference staff currently receiving retiree healthcare funding. It will
40 also secure funding for those clergy and staff who are 55 and older, and who have or can meet the qualifications for
41 retiree healthcare. These benefits apply to clergy and conference lay staff and are not impacted by gender, race, or
42 ordination. The requirement is to be on full retirement (age 62 or 30 years of service, or age 65 or 40 years of
43 service) and have been on Conference insurance for at least 10 years.

44
45 **Why is the Trust for those over 55?**

46 The main retiree healthcare benefit the Conference offers is funding for Medicare supplemental policies. You must
47 be on Medicare to benefit from these, which means you must be 65 or older. Persons who are presently 55 or older
48 may not have sufficient time to secure other funding for retiree healthcare.

49
50 **What about clergy and conference staff under 55?**

51 Essentially persons under 55 will be in the same position they are now – retiree healthcare funding is dependent
52 upon the ability of the annual conference to pay it. Nothing about the Trust prohibits the Conference from
53 continuing to fund retiree healthcare for persons not covered by the Trust.

54
55 We do not know what plans may be offered in the future. Whether churches and clergy stay in The United Methodist
56 Church, move to a new denomination, or become independent, funding for retiree healthcare will need to be
57 considered. Persons who are under 55 should have time to make other plans for healthcare in retirement. It is not
58 financially feasible to fund retirement healthcare now for all persons who are presently serving.

59
60 **How does retiree healthcare work now?**

61 Most persons retire at or after they turn 65. At that point they go on Medicare. If these clergy/lay staff have been on
62 Conference insurance for at least 10 years, they qualify for retiree healthcare assistance. If they have less than 10

1 years on our insurance, they do not qualify.
2
3 The Conference provides a resource through VIA Benefits to help retired clergy discern which Medicare supplement
4 policies are best for their specific medical and financial situation. The Conference then provides funding through a
5 Health Reimbursement Account (HRA) to assist in paying for these supplemental policies. By using VIA Benefits
6 and funding through an HRA, the Conference is able to provide this benefit on a non-taxable basis.
7
8 If a pastor elects full retirement before they are Medicare-eligible, they may stay on HealthFlex until they reach 65.
9 Should they elect to do so, the Conference provides the same amount of funding towards the HealthFlex premium,
10 and the retiree pays the difference.
11
12 **Is retiree healthcare funding guaranteed?**
13 No. The annual report of the Conference Board of Pension states: the Conference is not liable for healthcare for
14 retirees, their spouses, or surviving spouses. However, the Conference desires to provide access and assistance for
15 such benefits as long as they are affordable.
16
17 Other conferences are struggling to continue retiree healthcare; some have discontinued such coverage. The
18 Conference Board of Pension is grateful that our churches have supported this need, but there is no guarantee they
19 can do so indefinitely.
20
21 **Will this Trust guarantee retiree healthcare funding?**
22 No. There is no way to predict what will happen with investments or healthcare costs in the future. No one can
23 guarantee future funding that is sufficient to meet the need. What this Trust does do is provide adequate funding for
24 reasonable estimates of earnings and expenses for the actuarially projected lifetimes of the participants. It further
25 provides for a Board of Trustees who are able to take such steps as prove necessary from time to time.
26
27 **If approved, when will this trust be established?**
28 If the Conference approves, the Trust will establish July 1, 2022. The Board of Trustees has tentatively set an
29 organizing meeting for July 21, 2022.
30
31 **When will the Trust start funding healthcare?**
32 If the Trust is created by the 2022 Annual Conference, the Conference Board of Pension envisions the Trust will
33 start funding healthcare for retirees on Jan 1, 2023. This will result in a decrease in apportionments for local
34 churches.
35
36 **What will change if the Healthcare Trust is created?**
37 Retirees should not notice a change in how they receive funds or in how their claims are processed. The change will
38 be that the source of funding for retiree healthcare is now owned and invested by the Trust, rather than dependent
39 upon the Conference or apportionments.
40
41 **How does this affect apportionments?**
42 Churches should experience a decrease in apportionments since most retiree healthcare will be funded through the
43 Trust. Some apportionment funding will still be needed for those who retire before they are eligible for Medicare.
44
45 **Who will run the Trust?**
46 The same people currently responsible for our healthcare – the Conference Board of Pension and Health Benefits –
47 will be the initial Trustees.
48
49 **Where are we getting the money to fund the Trust?**
50 The Conference Board of Pension has some assets which were raised for the purpose of providing pensions, which
51 were not needed to fund the Pre-82 plan. For several years Wespath has required us to put money aside for retiree
52 healthcare needs, in addition to current costs. In addition, investments over the years have grown significantly in the
53 market. We propose to use some of these accumulated funds, which are already earmarked for retirees, to fund the
54 Trust. (A complete list of funds under the Conference Board of Pension is posted annually on the Conference
55 website on the Audit/Financial Statements page.)
56
57 **What if the conference separates, dissolves, splits, mutates, etc.?**
58 If changes happen such that the South Georgia Conference no longer exists, or is no longer able to function in the
59 manner it presently does, or if a sufficient number of clergy and retirees leave the Conference, then the Board of
60 Pension will appoint a new set of Trustees. They will be chosen to represent the same racial, gender, and theological
61 diversity as those covered by the retiree healthcare plan.

1 **How will this impact pastors who withdraw from the UMC to unite with another denomination, or go**
2 **independent?**

3 If the pastor qualifies for inclusion in the Trust on July 1, 2022, then the pastor is included regardless of whether or
4 not they stay in the UMC.

6 **How will this work if the Conference withdraws from the UMC and the pastor choose to remain in the UMC?**

7 If the pastor qualifies for inclusion in the Trust on July 1, 2022, then the pastor is included regardless of whether or
8 not they stay in the South Georgia Conference.

10 **What happens if we do not establish the Trust?**

11 No one can be sure what will happen if we do not establish the Trust because the future is so uncertain. Retiree
12 healthcare for 2023 will continue as is. It is over the next four to five years that the risk becomes greater.

14 It seems likely that The United Methodist Church will experience some form of disruption in the next few years.
15 Our Annual Conference is already seeing churches choose to disaffiliate. If this continues, conference leaders
16 anticipate lower apportionment payments and less secure funding for our retiree healthcare. Other possibilities exist
17 which have a more dramatic impact on our ability to pay for retiree healthcare in the future.

19 Recent news reports indicate that other denominations are having to slash retiree healthcare. Some annual
20 conferences have discontinued retiree healthcare or limited it to present retirees, not future retirees. The Conference
21 Board of Pension does not want this to happen in South Georgia, which is why the Board is proposing the Trust be
22 established.

24 **Will establishing this Trust guarantee funding assistance for retiree healthcare?**

25 No. Establishing this Trust is a prudent move in the current situation to protect funding for retiree healthcare
26 assistance. However, there are too many variables in the future to make a promise that funding will always be
27 available. No amount of funding can be guaranteed.

29 **Section 2: Examples of Impact**

31 *I'm already retired. How does this impact me?*

32 You have the security of knowing that funds are now sequestered and invested specifically to provide healthcare
33 funding in the future, no matter what happens in our Conference or denomination.

35 *I'm 55-65 years old, presently have conference health insurance, and qualify for retiree healthcare. How does the*
36 *creation of this Trust impact me?*

37 You have the same security as current retirees – funds are sequestered and invested to provide healthcare funding for
38 you when you retire.

40 *I'm 45, but I have 20 years in. How does this impact me?*

41 Nothing changes for you. There is no guarantee now that retiree healthcare will be available when you retire, nor
42 does this Trust provide any guarantee. It is the hope of the Board that wherever our clergy are serving at the time of
43 their retirement will have funding for retiree healthcare. The Conference Board of Pension is grateful we can
44 provide this benefit now. Our commitment has been and remains to do so as long as it is financially feasible.

47 *I'm disabled now, not yet retired. How does this impact me?*

48 Being on disability is not relevant to the Trust. If you are 55 or older, you will be covered by the Trust after
49 retirement. If you are under 55, you will not be. While you are on medical leave and disability, the Conference will
50 fund your health care.

52 *I'm Conference lay staff. How does this impact me?*

53 You will be treated the same as clergy. If you are 55 or older and meet the qualification, you will be covered by the
54 Trust. If you are under 55, you will not be covered by the Trust.

56 **REPORT #8**
57 **ACCUMULATING DEBT FOR CLERGY BENEFITS**

59 Your Conference Board of Pensions continues to be concerned about the accumulated clergy benefits debt. We have
60 direct-billed the pastor's pension to local churches/agencies since 1982, and the pastor's health insurance since
61 2003. As we have shared in recent years, we have churches which have not paid, and are not paying, the health
62 insurance and pension for their pastor(s). These benefits are part of the pastor's compensation, and are an obligation

1 of the local church. When they are not paid, other churches in the Annual Conference must step in and make the
2 payments, or the pastor will lose his/her insurance and/or pension. There is a fallacy in thinking that “the
3 Conference” will pay these benefits – in reality, whenever the Conference pays a bill, it does so with funds from
4 local churches. In a very real sense, this debt of clergy benefits is not owed to the Conference but to the other
5 churches in the Conference.
6

7 In this report, we state again our long-standing practice, and ask that our pastors, churches, and all officers and
8 members of the South Georgia Annual Conference acknowledge:

- 9 • The cost of a pastor’s pension is part of his/her annual compensation, and is the responsibility of the local
10 church/charge to which he/she is appointed;
- 11 • The cost of a pastor’s health insurance is part of his/her annual compensation, and is the responsibility of the
12 local church/charge to which he/she is appointed;
- 13 • Responsibility for paying pension and insurance expenses incurred during a pastor’s appointment does not end
14 with the pastor being appointed to a new charge/church. The liability remains, is a responsibility of the local
15 church, and must be paid;
- 16 • Our Standing Rules provide that if a church closes, any pension/insurance debt remaining shall be paid using
17 proceeds from the sale of church property;
- 18 • Any funds withheld from a pastor’s pay in order to pay personal insurance or personal pension contributions on
19 behalf of that pastor must be remitted monthly, and cannot, in any circumstance, be held by the local church.
20

21 Debt on unpaid benefits was \$672,690 at the end of 2021 (a decrease of \$149,831 from end of 2020, or 18%). When
22 we first raised this issue, accumulated debt was \$1.1 million. Over a third of the unpaid benefits debt has been
23 settled since 2016. We applaud those church and organizations which have paid down or paid off their debt. This
24 level of indebtedness, though reduced, remains unsustainable. It is improper for churches to fail to pay their pastor’s
25 benefits. Churches cannot just walk away from this obligation. It is inappropriate to shove the bill off on other
26 churches. The Conference has asked our Bishop and Cabinet to make full payment of clergy benefits a matter of
27 pastoral appointment and to consider payment of benefits on the same level as payment of salary in determining
28 whom to appoint to a local church. We ask pastors and church leaders to look at their benefits bills and pay any
29 accrued debt as a matter of both obligation and faithfulness.
30

31 **REPORT #9**
32 **2023 COMPREHENSIVE BENEFIT FUNDING PLAN**
33

34 The 2023 Comprehensive Benefit Funding Plan was not completed and approved in time for inclusion in this
35 publication.
36

37 **REPORT #10**
38 **RESOLUTION RELATING TO RENTAL/HOUSING ALLOWANCES FOR RETIRED OR DISABLED**
39 **CLERGY PERSONS OF THE SOUTH GEORGIA CONFERENCE FOR 2023**
40

41 The South Georgia Conference (the “Conference”) adopts the following resolutions relating to rental/housing
42 allowance for active, retired, terminated or disabled clergypersons of the Conference.
43

44 **WHEREAS**, the religious denomination known as The United Methodist Church (the “Church”), of which this
45 Conference is a part, has in the past functioned and continues to function through ministers of the gospel (within the
46 meaning of Internal Revenue Code section 107) who were or are duly ordained, commissioned, or licensed ministers
47 of the Church (“Clergypersons”);
48

49 **WHEREAS**, the practice of the Church and of this Conference was and is to provide active Clergypersons with a
50 parsonage or a rental/ housing allowance as part of the gross compensation;
51

52 **WHEREAS**, pensions or other amounts paid to active, retired, terminated, and disabled Clergypersons are
53 considered to be deferred compensation and are paid to said active, retired, terminated, and disabled Clergypersons
54 in consideration of previous, active service; and
55

56 **WHEREAS**, the Internal Revenue Service has recognized the Conference (or its predecessors) as the appropriate
57 organization to designate a rental/housing allowance for Clergypersons who are or were members of this Conference
58 and are eligible to receive such deferred compensation;
59

60 **NOW, THEREFORE, BE IT RESOLVED:**
61

62 **THAT** an amount equal to 100% of the pension or disability payments received from plans authorized under *The*

1 *Book of Discipline of The United Methodist Church* (the “*Discipline*”), which includes all such payments from
 2 Wespath (the pension agency of The United Methodist Church) during calendar year 2023 to each active, retired,
 3 terminated or disabled Clergy person who is or was a member of the Conference, or its predecessors, be and hereby
 4 is designated as a rental/housing allowance for each Clergy person; and
 5

6 **THAT** the pension or disability payments to which this rental/housing allowance applies will be any pension or
 7 disability payments from plans, annuities, or funds authorized under the *Discipline*, including such payments from
 8 Wespath and from a commercial annuity company that provides an annuity arising from benefits accrued under a
 9 Wespath plan, annuity, or fund authorized under the *Discipline*, that result from any service a Clergy person rendered
 10 to this Conference or that an active, a retired, terminated or a disabled Clergy person of this Conference rendered to
 11 any local church, annual conference of the Church, general agency of the Church, other institution of the Church,
 12 former denomination that is now a part of the Church, or any other employer that employed the Clergy person to
 13 perform services related to the ministry of the Church, or its predecessors, and that elected to make contributions to,
 14 or accrue a benefit under, such a plan, annuity, or fund for such active, retired, terminated or disabled
 15 Clergy person’s pension or disability as part of his or her gross compensation.
 16

17 **NOTE:** The rental/housing allowance that may be excluded from a Clergy person’s gross income in any year for
 18 federal income tax purposes is limited under the Internal Revenue Code section 107(2) and regulations there under
 19 to the lesser of: (1) the amount of the rental/housing allowance designated by the Clergy person’s employer or other
 20 appropriate body of the Church (such as this Conference in the foregoing resolutions) for such year; (2) the amount
 21 actually expended by the Clergy person to rent or provide a home (plus other qualifying expenses) in such a year; or
 22 (3) the fair rental value of the home, including furnishings and appurtenances (such as a garage), plus the cost of
 23 utilities in such year. Retiring clergy may want to consider spanning major purchases such as a home over several
 24 years to take best advantage of this exclusion.
 25

26 Submitted by:
 27 Dr. Ben C. Martin, Chair, Conference Board of Pensions
 28 Dr. Derek W. McAleer, Director of Administrative Services
 29

30 **RECOMMENDATION 4 – Council on Finance and Administration**

31 **REPORT #1**

32 The Council on Finance and Administration appreciates the generosity of South Georgia United Methodists! Even
 33 though the stresses of 2020 continued throughout 2021, our churches worked to maintain a focus on ministry and
 34 mission. This report shows but a portion of the ways our churches have extended themselves financially to be
 35 instruments of grace.
 36
 37
 38

39 **In 2021, payment of apportionments increased to 85.3%, above the 2020 rate of 84.2%.** The South Georgia
 40 Annual Conference gave a total of \$18,588,936 in all funds sent through the Conference Treasurer in the calendar
 41 year 2021, a decrease of \$1,719,332 overall compared with 2020. Most of the decrease is in benefits payments, as
 42 the number of full-time pastors continues to drop. We are grateful to the churches of the South Georgia Conference
 43 for their partnership.
 44

45 **2021 SUMMARY OF FUNDS RECEIVED**

	2020	2021
Received on Apportionments	7,875,492	7,564,164
Received on District Apportionment or Advance Specials	1,922,325	2,138,140
Received From Benefits Billings and Other Funds	<u>10,510,451</u>	<u>8,886,632</u>
Total Receipts	<u>\$20,308,268</u>	<u>\$18,588,936</u>

COMPARISON REPORT AS OF DECEMBER 2021

APPORTIONMENTS	2020 BUDGET	2020 RECEIPTS	% PAID	2021 BUDGET	2021 RECEIPTS	% PAID
Conference Benevolence	1,067,966	952,731	89%	1,076,506	957,651	89%
Congregational Development	310,014	272,399	88%	310,673	266,329	86%
Clergy Support	1,727,661	1,511,699	87%	1,724,379	1,529,237	89%
Pre-1982 Pensions	302,800	280,817	93%	0	1,720	0%

COMPARISON REPORT AS OF DECEMBER 2021

	2020	2020	%	2021	2021	%
APPORTIONMENTS	BUDGET	RECEIPTS	PAID	BUDGET	RECEIPTS	PAID
CPP (Post-1982)	700,000	662,567	95%	725,000	654,445	90%
Post-Retirement Medical	120,000	113,247	94%	120,000	122,676	102%
Health Flex (Disability)	165,000	150,258	91%	150,000	139,856	93%
Administrative Expense	1,312,990	1,126,406	86%	1,309,514	1,151,986	88%
SEJ Mission and Ministry Fund	20,713	18,742	90%	20,713	18,243	88%
GA Wesley Min. & UM Colleges	723,201	594,226	82%	723,201	612,460	85%
SGA Episcopal Office	212,250	186,820	88%	297,569	267,140	90%
SGA Episcopal Residence	20,000	17,773	89%	30,000	27,486	92%
World Service	1,359,920	1,015,374	75%	1,179,877	892,503	76%
Africa Univ. Fund	41,003	36,744	90%	38,394	37,900	99%
Black College Fund	183,218	142,074	78%	170,775	133,738	78%
Gen Admin. Fund	161,479	121,386	75%	145,301	110,050	76%
Gen. Episcopal Fund	402,728	287,283	71%	473,764	335,376	71%
Inter-Denominational Co-op Fd.	35,922	28,018	78%	5,108	4,365	85%
Ministerial Ed. Fund	459,319	356,929	78%	369,540	301,003	81%
Received on						
Apportionments	<u>\$9,326,184</u>	<u>\$7,875,492</u>	<u>84%</u>	<u>\$8,870,314</u>	<u>\$7,564,165</u>	<u>85%</u>

2021 Increase (Decrease) from 2020

(\$311,328)

- 1
- 2
- 3
- 4
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- 6

% of TOTAL RECEIPTS ON APPORTIONED ITEMS:

2020 84.2%

2021 85.3%

INCREASE (DECREASE) 1.1%

NON-APPORTIONED FUNDS

	2020	2021
District Apportionments (except for missions – Lane 6)	1,235,356	1,395,299
General (*) and Annual Conference (**) Special Offerings:		
Human Relations Day*	931	274
UMCOR Sunday*	3,888	5982
Native American Awareness*	50	580
Magnolia Manor Sunday**	4,473	3,412
Peace with Justice Sunday*	439	729
Wesley Glen Day**	2,237	3,607
Golden Cross Day**	380	2,181
Christian Education Sunday**	310	370
Methodist Children’s Home Day**	14,990	32,656
World Communion Sunday*	460	1,412
Vashti Day**	1,780	3,297
Wesleyan College Day**	550	1,055
United Methodist Student Day*	700	1,134
UM Global Aids Fund Day	325	450
Six Lane Advance Specials:		
Africa Church Growth – Lane 1	9,365	10,914
World Hunger Specials – Lane 2	12,794	18,098
Mission Personnel – Lane 3	35,924	27,866
Mission Projects – Lane 4	55,780	53,374
UMCOR – Lane 5	108,611	175,125
Conference/ District Specials – Lane 6	371,091	285,513
South Georgia’s Plus Lane	56,224	99,204
Designated Funds (no advance special credit)	<u>5,667</u>	<u>15,607</u>
Total District Apportionments, Special Sundays & Advance Specials	<u>\$1,922,325</u>	<u>\$2,138,140</u>
Other Funds Received:		
HealthFlex Non-Apportioned Receipts	3,163,700	3,095,396
Clergy Retirement Security Plan	2,725,745	2,576,421
Miscellaneous Receipts on Budget Items	480,364	84,821
Net Investment Earnings	954,757	42,649
Connectional Ministries (Camps, Events, and other items)	705,192	597,034
Pension Funds (including Pitts Funds)	1,512,761	1,462,995
Bequests	0	0
Other Designated Receipts (Including Pass Through Items)	<u>927,594</u>	<u>1,027,316</u>
Total Other Funds Received	<u>\$10,470,113</u>	<u>\$8,886,632</u>

APPORTIONMENTS & PERCENTAGE PAID BY DISTRICT

Coastal	Rev. David Thompson	1,734,238	87.1%
North Central	Rev. Craig Hutto	1,467,487	80.7%
Northeast	Rev. Stephen Grantham	967,016	91.9%
Northwest	Rev. Steve Patton	1,140,821	73.1%
South Central	Rev. Paula Lewis	995,654	86.4%
Southwest	Rev. Doreen Smalls	<u>1,258,949</u>	96.4%
Total		<u>\$7,564,165</u>	

1 We applaud the churches of the Southwest District for their leadership in giving. We honor the churches of the
 2 Northeast District for their increase in apportionment payments!

3
 4 **REPORT #2**
 5 **REPORT OF RECEIPTS AND DISBURSEMENTS**
 6

7 In keeping with Standing Rule 6.1.1, we provide a report of receipts and disbursements. Our report summarizes each
 8 line of the Conference budget for 2021. The 2021 Budget amounts shown on the “Receipts on Apportionments”
 9 lines reflect the amount apportioned to churches for 2021. Since all of the non-budgeted funds that we receive are
 10 designated and most of them are disbursed the following month, we have summarized them in groups. Some
 11 designated receipts are not disbursed until this office is authorized to do so by the committee or organization
 12 involved. If you are interested in more details, copies of the audited financial statements of the South Georgia
 13 Conference are available on the conference website, www.sgaumc.org, under “Administrative Services” then
 14 “Financial Statements.” The budgets of various conference offices are also posted on the conference website.
 15

2021 Summary of Budget Receipts & Disbursements

		2021 Budget	December 31, 2021 Year to Date	Percentage
Type A: Items Paid Based On Expenses				
Conference Benevolences				
Connectional Ministries	Receipts on Apportionments	617,312	549,156	88.96%
	Miscellaneous Receipts		577	
	Disbursements	617,312	271,944	44.05%
Arthur J. Moore Museum	Receipts on Apportionments	125,194	111,372	88.96%
	Miscellaneous Receipts		19	
	Disbursements	125,194	119,424	95.39%
Board Of Laity	Receipts on Apportionments	6,000	5,338	88.96%
	Miscellaneous Receipts			
	Disbursements	6,000	404	6.73%
Hispanic Ministries	Receipts on Apportionments	317,501	282,446	88.96%
	Miscellaneous Receipts			
	Disbursements	317,501	285,040	89.78%
Total Conference Benevolences	Receipts on Apportionments	1,066,007	948,312	89.21%
	Miscellaneous Receipts		596	
	Disbursements	1,066,007	676,812	63.49%
Congregational Development				
New Congregational Development	Receipts on Apportionments	310,673	266,329	85.73%
	Miscellaneous Receipts			
	Disbursements	310,673	298,246	96.00%
Clergy Support				
District Superintendents’ Expense	Receipts on Apportionments	1,069,070	948,087	88.68%
	Miscellaneous Receipts			
	Disbursements	1,069,070	990,012	92.60%
Pre-1982 Pensions & Benefits	Receipts on Apportionments	0	1,720	0.00%
	Miscellaneous Receipts			

2021 Summary of Budget Receipts & Disbursements

		2021 Budget	December 31, 2021 Year to Date	Percentage
	Disbursements	0	1,720	0.00%
Conference Board Of Pensions	Receipts on Apportionments	52,400	46,470	88.68%
	Miscellaneous Receipts			
	Disbursements	52,400	19,330	36.89%
Comprehensive Protection Plan	Receipts on Apportionments	725,000	654,445	90.27%
	Miscellaneous Receipts		84,202	
	Disbursements	725,000	623,885	86.05%
Health Flex - Disability	Receipts on Apportionments	150,000	139,856	93.24%
	Miscellaneous Receipts			
	Disbursements	150,000	73,672	49.11%
Post-Retirement Medical	Receipts on Apportionments	120,000	122,676	102.23%
	Miscellaneous Receipts			
	Disbursements	120,000	122,676	102.23%
Benefits Underpayment	Receipts on Apportionments	90,000	79,815	88.68%
	Miscellaneous Receipts			
	Disbursements	90,000	79,815	88.68%
Equitable Compensation	Receipts on Apportionments	239,800	212,663	88.68%
	Miscellaneous Receipts			
	Disbursements	239,800	78,788	32.86%
Pastoral Counseling Service	Receipts on Apportionments	209,154	185,485	88.68%
	Miscellaneous Receipts			
	Disbursements	209,154	180,809	86.45%
Conf. Bd. of Ordained Ministry	Receipts on Apportionments	63,955	56,717	88.68%
	Miscellaneous Receipts			
	Disbursements	63,955	23,715	37.08%
Total Clergy Support	Receipts on Apportionments	2,719,379	2,447,934	90.02%
	Miscellaneous Receipts		84,202	
	Disbursements	2,719,379	2,194,422	80,70%
Administration				
Conf. Council on Finance & Admin.	Receipts on Apportionments	4,350	3,827	87.98%
	Miscellaneous Receipts			
	Disbursements	4,350	253	5.82%
Administrative Services	Receipts on Apportionments	751,179	660,816	87.97%
	Miscellaneous Receipts		23	
	Disbursements	751,179	695,106	92.54%
Human Resources/	Receipts on Apportionments	27,008	23,759	87.97%

2021 Summary of Budget Receipts & Disbursements

		2021 Budget	December 31, 2021 Year to Date	Percentage
Personnel	Miscellaneous Receipts			
	Disbursements	27,008	17,767	65.78%
Communications Office	Receipts on Apportionments	186,353	163,936	87.97%
	Miscellaneous Receipts			
	Disbursements	186,353	190,179	102.05%
Annual Conference Expenses	Receipts on Apportionments	102,520	90,187	87.97%
	Miscellaneous Receipts			
	Disbursements	102,520	24,104	23.51%
Retired Ministers - per diem	Receipts on Apportionments	16,500	14,515	87.97%
	Miscellaneous Receipts			
	Disbursements	16,500	0	0%
At-Large Lay Delegates - per diem	Receipts on Apportionments	26,000	22,872	87.97%
	Miscellaneous Receipts			
	Disbursements	26,000	-260	-1.00%
Conference Secretary & Journal	Receipts on Apportionments	17,853	15,809	88.55%
	Miscellaneous Receipts			
	Disbursements	17,853	14,513	81.29%
Committee on Memoirs	Receipts on Apportionments	1,000	880	88.00%
	Miscellaneous Receipts			
	Disbursements	1,000	1,497	149.70%
Conference Trustees	Receipts on Apportionments	5,750	5,058	87.97%
	Miscellaneous Receipts			
	Disbursements	5,750	4,453	77.44%
Workers Compensation Insurance	Receipts on Apportionments	12,000	10,556	87.97%
	Miscellaneous Receipts			
	Disbursements	12,000	10,367	86.39%
Strategic Initiative Team	Receipts on Apportionments	6,500	5,718	87.97%
	Miscellaneous Receipts			
	Disbursements	6,500	113	1.74%
Leadership Forum	Receipts on Apportionments	4,500	3,959	87.98%
	Miscellaneous Receipts			
	Disbursements	4,500	184	4.09%
Local Church Treasurer's Bond	Receipts on Apportionments	7,300	6,422	87.97%
	Miscellaneous Receipts			
	Disbursements	7,300	7,866	107.75%

2021 Summary of Budget Receipts & Disbursements

		2021 Budget	December 31, 2021 Year to Date	Percentage
Gen & SEJ Delegate Expense	Receipts on Apportionments	6,000	5,278	87.97%
	Miscellaneous Receipts			
	Disbursements	6,000	5,278	87.97%
Nominations	Receipts on Apportionments	1,000	880	88.00%
	Miscellaneous Receipts			
	Disbursements	1,000	0	0.00%
Episcopal Committee	Receipts on Apportionments	1,200	1,056	88.00%
	Miscellaneous Receipts			
	Disbursements	1,200	0	0.00%
Contingency Funds	Receipts on Apportionments	50,000	43,985	87.97%
	Miscellaneous Receipts			
	Disbursements	50,000	11,750	23.500%
Legal Fees	Receipts on Apportionments	93,000	81,813	87.97%
	Miscellaneous Receipts			
	Disbursements	93,000	81,813	87.97%
Total Administration	Receipts on Apportionments	1,270,013	1,161,326	91.44%
	Miscellaneous Receipts		23	
	Disbursements	1,270,013	1,064,983	83.86%
SEJ Mission and Ministry	Receipts on Apportionments	20,713	18,243	88.08%
	Miscellaneous Receipts			
	Disbursements	20,713	17,220	83.14%
Totals For Type A Items	Receipts on Apportionments	5,386,785	4,842,144	89.89%
	Miscellaneous Receipts		84,821	
	Disbursements	5,386,785	4,251,683	78.93%
<hr style="border-top: 1px dashed black;"/>				
Type B Items Based on Money Received				
Georgia Wesley Min. & UM Colleges	Receipts on Apportionments	723,201	612,460	84.69%
	Miscellaneous Receipts			
	Disbursements	723,201	612,460	84.69%
Episcopal – S. Ga Office Expense	Receipts on Apportionments	247,569	222,253	89.77%
	Miscellaneous Receipts			
	Disbursements	247,569	222,253	89.77%
Episcopal – S. Ga Residence Expense	Receipts on Apportionments	30,000	27,486	91.62%
	Miscellaneous Receipts			
	Disbursements	30,000	27,486	91.62%
Episcopal – Office Contingency	Receipts on Apportionments	50,000	44,887	89.77%
	Miscellaneous Receipts			
	Disbursements	50,000	44,887	89.77%

2021 Summary of Budget Receipts & Disbursements

		2021 Budget	December 31, 2021 Year to Date	Percentage
World Service	Receipts on Apportionments	1,179,877	892,503	75.64%
	Miscellaneous Receipts			
	Disbursements	1,179,877	892,503	75.64%
Africa University Fund	Receipts on Apportionments	38,394	37,900	98.71%
	Miscellaneous Receipts			
	Disbursements	38,394	37,900	98.71%
Black College Fund	Receipts on Apportionments	170,775	133,738	78.31%
	Miscellaneous Receipts			
	Disbursements	170,775	133,738	78.31%
Episcopal General Church Apportionment	Receipts on Apportionments	473,764	335,376	70.79%
	Miscellaneous Receipts			
	Disbursements	473,764	335,376	70.79%
General Administration Fund	Receipts on Apportionments	145,301	110,050	75.74%
	Miscellaneous Receipts			
	Disbursements	145,301	110,050	75.74%
Interdenominational Cooperation Fund	Receipts on Apportionments	5,108	4,365	85.45%
	Miscellaneous Receipts			
	Disbursements	5,108	4,365	85.45%
Ministerial Education Fund	Receipts on Apportionments	369,540	301,003	81.45%
	Miscellaneous Receipts			
	Disbursements	369,540	301,003	81.45%
Totals For Type B Items	Receipts on Apportionments	3,433,529	2,722,021	79.28%
	Miscellaneous Receipts			
	Disbursements	3,433,529	2,722,021	79.28%
2021 Totals On The Decimal	Receipts on Apportionments	8,820,314	7,564,165	85.76%
	Miscellaneous Receipts		84,821	
	Disbursements	8,820,314	6,973,704	79.06%

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**REPORT #3
BUDGET FACTORS and SPECIAL OFFERINGS**

We make the following recommendations:

1. We recommend that the 2023 apportionments assigned to each local church in the Conference be determined by the following formula:

A. FINANCIAL FACTOR – 65%

1 The figures for 2020 and 2021 of the total expenditures of each local church as reported in the annual statistical table
 2 (filed with GCFA), minus the following items:
 3 - amounts paid on apportionments,
 4 - the amounts paid on principal and interest on indebtedness, loans, mortgages, etc.,
 5 - the amount paid for building and improvements (not including loans and mortgages),
 6 - other benevolences paid by the local church,
 7 - excess “catch-up” payments on overdue benefits bills,
 8 - and the amounts paid on General and Conference Advance Specials.

9
 10 The adjusted total of the expenditures for each local church shall be divided by the adjusted total expenditures of all
 11 local churches in the Conference for the years 2020 and 2021 (omitting the same respective items) to find the
 12 percentage of total expenditures by the local church. This percentage figure will then be multiplied by .65 to furnish
 13 the financial factor.

14
 15 **B. MEMBERSHIP FACTOR – 35%**

16 The membership of each local church at the end of 2020 and 2021 as reported in the annual statistical table (filed with
 17 GCFA) shall be divided by the total membership of the Conference at the end of those same years to find the
 18 percentage of total membership in the local church for each of these years. This percentage figure will then be
 19 multiplied by .35 to furnish the membership factor.

20
 21 **C. FINAL DETERMINATION**

22 The membership factor and financial factor for each year are added together. The factors for the two years are
 23 averaged to arrive at the percentage to be used in figuring the church’s share of each apportionment for 2023.

24
 25 **2. Apportionment Determinations for New Church Starts:**

26 **A.** We recommend adding grants from Congregational Development (CD) or district funds (not including Equitable
 27 Compensation Supplements) to the list of deducted items prior to calculating Conference apportionments.

28 **B.** We recommend that new church starts begin paying apportionments in the January following the date of official
 29 constitution.

30 **C.** We recommend that 100% of the Conference budget be apportioned to the existing churches prior to calculating
 31 any new church that is in a phase-in period.

32 **D.** Churches will be phased in over a 3-year period: one-third in the first year, two-thirds in the second year, and their
 33 full share in the third year.

34
 35 **3. We recommend the apportionment figures be provided to local churches in the following manner:**

36 - As soon as possible after Annual Conference, the Administrative Services Office will calculate the “preliminary
 37 apportionments” for each local church based on the statistical reports turned in by the local churches the preceding
 38 January. These “preliminary apportionments” will be mailed to pastors and treasurers of the local churches.

39 - Upon receipt of the “preliminary apportionments,” pastors and treasurers should examine their apportioned
 40 amounts carefully. If the church believes an error on its statistical report has resulted in incorrect apportionments, it
 41 must report any corrections to the statistical report to the Administrative Services Office by the date set by that
 42 office, printed on the “preliminary apportionments” sheet.

43 - If any statistical reports have been corrected, the Administrative Services Office will re-calculate the
 44 apportionments for the entire Annual Conference. These “final apportionments” will be mailed to pastors and
 45 churches before the end of August.

46 - After the final apportionments are prepared, no further corrections will be made to the statistics or conference
 47 apportionments until the following year.

48
 49 **4. We recommend that the following special days be observed in 2023 with an offering as called for by *The Book of*
 50 *Discipline* and/or by the Annual Conference:**

51

Human Relations Day	January 15 *
Vashti Day	February 5 **
Andrew College Sunday	February 12 **
Volunteers in Mission Awareness Sunday	February 19 **

UMCOR Sunday	March 19 *
Native American Awareness	April 23 *
Magnolia Manor Sunday	May 14 **
Peace With Justice	May 26 *
Wesley Glen Day	June 18 **
Golden Cross Sunday	August 20 **
Methodist Children's Home	September 17 **
World Communion Day	October 1 *
Wesleyan College Day	November 12 **
United Methodist Student Day	November 26 *

* General Church Offerings

** Annual Conference Special Offerings (churches may observe on another day if it fits their schedule).

1
2 5. For 2023 we recommend the travel rate of .45 cents per mile for each Board, Commission, Committee, and
3 Council of the Conference, for automobile travel required in Conference work. We recommend conference staff be
4 reimbursed at the IRS rate, since their miles are a job requirement. We note IRS rules that mileage for charitable
5 purposes may be reimbursed at .14 per mile tax free in 2022, and any reimbursement above that amount is taxable
6 income for the recipient.

7
8 6. ¶258.4(b) *The Book of Discipline, 2016* and the South Georgia Standing Rules and Structure, Section 6.1.7,
9 mandate fidelity bond coverage for local church treasurers. The Council reminds all local churches of the
10 importance of having adequate fidelity bond coverage for treasurers and others handling church funds. Due to the
11 prevalence of coverages available to church through comprehensive insurance plans, the Conference no longer
12 provides any bonding for local church treasurers.

13
14 We request that the following officials be bonded in the indicated amount, that the respective board or agency pay
15 the bond, and that these bonds be held in the Administrative Services Office.

Director of Administrative Services	\$1,000,000.00
Staff of Administrative Services Office	\$1,000,000.00
Treasurer, Conference Trustees	\$25,000.00

16
17
18 7. Unless approved through the budget and expense approval process, no financial liability shall be made upon the
19 annual conference without the express authorization of the Council on Finance and Administration and the Annual
20 Conference. The Conference Treasurer/Director of Administrative Services is authorized to sign any contract on
21 behalf of the Annual Conference not otherwise authorized by the currently effective Book of Discipline of The
22 United Methodist Church or the Standing Rules of the conference. The Council on Finance and Administration may
23 designate other persons to sign contracts with financial implications on behalf of the conference for specific
24 purposes or amounts. All ordinary business contracts shall be reviewed and signed by the Conference
25 Treasurer/Director of Administrative Services.

26
27 8. In compliance with ¶617.2 of *The Book of Discipline, 2016*, we ask each agency receiving financial support from
28 Conference Benevolences, or from any authorized conference-wide appeal, to make a complete report of all receipts
29 and disbursements for the fiscal year ending in 2022. A certified public accountant is to audit the books of all
30 agencies, except those whose receipts and expenditures are handled by the Administrative Services Office on a
31 voucher basis, and a copy of the audit is to be filed with the Administrative Services Office.

32
33 9. We commend the promotional emphasis given to the observance of World Service Sunday in the Church School
34 and request that funds raised in this observance be so designated and sent to the Administrative Services Office.

35
36 10. We call attention to these actions of the Annual Conference relating to expenses of the Annual Conference
37 session:

- 1 • Standing Rules 3.4.1 & 3.4.2 stipulate that the Administrative Board/Council of each church and the boards
2 of other conference groups shall pay the expense of their lay and clergy delegates to the Annual Conference
3 sessions.
- 4 • The 2011 Annual Conference (volume 1, page 572) approved a registration fee beginning with the 2012
5 Annual Conference of \$20 for all lay and clergy members (excluding retired clergy unless the retired clergy
6 are serving an appointment in retirement). The original motion has no exception for virtual annual
7 conference sessions.
- 8 • We recommend that the amount of \$65 per day of attendance at Annual Conference be paid to retired
9 clerical members not serving an appointment who sign for their attendance at Annual Conference. This will
10 comply with Standing Rule 3.4.1 which states: “retired clergy members and/or clergy on incapacity leave
11 who do not serve appointments and who attend are to receive assistance with their expenses from the
12 Annual Conference, provided by the Council on Finance and Administration.” Retirees who are under
13 appointment shall have their expenses paid by the local church, in the same manner as active clergy.
- 14 • We recommend that the amount of \$65 per day of attendance at Annual Conference be paid to at-large lay
15 members of the Conference (who are determined by each district to equalize lay membership with clergy
16 membership) who sign for their attendance at Annual Conference. (See Standing Rule 3.4.2.)
17

18 11. We call attention to Standing Rule 6.1.7, which reads as follows: “Every Charge **shall** provide Worker’s
19 Compensation Insurance Coverage for their minister and **all other staff members.**”
20

21 12. We call attention to ¶614.5 of *The Book of Discipline, 2016*, which stipulates that special conference-wide
22 appeals for funds shall have the approval of the Annual Conference upon the recommendation of the Council on
23 Finance and Administration, except in case of an extreme emergency when such approval may be given by a two-
24 thirds vote of the District Superintendents and of the Council, acting jointly.
25

26 13. We recommend that once approved by the Annual Conference, all budgets are fixed for the ensuing year.
27 Exceptions to this policy may be granted by the Council on Finance and Administration with the proper documents
28 to justify the request in keeping with ¶¶613.8 & 9 of *The Book of Discipline, 2016*.
29

30 14. We endorse the capital campaign to raise money for a new Conference Center to be built in Macon. Plans show
31 the center will hold the Episcopal Offices, the Administrative Services Offices, the Director of Ministerial Services
32 Office, Connectional Ministries Offices, and space for others working temporarily in the building, as well as a
33 meeting room and a conference room for committees to use. If the Conference Center Task Force raises funds such
34 that the final remaining cost to build and complete the Center is \$250,000 or less, we endorse borrowing up to
35 \$250,000 to complete the building of the Conference Center, with the understanding that the loan will be re-paid
36 with the funds already in the Conference budget and GCFA budget for rent for the Episcopal Office and
37 Administrative Services office. The Conference Trustees have authority to borrow funds; we respectfully request the
38 chair of CF&A and the Director of Administrative Services be included in that process.
39

40 15. Balances from Undesignated and Unrestricted Funds: Balances from undesignated and unrestricted funds
41 (excluding funds under the management or control of the Board of Trustees or the Board of Pension and Health
42 Benefits) may be disbursed on the authorization of the Council on Finance and Administration, or by vote of the
43 Annual Conference, and shall be administered by the Conference Treasurer. The Executive Committee of the
44 Council on Finance and Administration is empowered to act in the case of an emergency. Undesignated and
45 unrestricted funds disbursed between sessions of the Annual Conference shall be reported at the next Annual
46 Conference session.
47

48 **REPORT #4**
49 **PENSIONS AND HEALTH BENEFITS COST**
50

51 We are grateful that the amount of unpaid benefits debt has dropped from \$1.1 million in 2016 to \$672,690 at the
52 end of 2021. We remain concerned about the amount of debt owed by churches to the Annual Conference for unpaid
53 health insurance and pension benefits for their pastor. Effectively, those churches not paying their full benefit costs
54 have borrowed \$672,690 from the other churches in the annual conference. We appreciate the efforts of the Board of
55 Pensions to collect on this debt. We thank the Cabinet for adjusting appointments to a level which churches can
56 financially support. More of our churches are catching up with unpaid benefits payments, but many of those with

1 benefit debt have failed to address it. We respectfully ask churches with benefits debt to pay their bills. (See the
2 report of the Commission on Equitable Compensation for a list of churches)

3
4 **REPORT #5**
5 **RECOMMENDATIONS REGARDING THE CABINET**
6

7 Salaries for District Superintendents and for the Director of Connectional Ministries are determined by a formula so
8 that the salaries paid by local churches set the salary of District Superintendents. When we had nine districts, the
9 formula averaged the 27 highest salaries of churches across the conference at the beginning of the preceding year
10 (three per district). The 2014 Conference voted to consolidate to six districts. The 2016 Conference voted to move to
11 the top 18 church salaries (three each for six districts) using this schedule: 2016 – 27 churches, 2017 – 24 churches,
12 2018 – 21 churches, 2019 – 18 churches. For 2023, the salaries of these positions will be \$128,132, based on the
13 average salary of the 18 highest local church salaries at the beginning of 2022. Note that while this formula ties DS
14 salaries to local church salaries, it always lags those salaries by one year.
15

16 The Council recommends that for 2023 the amount of \$15,000 be set aside for each District Superintendent to cover
17 all accountable reimbursements. This will include travel, continuing education expenses, and any other business-
18 related out-of-pocket expenses. Each District Superintendent will be able to draw from this fund only by voucher of
19 actual miles traveled and/or specific expenses. We recommend that \$25,000 be budgeted for Cabinet meeting
20 expenses in 2023. These funds are only drawn on by voucher of actual miles traveled and/or specific expenses.
21

22 Housing for Superintendents is the responsibility of each District. We commend the Districts for maintaining
23 District Parsonage Funds (for District Parsonage Indebtedness and Maintenance) and a District Operational and
24 Program Fund. We remind the District leadership that the moving expenses and annual conference attendance
25 expenses of the District Superintendents are paid by the District to which they are appointed.
26

27 The money to pay the salaries, accountable reimbursement expenses, and Cabinet meeting expenses for the District
28 Superintendents is included in the Clergy Support section of the budget as District Superintendents' Expense. Clergy
29 Support is paid from receipts on the apportionment assigned to the churches of the Conference and is a priority
30 claim.
31

32 Such part of the salary that the Cabinet, Director and Associate Directors of Connectional Ministries, Director of
33 Administrative Services, Director of Congregational Development, Director of Ministerial Services, Chaplains and
34 other clergy employees of the Conference pay to cover the actual cost of those utilities and other housing-related
35 expenses necessary to operate and maintain the respective parsonages, or their residence if a parsonage is not
36 provided, is hereby designated as a housing expense. Housing and Utility Resolutions will be prepared by the
37 various clergy employees of the Conference and copies maintained by the Director of Administrative Services.
38

39 **REPORT #6**
40 **BUDGET FOR 2023**
41

42 The Council on Finance and Administration (CF&A), in keeping with ¶614, *The Book of Discipline, 2016*, presents
43 the following budgets of anticipated income and proposed expenses for all funds to be apportioned to churches or
44 charges. The Budget has been reorganized into two types of budget items:
45

46 Type A - This group includes the various budget items which are paid based on vouchers (or when the expense
47 is incurred) and Southeastern Jurisdiction apportionments.

48 Type B - This group includes items in the budget which are paid out based on the apportionments collected. This
49 group includes the budget for Georgia Wesley Ministries & UM Colleges, the Episcopal Office, and the General
50 Church apportionments. The total collected each month is paid out to the agency or office.
51

52 The Council expresses appreciation to the various conference committees and conference offices which have
53 worked with the Council to keep our expenses reasonable and in keeping with our revenues. Churches have called
54 on us to be prudent in our spending, and we are thankful for the cooperation we have received in this effort. **Since**
55 **2010, the Conference budget has decreased more than 36%, more than \$4.5 million.** There is a false narrative
56 that apportionments always go up, but this is simply untrue. The Council is grateful that apportionments retain broad

1 support among the majority of churches in South Georgia. **424 of 555 churches paid 100% or more of their**
 2 **askings in 2021 (the same as in 2020).**

3
 4 We recognize that concern over the direction of the national and international church may impact apportionment
 5 payments. We are concerned with churches that believe withholding local askings somehow “sends a message” to
 6 the general church. Because most of our apportionments are for local and regional ministries, the ones hurt by such
 7 withholding are our retired pastors and widows, our disabled pastors, our active clergy, and those ministries in South
 8 Georgia which we fund (such as our summer camps and college campus ministries).
 9

10 At the end of 2021, our undesignated reserves totaled \$7,308,907 (unaudited figure), up from \$6.6 million at the end
 11 of 2020. Much of these reserves are in the form of unrealized market gains, not in actual cash. The value of these
 12 reserves will move up and down depending on market conditions. Our normal target for undesignated reserves is
 13 three month’s expenses for the Annual Conference (approx. \$3.5 million). As we face the economic uncertainty of
 14 2022/23, plus continuing issues with the pandemic, rising inflation, and the general uncertainty of the future of The
 15 United Methodist Church, maintaining these reserves seems prudent.
 16

17 The CF&A recommends a 2023 budget to be apportioned which is a decrease from the 2022 budget of 5.93 percent.
 18 This budget includes a salary increase of 5% for conference staff other than District Superintendents. **The amount**
 19 **to be apportioned to local churches for 2023 will be \$7,936,868.**
 20

21 **PROJECTED RECEIPTS FOR 2023**
 22

SOURCE OF RECEIPTS:	PROJECTED RECEIPTS:	NOTE #:
1. Apportionments based on 90% collections of Type A & B items	\$7,239,666	1
2. Income from Registration Fees	21,000	2
3. Investment Income	25,000	3
4. Miscellaneous Receipts	<u>85,000</u>	
TOTAL PROJECTED RECEIPTS	\$ 7,370,666	

	<i>Type A: Paid Based on Expenses</i>	2022 Approved Budget	2023 Projected Budget	Note #:
1	I. Conference Benevolences			
2	Connectional Ministries	484,868	450,995	
3	Hispanic/Latino Ministries	301,736	314,987	
4	Arthur J. Moore Museum & Archives/History	119,302	139,738	
5	Board of Laity	4,000	4,000	
6	Total Conference Benevolences	909,906	909,720	
7				
8	II. Congregational Development			
9	Congregational Development	304,763	288,018	
10	Total Congregational Development	304,763	288,018	
11				
12	III. Clergy Support			
13	District Superintendents’ Expenses	1,087,058	1,098,996	
14	Conference Board Of Pensions	51,511	46,650	
15	Comprehensive Protection Plan	725,000	700,000	
16	HealthFlex - Clergy on Disability	130,000	110,000	
17	Post-retirement Healthcare	120,000	11,000	4
18	Benefits Underpayment	90,000	90,000	
19	Equitable Compensation	176,800	189,300	
20	Pastoral Counseling Service	199,588	10,000	5
21	Conference Board of Ordained Ministry	60,300	35,675	

	<i>Type A: Paid Based on Expenses</i>	2022 Approved Budget	2023 Projected Budget	Note #:
22	Special S. Ga. Episcopal Funds			
23	Total Clergy Support	2,640,257	2,291,621	
24				
25	IV. Administration			
26	Conference Council on Finance & Admin.	1,961	3,050	
27	Human Resources/Personnel	29,126	28,956	
28	Administrative Services Office	742,965	729,373	
29	Communications Office	186,403	236,468	
30	<u>Other Conference Administrative Areas</u>			
31	1. Annual Conference Session Expenses:			
32	Annual Conference Program & Arrangements	102,520	123,770	
33	Retired Ministers - per diem	17,000	18,000	
34	At-Large Lay Delegates - per diem	26,000	26,000	
35	2. Conference Secretary & Journal	17,853	24,413	
36	3. Committee on Memoirs	1,200	1,200	
37	4. Conference Trustees	5,350	5,350	
38	5. Worker's Compensation Insurance	12,000	12,000	
39	6. Leadership Forum	2,500	3,000	
40	7. Strategic Initiative Team	3,000	3,000	
41	9. General and SEJ Delegate Expense	8000	6,000	
42	10. Committee on Nominations	900	900	
43	Episcopal Committee	1,200	1,200	
44	Legal Fees	63,000	45,000	6
45	Contingency Funds	50,000	50,000	
46	Total Administration	1,270,978	1,317,680	
47				
58	V. SEJ Mission and Ministry	20,713	17,220	
59				
50	<u>Type A Totals: Paid Based on Expenses</u>	5,146,617	4,824,259	

1

	<i>Type B: Paid Based Funds Received</i>	2022 Approved Budget	2023 Projected Budget	Note #:
51				
52	GA Wesley Ministries & UM Colleges	723,201	723,201	
53	Episcopal – S. Ga Office Expense	245,971	216,369	
54	Episcopal – S. Ga Area Residence Expense	30,000	20,000	
56	<i>General Church Apportionments</i>			7
57	1. World Service Fund	1,166,215	1,066,125	
58	2. Africa University Fund	37,950	34,693	
59	3. Black College Fund	168,798	154,311	
60	4. Episcopal - General Church Apportionment	404,538	428,089	
61	5. General Administration Fund	143,618	131,292	
62	6. Interdenominational Cooperation Fund	5,049	4,616	
63	7. Ministerial Education Fund	365,261	333,913	
64	<u>Type B Totals: Paid Based on Funds Received</u>	3,290,601	3,112,609	

	<i>Type B: Paid Based Funds Received</i>	2022 Approved Budget	2023 Projected Budget	Note #:
65				
66	Total Conference Budget	8,437,218	7,936,868	-735,096
67	Projected deficit if collect 90%/spend 100% of Type A and Type B items	-674,977	-507,650	
68	Projected deficit if collect 90%/spend 100% of Type A items/spend 90% of Type B items (reduced from 92%)	-411,729	-254,941	8

Budget Notes:

1. The CF&A has projected that our collections on apportionments will be 90% which is a reduction of 2% of the amount projected for 2021 and 2020. Since we trimmed our budget so closely in recent years, the CF&A realizes that we will spend a higher percentage of the budget. There is very little “wiggle room” left.
2. The registration fee income is calculated based on a registration fee of \$20.
3. The CF&A will use our investment income and reserves to help cover any shortfall in receipts.
4. This budget presumes that the Annual Conference will vote to establish the Retiree Healthcare Funding Trust proposed by The Conference Board of Pensions. Doing so will drastically reduce this apportionment to a small amount needed for retirees under the age of 65 who are not eligible for the retiree healthcare plan.
5. The Conference Pastoral Counselor is on medical leave, and it is not anticipated that the office will be filled. The budget has been reduced accordingly.
6. The past 3 years we have put collected but unspent legal fees apportionment into a designated reserve. Building up this reserve allows us to lower the annual apportionment while still being prepared for an expensive legal issue.
7. CFA recommends payment of general church apportionments in these amounts during this period of uncertainty caused by the inability of the General Conference to meet and adopt a budget.
8. If we collect 90% and spend 100%, there will be a deficit. Because we prepare our budgets so far in advance, almost every year some items included in the projected budget may not be spent. In addition, Type B items are not paid at 100%; they are paid at the rate collected, so they do not add to any deficit. If our budget expenditures exceed our rates of collection on the budget, then investment earnings, the contingency fund, and perhaps some conference reserves will have to be used in order to pay all of our obligations.

Submitted by,
 Dr. Shane Green, Chair
 Dr. Derek W. McAleer, Conf. Treasurer, Dir. of Administrative Services

RECOMMENDATION 5 – Resolution for Closing Local Churches

Whereas, Brooks United Methodist Church, located in Ware County, has a long and proud history; and

Whereas, Elko United Methodist Church, located in Houston County, has a long and proud history; and

Whereas, appropriate action has been taken to provide for the closing of the church and where the membership and title to all real and personal, tangible and intangible property of the local church shall be transferred; and

Whereas, consent to close has been granted by the Presiding Bishop, a majority of the District Superintendents and the appropriate District Board of Church Location and Building;

1 Now, Therefore Be It Resolved, that the South Georgia Annual Conference meeting in Columbus, Georgia on June
2 7, 2022, does hereby celebrate the ministries of these congregations through the years by giving all glory to God,
3

4 Be It Further Resolved, that the members of the South Georgia Annual Conference concur with the decision of these
5 churches to discontinue with an affirmative vote.
6

7 Rev. Doreen Smalls
8 Dean of the Cabinet
9 June 7, 2022
10

11 **A RESOLUTION FOR THE DISCONTINUANCE OF THE BROOKS UNITED METHODIST CHURCH**
12 **OF THE SOUTH CENTRAL DISTRICT OF THE SOUTH GEORGIA ANNUAL CONFERENCE**
13

14 **WHEREAS,** **Brooks United Methodist Church** located in Ware County,
15

16 **WHEREAS,** the church has had a long and proud history of serving its community, and
17

18 **WHEREAS,** after prayerful consideration and prayer, the remaining members of **Brooks United Methodist**
19 **Church** have determined it to be appropriate and necessary that it be discontinued and provisions
20 made for the transfer of the church's property, as provided in the 2016 *Book of Discipline* of The
21 United Methodist Church,
22

23 **NOW, THEREFORE, BE IT RESOLVED** by the members of **Brooks United Methodist Church** as follows:
24

- 25 1. **Brooks United Methodist Church** shall be discontinued as of **January 27, 2022**.
- 26 2. Those members remaining on the church membership roll as of **January 27, 2022**, shall be transferred to
27 other congregations as the members may request.
- 28 3. All records and official papers of the church shall be transferred to the Arthur J. Moore Methodist Museum
29 at St. Simons Island, Georgia
- 30 4. Any remaining funds of the church shall be first used to pay any outstanding pension and health insurance
31 obligations of **Brooks United Methodist Church**.
- 32 5. All remaining real and personal property of **Brooks United Methodist Church** shall be conveyed to the
33 South Central District Union of the United Methodist Church.
34

35 **Adopted this January 27, 2022**, by the members of **Brooks United Methodist Church**.
36

37 Rev. Dr. Paula Lewis, Superintendent
38 South Central District
39 South Georgia Annual Conference
40

41 Lay Pastor John Miller
42 Brooks United Methodist Church
43

44 **A RESOLUTION FOR THE CLOSING OF ELKO UNITED METHODIST CHURCH**
45

46 **Whereas,** Elko UMC was founded in approximately 1872 in Houston County in the North Central District;
47 and
48

49 **Whereas,** the church had a long and proud history of serving its community; and
50

51 **Whereas,** in 2022, Elko UMC ceased having services when its last member passed away; and
52

53 **Whereas,** no action has been taken to provide for the closure of Elko UMC; and

1 **Whereas,** the district superintendent has recommended and the presiding bishop, cabinet, and trustees of the
2 North Central District of The United Methodist Church, which act as the district board of church
3 location and building for the North Central District, have consented to closing Elko UMC; and
4

5 **Whereas,** it is now appropriate and necessary that the Annual Conference take formal action to close Elko
6 UMC and to make provision for the transfer of its property, all as provided by the 2016 Book of
7 Discipline of The United Methodist Church;
8

9 Now, therefore, be it resolved by the members of the South Georgia Annual Conference being held in Columbus,
10 Georgia as follows:
11

- 12 6. Elko United Methodist Church on the Elko Charge shall be officially closed as of June 7, 2022
- 13 7. Any remaining funds of the church shall be first used to pay any outstanding pension and health insurance
14 obligations of Elko UMC
- 15 8. All records and official papers of the church shall be transferred to the Moore Methodist Museum on St.
16 Simons Island, Georgia
- 17 9. In as much as at the time services were discontinued at Elko, no provisions were made concerning the
18 disposition of its remaining personal and real property, such property shall immediately vest in the annual
19 conference Board of Trustees pursuant to 2549.2 of the Book of Discipline and the annual conference
20 Trustees shall assume control of its real, personal, and intangible.
21

22 Adopted this 7th day of June, 2022, by the members of the South Georgia Annual Conference
23

24 Bishop David Graves
25 Presiding Bishop
26

27 Rev. Craig Hutto
28 Superintendent of the North Central District
29

30 **RECOMMENDATION 6 – Resolution Approving Disaffiliation of Local Churches**

31 WHEREAS, Antioch United Methodist Church located in Cook County in the South Central District of the South
32 Georgia Conference has had a long and proud history as a United Methodist Church; and
33

34 WHEREAS, Barney United Methodist Church located in Brooks County in the Southwest District of the South
35 Georgia Conference has had a long and proud history as a United Methodist Church; and
36

37 WHEREAS, Claxton United Methodist Church located in Evans County in the Northeast District of the South
38 Georgia Conference has had a long and proud history as a United Methodist Church; and
39

40 WHEREAS, Friendship United Methodist Church located in Bacon County in the South Central District of the
41 South Georgia Conference has had a long and proud history as a United Methodist Church; and
42

43 WHEREAS, Grace United Methodist Church located in Tift in the South Central District of the South Georgia
44 Conference has had a long and proud history as a United Methodist Church; and
45

46 WHEREAS, Kirkland United Methodist Church located in Atkinson County in the South Central District of the
47 South Georgia Conference has had a long and proud history as a United Methodist Church; and
48

49 WHEREAS, Laurel Branch United Methodist Church located in Wilkinson County in the North Central District of
50 the South Georgia Conference has had a long and proud history as a United Methodist Church; and
51

52 WHEREAS, Liberty United Methodist Church located in Bibb County in the North Central District of the South
53 Georgia Conference has had a long and proud history as a United Methodist Church; and
54

1 WHEREAS, McBride United Methodist Church located in Screven County in the Northeast District of the South
2 Georgia Conference has had a long and proud history as a United Methodist Church; and
3
4 WHEREAS, Mizpah United Methodist Church located in Effingham County in the Coastal District of the South
5 Georgia Conference has had a long and proud history as a United Methodist Church; and
6
7 WHEREAS, Naylor United Methodist Church located in Lowndes County in the South Central District of the
8 South Georgia Conference has had a long and proud history as a United Methodist Church; and
9
10 WHEREAS, Park Avenue United Methodist Church located in Lowndes County in the South Central District of
11 the South Georgia Conference has had a long and proud history as a United Methodist Church; and
12
13 WHEREAS, Reidsville United Methodist Church located in Tattnall County in the Northeast District of the South
14 Georgia Conference has had a long and proud history as a United Methodist Church; and
15
16 WHEREAS, Springfield United Methodist Church located in Effingham County in the Coastal District of the
17 South Georgia Conference has had a long and proud history as a United Methodist Church; and
18
19 WHEREAS, The Pointe United Methodist Church located in Lee County in the Southwest District of the South
20 Georgia Conference has had a long and proud history as a United Methodist Church; and
21
22 WHEREAS, The Porch Community Church located in Lowndes County in the South Central District of the South
23 Georgia Conference has had a long and proud history as a United Methodist Church; and
24
25 WHEREAS, Trinity United Methodist Church located in Seminole County in the Southwest District of the South
26 Georgia Conference has had a long and proud history as a United Methodist Church; and
27
28 WHEREAS, Turkey Branch United Methodist Church located in Effingham County in the Coastal District of the
29 South Georgia Conference has had a long and proud history as a United Methodist Church; and
30
31 WHEREAS, each of these churches has held a church conference, in compliance with ¶¶246.8, 248, and 2553.2-
32 .3 of *The Discipline*, at which at least two-thirds (2/3) of the professing members present at the church conference
33 voted to disaffiliate from The United Methodist Church “for reasons of conscience regarding a change in the
34 requirements and provisions of *the Book of Discipline* related to the practice of homosexuality or the ordination or
35 marriage of self-avowed practicing homosexuals as resolved and adopted by the 2019 General Conference, or the
36 actions or inactions of its annual conference related to these issues;” and
37
38 WHEREAS, pursuant to ¶2501.1 of *The Discipline*, each of these churches holds its real and personal, tangible and
39 intangible property “in trust for The United Methodist Church and subject to the provisions of its Discipline;” and
40
41 WHEREAS, ¶2553 of *The Discipline* provides a specific circumstance in which property subject to ¶2501.1
42 can be released from the trust imposed by that paragraph; and
43
44 WHEREAS, each of these churches has entered into a disaffiliation agreement with the Annual Conference agreeing
45 to pay all sums and to take all actions required by ¶2553 of *The Discipline* and the Disaffiliation Policy of the South
46 Georgia Annual Conference adopted at its 2019 Annual Conference session; and
47
48 WHEREAS, these disaffiliation agreements must be ratified by the Annual Conference to be effective.
49
50 NOW, THEREFORE Be It Resolved, that the South Georgia Annual Conference meeting in Columbus, Georgia on
51 June 6, 2022, does hereby celebrate the ministries of these congregations through the years by giving all glory to
52 God,
53
54 Be It Further Resolved, that the members of the South Georgia Annual Conference concur with and ratify the
55 decision of these churches to disaffiliate with an affirmative vote.

1 Rev. Doreen Smalls
2 Dean of the Cabinet
3 June 6, 2022

4
5 **RECOMMENDATION 7 – Standing Rules Changes**
6 **Annual Conference, June 2022**

7
8 New language is in ***bold and italics***. Proposed removals are in ~~strike through~~. A rationale for each proposed change
9 is found at the end of each recommendation.

10
11 **RECOMMENDATION 1A – BOOK OF RECOMMENDATIONS AND REPORTS**

12
13 **3.1.3 BOOK OF RECOMMENDATIONS AND REPORTS**

14 A *Book of Recommendations and Reports* will be prepared ~~for distribution~~ no less than three (3) weeks
15 before the opening session of the Annual Conference. Recommendations and reports shall be in
16 electronic format and sent before the established deadline to the Secretary of the Annual Conference.
17 (See 3.3.3 for additional information.) The deadline shall be publicized in January. ***The Book of***
18 ***Recommendations and Reports will be distributed via electronic means to conference members.***
19 ***Additional conference business materials not meeting the Book of Recommendations and Reports***
20 ***publication deadline may also be placed on the conference website for members prior to the session***
21 ***start date. Notification of additional business matters being placed on the website shall be sent to***
22 ***conference members by the Conference secretary.***

23
24 ***Special called sessions of the Annual Conference may not require a Book of Recommendations and***
25 ***Reports. The Bishop and the Secretary of the Annual Conference shall determine what reports or***
26 ***other conference materials should be before the Annual Conference for a called session to***
27 ***accomplish the business stated in the call, and shall set the deadline for such reports to be submitted***
28 ***and published.***

29
30 *(Rationale: The BOR is now published electronically, per action of the Annual Conference, therefore*
31 *printing deadlines do not apply. Additional materials, which in the past were distributed at Annual*
32 *Conference, may now be distributed earlier in order to give delegates time to read and process them.*
33 *Additionally, the Standing Rules should provide guidance as to how materials will be distributed to*
34 *conference members in the event of a called session.*

35
36 **RECOMMENDATION 1B – RESOLUTIONS AND PETITIONS**

37
38 **3.1.4 RESOLUTIONS AND PETITIONS**

39 Resolutions from individuals or churches to the Annual Conference shall be referred to the Committee
40 on Resolutions and shall be signed by at least five ***members of the Annual Conference, persons***
41 ***unless coming from an Administrative Board/Church Council. A resolution from an Administrative***
42 ***Board/Church Council must have a copy of the minutes of the meeting at which the resolution was***
43 ***approved by the Council attached to the resolution. These minutes must be signed by: the Chair of***
44 ***the Administrative/Church Council, the Lay Leader, and the Lay Delegate(s) to Annual***
45 ***Conference.***

46
47 ***Electronic signatures will be accepted in accordance with common business practice.***

48
49 ***Resolutions must include, in detail, information on any costs that the South Georgia Conference***
50 ***will be asked to bear if the resolution is passed by the Conference.***

51
52 Petitions to the General Conference of The United Methodist Church from individuals, churches and
53 Annual Conference Committees/Commissions/ Boards/Agencies, etc., which desire Annual
54 Conference endorsement, shall be referred to the Committee on Resolutions.

1 The deadline shall be publicized in January *for a regular June session of the Annual Conference. In*
2 *the event of a called session, the Conference Secretary, Chair of the Committee on Resolutions and*
3 *the Bishop will determine and publicize the deadline.*

4
5 Electronic versions of the resolutions and petitions shall be ~~sent~~ *received* by *noon* on the established
6 deadline ~~to~~ *by both* the Chair of the Committee on Resolutions and the Secretary of the Annual
7 Conference. *Email addresses to use to submit resolutions will be publicized on the Conference*
8 *website.* (See 3.3.3 for more information.)
9

10 *Upon receipt of a resolution(s) the chair will acknowledge receipt and ensure that the resolution(s) met*
11 *the necessary requirements of the conference's Standing Rules. When a resolution has been deemed to*
12 *meet the requirements, the resolution will then be properly prepared for subsequent consideration by the*
13 *Conference Committee on Resolutions.*

14
15 *(Rationale: This brings our Standing Rules and Resolution committee practices posted on the conference*
16 *website into one location.)*

17 18 RECOMMENDATION 1C – REGISTRATION AND PER DIEM

19 20 3.1.9 REGISTRATION & PER DIEM

21
22 *There shall be a registration fee for all sessions of the Annual Conference, which all members*
23 *attending shall pay. The registration for multi-day sessions shall be \$20. The registration fee for single-*
24 *day sessions shall be \$10. No exception is made for virtual sessions.*

25
26 *The per diem rate is set in the CFA report. The per diem for single-day sessions will be ½ of the regular*
27 *per diem. No per diem shall be paid for virtual sessions.*

28
29 *(Rationale: The requirement for a registration fee was passed by a motion of Annual Conference in 1996*
30 *and amended in 2000 and 2011. It is hard to find the actual requirement if you don't know when it was*
31 *passed, therefore we ask to move it into the Standing Rules. This puts the requirement in along with other*
32 *AC requirements. In addition, it modernizes the rules to provide for virtual sessions of the AC.*

33 34 RECOMMENDATION 1D – COMMITTEE ON RESOLUTIONS

35 36 3.3.3 COMMITTEE ON RESOLUTIONS

37 A Quadrennial Committee on Resolutions shall be named for the Annual Conference. It shall be
38 composed of seven persons: three clergy and three laity, and a District Superintendent as Chairperson.
39 The Committee on Nominations shall nominate the Committee, and the Conference shall elect. *Details*
40 *regarding the rules and process for handling Resolutions may be found in 3.1.4. All resolutions from*
41 *individuals or churches to the Annual Conference shall be referred to this Committee and shall be signed*
42 *by at least five members unless coming from an Administrative Board/Council. Petitions going to the*
43 *General Conference through the Annual Conference shall be referred to this Committee. In order to give*
44 *conference members time to properly assess the content, resolutions must "lay on the table" overnight*
45 *between the presentation to the Conference and the discussion and vote. Resolutions presented in the*
46 *Book or Recommendations and Reports (or other pre-conference materials for special called*
47 *sessions) shall be deemed to have been properly presented to the Annual Conference and having laid*
48 *on the table overnight. Action by the Conference upon the report of the Committee shall come no later*
49 *than the next-to-the last day. In the event of a called session of the Annual Conference, a virtual*
50 *session, or a one-day session, a decision regarding the process for resolutions will be made by the*
51 *Bishop, Conference Secretary and the Chair of the Conference Committee on Resolutions and*
52 *communicated to the Annual Conference.*

53
54 Copies of resolutions shall be sent by the established deadline to the Chair of the Committee on
55 Resolutions and the Secretary of the Annual Conference. The Committee shall receive, study and *make a*

1 report on each Resolution to the Annual Conference with a recommendation of *either*: “Concur,” “Non-
2 concur,” “Revise,” or “Refer.”
3

4 *Any* resolution coming to the conference after the established deadline will require the suspension of the
5 rules *in order* to be properly before the conference. Also, the resolution presenters are responsible for
6 printing ~~4,200~~ **1,000** copies for distribution *if the conference is meeting in person*. These late
7 resolutions shall be distributed *to conference members* after the rules have been suspended. ~~and no later~~
8 ~~than the day before action is to be taken.~~ (See 3.1.4 for more information.)
9

10 *(Rationale: Removing redundant language contained in 3.1.4. Updating the Standing Rule to reflect an*
11 *accepted practice of electronic correspondence. The recommendations also address the possibility of a*
12 *called session or one-day session and how either may affect resolutions.)*
13

14 RECOMMENDATION 1E - CLERGY EXPENSES TO AC

15 3.4.1 CLERGY

16 The expenses of the Clergy Members of the Annual Conference shall be paid by their salary paying
17 unit, unless otherwise prohibited by law. *If a church is served by a certified lay minister or lay supply*
18 *who is not a clergy member, or clergy who is not a clergy member of this Annual Conference, their*
19 *expenses shall be paid by the church they serve.* Retired clergy members and/or clergy on incapacity
20 leave who do not serve appointments and who attend are to receive assistance with their expenses from
21 the Annual Conference, provided by the Council on Finance and Administration.
22
23

24 *(Rationale: Clarifies that pastors who do not have clergy status also have AC expenses paid by the local*
25 *church if they choose to attend the conference. Paragraph 339 of the Book of Discipline defines clergy*
26 *membership)*
27

28 RECOMMENDATION 1F – DIRECTOR OF CONNECTIONAL MINISTRIES

29 1. DIRECTOR OF CONNECTIONAL MINISTRIES (§608)

- 30 1. The Bishop, in consultation with the Personnel Committee, ~~shall~~ *may name or* appoint a
31 Director of Connectional Ministries *or similar officer* to focus and guide the mission and
32 ministry of The United Methodist Church within the Annual Conference. The director may be
33 lay or clergy. The director shall serve as an officer of the Annual Conference and sit with the
34 Cabinet when the Cabinet considers matters relating to coordination, implementation, or
35 administration of the conference program, and other matters as the cabinet and director may
36 determine.
37
38

39 *(Rationale: Updates Standing Rule to match the flexibility found in the Book of Discipline.)*
40

41 RECOMMENDATION 1G – CONNECTIONAL SERVICES

42 4.1.3.3 CONNECTIONAL SERVICES

43 The Connectional Ministries Office provides several services for the Annual Conference, which
44 are intended to make the connection a reality for all constituents. These services fall into at least
45 three categories:
46

- 47 A. Connecting Local Churches to the general church by sharing information and resources (§608.2).
48 B. Consulting and Training in local churches, sub-districts, clusters, and districts.
49 C. Offering Support Services to the conference through such projects *as registrations, logistical*
50 *assistance, and other services for various events, video and online meeting support*, assisting in
51 the preparation of the *Conference Journal, The Book of Recommendations and Reports* and
52 completing *other* projects related to the Annual Conference session.
53
54

55 *(Rationale: Recognizing that some administrative work formerly done by Connectional Ministries is now*
56 *done by the Conference Secretary, Administrative Services, Communications, or other staff, while honoring*

1 *the valuable teamwork that the Connectional Ministries staff offers the Conference Secretary in preparing*
2 *for the annual conference session and related materials.)*
3

4 **RECOMMENDATION 1H – QUADRENNIAL BOARDS/COMMITTEES/COMMISSIONS/ ETC.**
5

6 **1. QUADRENNIAL BOARDS/COMMITTEES/COMMISSIONS/ETC.**

7 The Committee on Nominations and Personnel shall present nominations for quadrennial Boards,
8 Commissions, Councils, Teams and Committees (hereafter referred to as Committees). The report will
9 be provided to conference delegates in electronic format prior to annual conference and perfected by
10 the Conference Secretary on the first day of plenary sessions. No action will be taken on the
11 Nominations Report until the second day of plenary sessions. Interim vacancies are filled as *The Book*
12 *of Discipline* directs.
13

14 When a member of a quadrennial Committee is appointed to the District Superintendency, his/her
15 membership on such Committee shall terminate. District Superintendents will be considered a member
16 with vote of all committees to which they are appointed as Cabinet Representative, unless specified by
17 *The Book of Discipline*.
18

19 No person shall be eligible for membership on the same Committee more than eight years out of 12
20 unless elected as Executive Officer (Chair, Vice Chair, Secretary, or Treasurer), in which case the
21 person may serve out the Quadrennium. All Committees of the South Georgia Conference with lay
22 representation will comply with ¶603.4.
23

24 ***Persons who serve on committees ex officio shall have both voice and vote, unless they are a***
25 ***conference staff member. Staff members shall have voice, but no vote.***
26

27 The District Superintendent of the district in which the nominee resides shall be responsible for
28 notifying the Nominees of the Nominations and Personnel Committee’s intention to nominate them for
29 service on an Annual Conference Committee prior to the session in which they are nominated. The
30 Conference Secretary will inform conference leaders of who is being nominated to serve under their
31 leadership. After the Annual Conference session, the Conference Secretary shall notify persons of their
32 election and term of office.
33

34 The Nominations Committee will nominate the chairpersons for each Committee, unless otherwise
35 directed by *The Book of Discipline*. The Annual Conference will elect these persons in plenary session
36 during the Nominations Report. Other nominations for committee membership or for chairpersons, if
37 any, will be accepted from the floor. Committees will elect other executive officers at their first
38 organizational meeting of the quadrennium.
39

40 A quadrennial Committee may request the Committee on Nominations to consider person(s) with
41 special expertise and interest as nominees for At-Large Members of that Committee.
42

43 Nominating persons elected an Executive Officer of another committee is strongly discouraged. A
44 committee member’s position will be declared vacant after one-year non-attendance ***without excuse*** and
45 non- communication to the group's leadership. The Committee on Nominations will nominate a
46 replacement for election at the next Annual Conference session.
47

48 The Cabinet may act for the Committee on Nominations in emergency situations when the Committee
49 on Nominations cannot be convened.
50

51 *(Rationale: Ex officio members are placed on a committee by virtue of some other position they hold. Such*
52 *members have the same authority and responsibility as any other committee member, and should have*
53 *voice and vote. Occasionally, a task force or committee is almost entirely formed of persons who hold*
54 *another office. If the ex officio members cannot vote, the committee or task force can't do its work. The*
55 *Standing Rules is also adding the option for an excused absence from a committee due to a life*
56 *circumstance.)*

1 **RECOMMENDATION 1I – FUND FOR SPECIAL RELIEF**

2
3 **5.5.7 FUND FOR SPECIAL RELIEF**

4 The purpose of the Fund for Special Relief (“The Fund”) shall be to provide supplementary financial
5 assistance in times of crisis to clergy and/or their survivors of the South Georgia Annual Conference.
6 “The Fund” shall be administered by nine Trustees who shall be nominated by the **Fund trustees** and
7 elected by the Annual Conference and shall serve terms of three years and may serve a maximum of six
8 years out of nine.

9
10 *(Rationale: Clarifying who nominates members to the Fund.)*

11
12 **RECOMMENDATION 1J – AUDIT**

13
14 **6.1.3 AUDIT**

15 All agencies, boards, commissions, committees, councils, and foundations *of the Annual*
16 *Conference*, not a part of the annual CFA audit, shall file with CFA an annual audit report.

17
18 *(Rationale: Clarifying to whom this applies. We have foundations in the conference which are not*
19 *conference foundations).*

20
21 **RECOMMENDATION 1K – WORKERS’ COMPENSATION**

22
23 **6.1.7 WORKERS' COMPENSATION**

24 Every Charge *or salary paying unit* shall provide Workman’s Compensation Insurance coverage for
25 clergy and all other staff members.

26
27 Charges shall have such coverage verified by the District Superintendent at each Charge Conference.
28 Other salary paying units shall have such coverage verified by the appropriate supervising unit.

29
30 *(Rationale: Adding clarification and consistency that this rule applies to all appointments.)*

31
32 **RECOMMENDATION 1K – APPENDIX F**

33
34 **Appendix F: Regarding Proceeds from Sale of Abandoned or Discontinued Church Property**

35 Approved: June 2006, Amended: June 2007, **June 2019**

36
37 RATIONALE: NOTING OUR PRIOR AC ACTION in June 2019

38
39 **RECOMMENDATION 8 – Updates to the Conference Safe Sanctuaries Policy –**
40 **Appendix D of the Standing Rules**

41
42 Recommendations from the Conference Nurture Team

- 43 1. Recommendation 1: Every local church shall revisit and update as necessary their Safe Sanctuaries policy
44 by Dec. 31, 2023. Every local church shall provide a copy of their policy to their District Superintendent at
45 their annual charge conference meeting in the Fall of 2022 or 2023. The Conference policy can serve as a
46 guide for local churches. We strongly encourage churches to consider adding a section for technology and
47 social media use best practices. In addition, we recommend churches contact their insurance provider to
48 ensure necessary coverage and language in their policy. Additional resources can be found at
49 www.sgaumc.org/safesanctuaries. {Rationale: This recommendation comes from an agreement that the
50 South Georgia Conference signed in the Boy Scouts of America lawsuit settlement: A willingness to lead
51 the effort of a review of and a renewed commitment to Safe Sanctuaries policies of congregations and the
52 conference ensuring policies are up to date and are being followed consistently, using best practices. The
53 Conference Nurture Team is proud of the efforts of South Georgia Conference churches since the focus on
54 Safe Sanctuaries began in 2008. We feel that a review and renewed commitment will only make us stronger

1 in this area as we seek to protect children, youth and vulnerable adults and the volunteers that work with
2 them.}

- 3
4 2. Recommendation 2: We recommend the following updates to the South Georgia Conference Safe
5 Sanctuaries policy. These updates are at the recommendation of our insurance company and to bring the
6 policy up to date with current practices. {Rationale: The South Georgia Conference’s insurance company
7 has asked the conference to update several items in our current Safe Sanctuaries policy. Since its adoption
8 in 2007 and full implementation at the end of 2008, the policy has not been updated. The Conference
9 Nurture Team took the opportunity to update the policy in several other places as noted.}

10
11 *Of note to conference members regarding editorial changes*: Prior to presenting this policy to the 2022
12 Annual Conference Session, the Nurture Team worked with the conference secretary to make editorial
13 changes. According to the policy, editorial changes that clarify the policy without changing its
14 requirements may be made by the Conference Secretary in consultation with the Safe Sanctuaries Team.
15 The following are the editorial changes made: the removal of all references to dates, events and specific
16 examples; all references to “Associate Director of Life Span Ministries” were changed to “Camp Director;”
17 clarifying section headings; moving the glossary of terms to the bottom of the document; and removing any
18 opinion statements. To see the current policy prior to any editorial changes you can refer to the 2021
19 *Conference Journal*, Appendix D or go to www.sgauhc.org/safesantuaries.
20

21 **Explanation of how proposed changes made to the policy as shown below: Additions to the policy are in bold.**
22 **Sections to be removed are shown with a strikethrough. Every time there is either an addition or**
23 **strikethrough, a rationale is provided.**

24 25 **The South Georgia Conference Safe Sanctuaries Policy**

26 *Adopted at the 2007 Annual Conference Session*

27
28 **In 2007, the South Georgia Conference adopted a Conference-wide Safe Sanctuaries Policy to protect our**
29 **children, youth, vulnerable adults, and the adults who work with them. The adopted policy called for all**
30 **churches and related agencies to have a policy in place by Dec. 31, 2008. These policies require adults who**
31 **work with children and youth to complete an application form as well as agree to a background check,**
32 **regardless of how long you have been a member or volunteered at that church. The policy also calls for strict**
33 **supervision/guidelines and participation in all events.** {Rationale: introduction added to give historical
34 background of this policy.}

35 36 **The Importance of Having a Safe Sanctuaries Policy**

37 Children hold a special place in God’s family. Jesus taught that children were to be included and provided for within
38 the community of faith. When the crowd tried to devalue children and keep them away from Jesus, he was quick to
39 respond, “Let the children come to me for to such belongs the Kingdom of God” (Matthew 19:14; Mark 10:14; Luke
40 18:16).

41
42 ~~Children hold a special place in our Church’s family. In the Baptismal Covenant, professing members assume a holy~~
43 ~~responsibility “to so order our lives after the example of Christ, that this child, surrounded by steadfast love, may be~~
44 ~~established in the faith, and confirmed and strengthened in the way that leads to life eternal” (The United Methodist~~
45 ~~Hymnal, page 44). Our promise places solemn responsibility on each person to help children grow in the knowledge~~
46 ~~of God’s love and as whole persons.~~ {Rationale: This paragraph and the one below were deleted to shorten this
47 section; the importance of children in the church’s family is still stressed in subsequent paragraphs.}

48
49 As Christians, we take our responsibility to nurture children very seriously. We acknowledge the “sacred trust to
50 maintain an environment that is safe for people to live and grow in God’s love. Sexual misconduct in the church and
51 ministry settings impedes the mission of Jesus Christ. Leaders have the responsibility not only to avoid actions and
52 words that hurt others, but also to protect the vulnerable against actions or words which cause harm” (Resolution
53 2081, *The Book of Resolutions*, 2016).

54
55 ~~The spiritual consequences of doing harm are significant. The victim’s physical and emotional pain and suffering as~~
56 ~~well as a loss of trust and faith are barriers to the abundant life Christ desires to give. Jesus took these negative~~

1 ~~consequences so seriously that he warned against impeding the faith of others by saying, “If any of you put a~~
2 ~~stumbling block before one of these little ones...it would be better for you if a great millstone were fastened around~~
3 ~~your neck and you were drowned in the depth of the sea” (Matthew 18:6).~~
4

5 Neglecting to take adequate precautions against child abuse in our churches is one of the ways we fail in our
6 nurturing responsibilities. While it is unlikely that we can completely prevent child abuse in every situation, it is
7 possible for us to greatly reduce the risk by following a thorough, practical policy of prevention and supervision.
8 This policy attempts to do just that for the Conference and District entities that offer ministry with children, youth
9 and vulnerable adults (see “Definitions” section below).

10
11 It is the purpose of this policy to:

- 12
- 13 ● protect the children, youth and vulnerable adults that participate in the ministries of the church;
- 14 ● protect our staff, both paid and volunteer, from potential false allegations of abuse; and
- 15 ● protect all the various ministry assets of the church for making disciples of Jesus Christ.
- 16

17 This policy presents a comprehensive plan that includes the areas of: Screening, Supervision, Reporting, and
18 Response. The policies we have delineated are the **MINIMUM** necessary precautions for protecting children, youth
19 and vulnerable adults. Your local church, agency, or organization may need to provide additional precautions in
20 some circumstances.

21 22 **Scope of the Policy**

- 23 A. This policy and its provisions shall apply to all adults, volunteer or staff persons, whether laity or clergy,
24 who have any direct or indirect contact with children, youth, or vulnerable adults who participate in any
25 activities or events sponsored by the South Georgia Conference and/or its Districts.
- 26 B. The South Georgia Conference policy shall be applicable at all Conference and District activities involving
27 children, youth and vulnerable adults.
 - 28 a. Conference events are those events sponsored, promoted or financially supported by the Annual
29 Conference.
 - 30 b. District events are those events sponsored, promoted or financially supported by the District.
 - 31 c. The South Georgia Annual Conference strongly urges other agencies and groups sponsoring
32 ministries for children, youth or vulnerable adults to fully implement Safe Sanctuaries policies and
33 procedures that meet or exceed those outlined in this policy.
 - 34 d. The South Georgia Annual Conference strongly urges all Conference agencies and ministries to
35 insist that outside groups using their facilities comply with Safe Sanctuaries policies and
36 procedures that meet or exceed those outlined in this policy, **which should be part of the**
37 **church’s facility use agreement.** {Rationale: this highlights the importance of having a facility
38 use agreement in place for outside groups using UM-owned facilities.}
- 39 C. Each local church is required to adopt a Safe Sanctuaries policy for their church **and complete the Safe**
40 **Sanctuaries accountability form to their District Superintendent each year at the annual charge**
41 **conference meeting.** {Rationale: this specifies an ongoing accountability structure that is already in place.}
- 42 D. It is strongly recommended that every local church **consult with their insurance company about**
43 **adequate coverage, including but not limited to a Sexual Abuse and Molestation rider.** {Rationale:
44 this broadens the recommendation for local churches to consult with their insurance company on necessary
45 coverage.}
- 46

47 **Area 1: Screening**

48 **Screening Procedures**

49 Careful screening is one way to prevent the abuse of children, youth and/or vulnerable adults. Parents,
50 congregational leaders and participants can rest assured that the most reliable, committed and experienced staff and
51 volunteers are in place for every program that involves children, youth and vulnerable adults. Leaders who willingly
52 submit to the screening process demonstrate the high value they place on the protection of children, the protection of
53 all who offer supervision, and the protection of ministry assets for disciple-making.

54 Conference Summer Camps

55

1 The Camp Director will conduct the screening process for staff working in the Connectional Ministries sponsored
2 summer camps ~~conducted at Epworth By The Sea~~. {Rationale: While most of our camps are hosted at Epworth By
3 The Sea, removing a specific location provides flexibility. For example, in 2021 summer camp was held on Jekyll
4 because of the closure of Epworth, and the summer camp staff serves at a foster camp that is held at a more secluded
5 location.}

6 7 **Conference Retreats & Events Where Chaperones are Provided by the Conference**

8 For retreats and events where chaperones are provided by the conference, the designated Camp Director will certify
9 that the volunteers/staff working their event are in compliance with Safe Sanctuary screening, training, and
10 supervising requirements. This certification of compliance will be made to the Director of Connectional Ministries
11 at least two weeks prior to the event. In cases where enough certified workers are not available, event leaders will
12 need to recruit, train and screen additional volunteers or cancel the event. {Rationale: Added new heading to provide
13 clarity.}

14 15 **Conference Retreats & Events Where Chaperones are Provided by the Local Church**

16 Each local church will conduct the screening process for the adult counselors or chaperones who accompany the
17 participants from their church. Conference retreats require each church to provide at least one (1) adult
18 counselor/chaperone for every six (6) children to actively supervise the participants from their church. Each church
19 will be required to certify to the Camp Director/Event Coordinator that their chaperones meet the minimum
20 screening standards and will practice the prevention procedures outlined in the policy prior to that volunteer's
21 service at the event. {Rationale: Added new heading to provide clarity.}

22 23 **District Events**

24 Each local church will conduct the screening process for the adult counselors or chaperones who accompany the
25 participants from their church or who serve as a counselor at a District event. Each church will be required to verify
26 the certification to the designated Camp Director that their chaperones meet the minimum screening standards and
27 will practice the minimum supervisory procedures outlined in this policy.

28 29 **Screening Standards**

- 30 A. All adults, volunteer or paid persons, whether laity or clergy, who have any direct or indirect contact with
31 children, youth, or vulnerable adults who participate in any activities or events sponsored by the South
32 Georgia Conference and/or its Districts shall be required to submit an application that includes the
33 following **MINIMUM** screening standards:
- 34 ● Standard contact information.
 - 35 ● Experience and qualifications for the position.
 - 36 ● Documentation of an active relationship with the local church for whom they will be offering
37 leadership of at least six months before being allowed to be in a supervisory role in children's
38 activities (summer camp staff will be expected to have at least six month active relationship with a
39 local church or a campus ministry).
 - 40 ● Signed voluntary disclosure of past criminal history and allegations of criminal history.
 - 41 ● Listing of 3 non-related personal references. This list shall have complete contact information for all
42 references. This portion of the application process is considered incomplete if full contact information
43 for the references is not provided.
 - 44 ● **It is recommended that at least two independent references be contacted by the ministry
45 organization when processing every prospective worker's initial application. To provide
46 evidence of this practice, the written policy should include a statement indicating the ministry
47 organization's commitment to checking at least two references when processing each
48 prospective worker's initial application.** {Rationale: Our insurance company strongly suggests
49 making contact with two references.}
 - 50 ● Waiver of confidentiality allowing the criminal background checks necessary for the position. The
51 criminal background check should include a local, state and national search of the applicant's
52 criminal record. (In the case of the Conference Summer Camps, the Camp Director will conduct the
53 search. In the case of Conference Retreats or District Events, each local church will conduct the
54 search for applicants. See Certifying Officer in Section D of Definitions below).
- 55 B. If any of the reports raise questions about the fitness of the applicant to serve, the application will be
56 disapproved and the person will not be placed in service. For example, persons having a criminal history of

1 any of the following types of offenses shall not be allowed to serve in any ministry with children, youth and
2 vulnerable adults:

- 3 ● If the applicant (paid or unpaid) is found to have been involved in any activity in which the applicant
4 abused or exploited children, youth or vulnerable adults, the applicant shall not be approved. Any
5 conviction of a crime against children, youth, or vulnerable adults shall disqualify any applicant.
- 6 ● Child abuse, whether physical, emotional, sexual, neglectful or ritual shall disqualify any applicant.
- 7 ● Violent offenses, including murder, rape, assault, domestic violence, etc., shall disqualify any
8 applicant.
- 9 ● Persons having a criminal history of DUI or DWI conviction within the five (5) years immediately
10 prior to the application shall not be allowed to act as a driver.
- 11 ● Persons having a criminal history of a drug related conviction within the five (5) years
12 immediately prior to the application shall not be allowed to directly or indirectly supervise
13 children, youth or vulnerable adults.

14 C. No person will be allowed to supervise children without being completely screened, trained and having
15 agreed to follow the minimum supervisory standards. ~~After July 1, 2008,~~ The following persons will submit
16 to screening: any new volunteer or staff person; any volunteer or staff person with a break in service of one
17 year or more; and any person for whom it has been five (5) or more years since their last criminal
18 background check.

19 D. Great care shall be taken in establishing the protocols for conducting the review of the application, the
20 reference checks, reviewing the criminal background check, verifying the required training, and
21 maintaining the personnel records for each applicant. The certifying officer for Conference sponsored
22 summer camp staff will be the Camp Director. The Camp Director shall verify the certification of all
23 summer camp staff to the Director of Connectional Ministries prior to the first camp each summer. The
24 certifying officer for each local church should be carefully selected and assisted in establishing the process
25 they will use to certify persons working with their children, youth and vulnerable adults. Results of screens
26 shall be kept under lock and key and revealed on a “need-to-know” basis. All forms and reference reports
27 shall be kept as a part of an applicant’s secured personnel file maintained by the certifying officer. The
28 certifying officer is responsible for reviewing and following up on each application prior to service. All
29 applications, related forms, and requirements must be completed prior to service. In the event that a
30 reference follow up is accomplished by phone, detailed notes of the conversation should also be included in
31 the personnel file.

32 E. When the Conference is hosting an event for which the local church is responsible for chaperones, we
33 recommend that all promotional and registration materials contain language specifying these policies and
34 procedures as **MINIMUM BASIC GUIDELINES** for all adults serving as chaperones at the event. Each
35 church will be expected to certify that all their chaperones and counselors supervising their children meet
36 or exceed these minimum requirements and will follow the preventive practices outlined in this policy.
37

38 **Area 2: Supervision**

39 **Minimum Supervisory Standards**

40 Conscientious and intentional supervision of participants and adults is the second step for providing a holy place of
41 safety for children, youth and vulnerable adults. These supervisory procedures are designed to reduce the possibility
42 of abuse to the children, youth or vulnerable adults and to protect staff persons and volunteers from unwarranted
43 accusations. Again, these are **MINIMUM** Supervisory Standards. Each children’s activity may adopt more stringent
44 requirements as necessary. **MINIMUM** Supervisory Standards require:

- 46 A. All staff persons and volunteers working with children, youth or vulnerable adults in Conference activities
47 receive an annual Safe Sanctuaries orientation. This orientation will include information regarding the Safe
48 Sanctuaries Policy, the minimum standards of supervision, the signs of possible abuse, and the process for
49 reporting suspected child abuse. ~~This training may be received at one of the Conference sponsored training
50 events held across the Annual Conference or may be conducted locally following the training outline
51 provided by the Conference. (This outline will be available on the Conference Website).~~ **Training modules
52 are provided on the conference website.** {Rationale: All trainings are now available online for easier
53 access across the conference. }
- 54 B. All children’s activities utilize the “two-adult rule” when supervising children. The two-adult rule requires
55 that no matter the size of the group, there will always be two adults (not spouses) present. It is expected that
56 there will be at least one male and at least one female adult supervisor when there are male and female

1 participants. This may include the presence of an adult monitor who frequently moves in and out of rooms
2 to supervise the activities. An assistant who is a minor shall not supervise other children regardless of age
3 differentiation and therefore would not satisfy the two-adult rule.

- 4 **C. The two-adult rule is advisable at all times for the supervision of children, as described above. If**
5 **there are periods of time when the Two Adult Rule cannot be implemented, the implementation of**
6 **the Rule of Three for children and youth should be implemented. The Rule of Three requires at least**
7 **three individuals (at least one being an adult employee or volunteer) be present at every function and**
8 **in each classroom, vehicle, or other enclosed area during all activities involving children, youth, or**
9 **vulnerable adults. For special circumstances that increase the likelihood of abuse or false allegations**
10 **of abuse, the Two Adult Rule should be preferred. When the Rule of Three is adopted, other**
11 **provisions (e.g., six month rule and premises monitor) should be more firmly stated than would**
12 **otherwise be acceptable under the Two Adult Rule. It is also recommended that the age, capacity,**
13 **and familial relationships of ministry participants be considered when approving the Rule of Three.**
14 **Legal difficulties are posed by the competency and credibility of testimony from relatives, very young**
15 **children, or individuals with other legal incapacities.**

16 *Limited Exception: Limited risk management exceptions to the Two Adult Rule and/or the Rule of*
17 *Three include One-on-One Spiritual Counseling and Emergency Situations (e.g., isolation of a child*
18 *during illness for the safety of the child and other children and workers). It is recommended that*
19 *One-on-One Spiritual Counseling only occur with the prior written approval of the minor’s parent*
20 *or guardian and the advanced notification and consent of the worker’s supervisor. It is also*
21 *recommended that One-on-One Spiritual Counseling situations be limited in duration (30 minutes)*
22 *and frequency (3-4 sessions). {Rationale: Adding the Rule of Three is a mandatory requirement from our*
23 *insurance company. The limited exception is strongly recommended by our insurance company. This is the*
24 *exact language provided by them.}*

- 25 D. No adult (age 18 or older) shall supervise an age group unless he/she is AT LEAST 5 years older than the
26 children or youth with whom he/she is working.
27 E. Each room or space where children are being cared for shall have a window in the door or the door shall be
28 left open. All indoor activities should occur in open view. Should the children’s activity be an outdoor
29 program or occur in a setting which makes it difficult to comply with this policy, the staff person in charge
30 of the activity shall take appropriate measures to adapt practices and procedures to the setting so all are
31 properly supervised.
32 F. Registration materials for activities in which children are outside of the direct supervision of their
33 parents/guardians shall require signed written permission forms, which include pertinent health information
34 **and a participation covenant**, in order to participate. {Rationale: Combined F and G together.}
35 G. ~~All participants who can understand a covenant shall sign a participation covenant wherein each person~~
36 ~~states their understanding of the rules and their agreement to follow the rules. Adult staff and volunteers~~
37 ~~will have a covenant that includes a reminder of the Safe Sanctuaries minimum supervisory requirements~~
38 ~~that serve as a protection for all involved. {Rationale: This is now included in F above.}~~
39 H. The screening and supervisory requirements outlined in this policy shall be followed when a nursery is
40 provided at Conference or District sponsored events.
41

42 Additional considerations:

- 43 ● To achieve compliance with the Safe Sanctuaries policy it may be necessary to combine groups; recruit,
44 train, and reference additional volunteers; or cancel an event. Recognizing that there is safety in numbers,
45 children and youth will be instructed to use the “buddy system” wherein children are required to remain
46 with at least one other partner at all times for help and protection.
47 ● **Creating a safe sanctuary goes beyond the physical building of the church and must include**
48 **intentional thought about how adults in ministry interact with children, youth and vulnerable adults**
49 **in the virtual world, which includes the use of cell phones, online meetings, email, text messaging, and**
50 **social media. Additional procedures and resources for digital safety are included on our conference**
51 **website. {Rationale: Consideration needs to be given to the best practices of technology and social media**
52 **when thinking about Safe Sanctuaries.}**
53 ● **Church nursery workers and preschool teachers need to be educated about appropriate touch and**
54 **boundaries with young children and protocol for bathroom use. Developing a restroom policy is**
55 **strongly recommended and guidelines can be found on the conference website. {Rationale: This**
56 **suggestion is offered by our insurance company.}**

- 1 ● It is also strongly encouraged that there be present at least one leader who is trained and certified in First
2 Aid and CPR at all Conference and District events.
- 3 ~~● Any one to one mentoring, consulting, or counseling involving children, youth or vulnerable adults shall be~~
4 ~~conducted in sight of another leader. {Rationale: This is redundant and is covered in the “limited~~
5 ~~exception” statement in C and in E above.}~~
- 6 ~~● At events that require overnight accommodations, participants will be supervised by an adult. We strongly~~
7 ~~recommend that at least two (2) leaders be present in every room occupied by a participant. If necessary for~~
8 ~~participants to share a room with a leader, leaders shall sleep in separate beds from participants, so long as~~
9 ~~any one leader shall not be alone with any one participant. Recognizing lodging accommodations may be~~
10 ~~restricted in some situations, one leader is adequate, so long as any one leader shall NOT be alone with any~~
11 ~~one child, youth or vulnerable adult. **Sleeping arrangements can make overnight activities challenging;**~~
12 ~~**however, there are several ways to manage the risks. It’s a good idea for chaperones to sleep in**~~
13 ~~**separate rooms from young people, but youth should have a way to contact chaperones quickly in**~~
14 ~~**case of emergency. Keeping roommates to the same gender and age, placing a strip of tape across the**~~
15 ~~**door, and performing unannounced checks are just a few of the options. Additional ideas to consider**~~
16 ~~**are included on the conference website.** {Rationale: This updated wording comes from our insurance~~
17 ~~company. This follows our current recommendation to local churches when asked about overnight~~
18 ~~accommodations, but the policy itself has not been updated to reflect this.}~~
- 19 ● **It is recommended that a written policy be developed to provide accountability and appropriate**
20 **monitoring of registered sexual offenders who may participate in organizational worship or other**
21 **activities. An example of a premises/participation agreement can be found on the conference website.**
22 {Rationale: While this is part of our current practice, our insurance company strongly recommended adding
23 a note about this in our policy.}

25 Area 3: Reporting

- 26 A. Once an incident of child abuse occurs or allegation of an incident is made, it is crucial that it be dealt with
27 promptly and in a clearly outlined manner. We will take seriously all allegations received. The staff person
28 or volunteer who observes alleged abuse or to whom such alleged abuse is reported shall report the incident
29 immediately to the staff person in charge of the children’s activity. The staff person in charge of the
30 children’s activity in which the alleged abuse was observed or disclosed shall provide immediate care to
31 ensure the safety and well-being of the victim. Further, the staff person in charge of the children’s activity
32 will obtain necessary information such as, the name of the alleged victim, his or her address and family
33 contact information, the nature of the allegation, and the name of the alleged perpetrator. Also, the staff
34 person in charge of the children’s activity will contact his/her supervisor or the next person in the
35 supervisory chain immediately. (In the case of Conference-sponsored events the Director of Connectional
36 Ministries, or the equivalent, would be contacted. In the case of District-sponsored/supported events, the
37 District Superintendent would be contacted.)
- 38 B. The staff person in charge of the children’s event and the supervisor will consult to determine the
39 appropriate next steps of response. The Conference Crisis Team will be contacted to join in the consultation
40 to support a comprehensive response to this incident.
- 41 C. Following the consultation, the staff person in charge of the children’s activity will implement a response
42 plan formulated in the consultation. If the allegations fall within the list of child abuse offenses found in the
43 Georgia code 19-7-5, which requires mandatory reporting, the staff person shall make a report to the proper
44 authorities. The staff person in charge of the children’s activity will cooperate fully with the investigation.
45 The parents of the child shall be contacted and informed of the alleged incident and appropriately assisted
46 by the staff person in charge of the children’s activity.
- 47 D. The person suspected of abuse (respondent) shall, for the safety and well-being of all involved, be removed
48 with dignity from further contact with children, youth or vulnerable adults until an appropriate investigation
49 has taken place. In the event that the respondent is the staff person in charge of the children’s activity, the
50 report should be made to the Director of Connectional Ministries, or the equivalent, who will place the staff
51 person on leave of absence during the investigation, will ensure the safety of the camp participants and
52 leaders, and will provide for the administration of the event.
- 53 E. If the allegation concerns activities or persons outside any supervisory relationship to a Conference related
54 event or activity, the staff person in charge of the Conference activity will consult with his/her supervisor
55 immediately. If the allegations fall within the list of child abuse offenses found in the Georgia code 19-7-5,

1 which requires mandatory reporting, the staff person in charge of the children’s activity will make the
2 initial contact with the Department of Family and Children’s Services in a timely manner.

- 3 F. The staff person in charge of the children’s activity will carefully and contemporaneously document all
4 information received and all actions taken in follow-up of the allegation.
5

6 **Area 4: Response**

7 **Response Plan**

- 8 A. A quick, compassionate and unified response to an alleged incident of child abuse is expected. All
9 allegations will be taken seriously. In all cases of reported or observed abuse in a children’s Conference
10 activity, the entire staff of that activity shall cooperate with all official investigating agencies and
11 appropriate conference officials.
- 12 B. The staff person in charge of the children’s activity will immediately contact one of the members of the
13 Annual Conference Crisis Team (Bishop, Director of Connectional Ministries, or Director of
14 Communications). The staff person in charge of the children’s activity and the Conference Crisis team will
15 consult to assess the incident, offer support to the staff person in charge of the children’s activity, and
16 determine the appropriate comprehensive response to this situation. This consultation will continue as the
17 response is implemented.
- 18 C. The Conference Crisis Team will designate the official spokesperson for this incident. This designated
19 person is the only person authorized to make statements to representatives of the media. All requests for
20 statements should be directed to the Conference Communications Director, who will provide access to the
21 spokesperson. Those answering phones or receiving in-person inquiries for information will politely refer
22 all those seeking information to the Conference Director of Communications.
- 23 D. Pastoral care and support will be available to all persons involved with the incident.
24

25 **Accountability**

26 Because we highly value protecting the children, youth and vulnerable adults that participate in the ministries of the
27 church, protecting our staff both paid and volunteer from potential false allegations of abuse, and protecting all the
28 various ministry assets of the church for making disciples of Jesus Christ, we expect full implementation of this
29 policy.
30

- 31 A. The Director of Connectional Ministries will be held accountable for fully implementing this policy for
32 Annual Conference events sponsored by the Office of Connectional Ministries ~~by July 1, 2008~~.
- 33 B. Each District Superintendent will be held accountable for fully implementing this policy for events
34 sponsored by the District.
- 35 C. Each District Superintendent will hold local church pastors and congregational leaders accountable for
36 developing and adopting a Safe Sanctuaries policy. The pastor of a church failing to comply with this
37 requirement will be subject to an Administrative Complaint (§ 362.2, *The Book of Discipline*, 2016) being
38 filed against him or her.
- 39 D. Local church pastors will be held accountable to the Annual Conference for the full implementation of the
40 local church policy after it is adopted.
- 41 E. Churches who do not comply with the Annual Conference policy will not be permitted to participate in
42 Conference and District children/youth events.
- 43 F. The Office of Connectional Ministries will be accountable to offer periodic Safe Sanctuaries training for
44 volunteers and staff, for local church certifying officers, and for local church staff persons in charge of
45 children’s activities. Additional resources will be developed and made available to local churches (e.g.,
46 sample policies for local churches, sample forms, sources for conducting criminal background checks, etc.).
47

48 **Definitions**

49 The following terms are defined for the specific purpose of this document.

- 50 A. “Adult” means a person 18 years of age or older who engages in supervisory responsibility. The adult
51 definition is used to define an adult as it relates to supervision, screening, reporting and responding within
52 the conference policy. The term does not apply to program participants.
- 53 B. “Adult Monitor” is an adult who frequently moves in and out of rooms or activity areas adding additional
54 supervision where two adults (not spouses) are not available to care for the children.

- 1 C. “Assistant Who is a Minor” are persons under 18 years of age who help with activities (e.g., crafts or
2 recreation) but are not in a supervisory role. An “Assistant Who is a Minor” does not satisfy the two
3 unrelated adults rule.
- 4 D. “Certifying Officer” is the individual who receives applications, conducts background checks, assesses
5 results, verifies requirements are met, and certifies a person for supervision of children.
- 6 E. “Child abuse” is a harmful act against any person under 18 years of age that presents themselves in the
7 following forms or types:
- 8 a. Verbal Abuse – Any verbal act that humiliates, degrades or threatens any child or youth.
9 b. Physical Abuse – Any act of omission or an act that endangers a person’s physical and mental
10 health. In the case of child or youth physical abuse, this definition includes any intentional
11 physical injury caused by the individual’s caretaker. Physical abuse may result from punishment
12 that is overly punitive or inappropriate to the individual’s age or condition. In addition, physical
13 abuse may result from purposeful acts that pose serious danger to the physical health of a child or
14 youth.
- 15 c. Sexual Abuse – Child or youth sexual abuse is the sexual exploitation or use of minors for
16 satisfaction of sexual drives. This includes, but is not limited to:
- 17 i. incest,
18 ii. rape,
19 iii. prostitution,
20 iv. romantic involvement with any participant,
21 v. any sexual intercourse, or sexual conduct with, or fondling of an individual enrolled as a
22 child or youth in Conference or District sponsored activities,
23 vi. sexualized behavior that communicates sexual interest and/or content. Examples of
24 sexualized behavior include, but are not limited to: “displaying sexually suggestive visual
25 materials, making sexual comments or innuendo about one’s own or another person’s
26 body, touching another person’s body, hair or clothing, touching or rubbing oneself in the
27 presence of another person, kissing, and sexual intercourse” (Resolution 2081, *The Book
28 of Resolutions*, 2016).
- 29 d. Ritual Abuse – Any act of physical, sexual, psychological violence or manipulation inflicted on a
30 minor, intentionally and in a stylized way, by someone or multiple people that appeals to a higher
31 authority or power to justify the abuse.
32 NOTE: This includes any acts utilizing electronic means that could be construed as verbal,
33 physical, sexual, or ritual abuse.
- 34 F. “Child abuse” in this policy also includes abusive acts against vulnerable adults. “Vulnerable adults” are
35 any person 18 years of age or older with diagnosed diminished physical, mental or emotional capacities.
- 36 G. “Child” or “Children” or “Minor” means any person(s) under the age of 18.
- 37 H. “Children’s activities” means any activity or program in which persons under the age of 18 are under
38 supervision of staff persons or volunteers.
- 39 I. “Conference” means the South Georgia Annual Conference of the United Methodist Church.
- 40 J. “Conference Crisis Team” is composed of the Resident Bishop, the Director of Connectional Ministries,
41 and the Director of Communications. Others will join the consultation process depending on the situation
42 (i.e., the Conference Chancellor, the District Superintendent in whose district the incident occurred, etc.).
43 The Conference Crisis Team will assist in determining and implementing a comprehensive response to a
44 crisis.
- 45 K. “Safe Sanctuaries” is the name commonly given by United Methodist Annual Conferences and local
46 churches to their individual efforts to make conference, district, and local church programs welcoming and
47 safe for children and youth.
- 48 L. “Staff person” means any person employed by the Conference who is responsible for children’s activities
49 (as defined above).
- 50 M. “Staff person in charge of a children’s activity” means the Conference employee responsible for the
51 supervision of this activity.
- 52 N. “Supervisor” means any staff person or volunteer who leads, directs, counsels, teaches, mentors,
53 chaperones, transports or assists in programs and activities related to children, youth, or vulnerable adults.
- 54 O. “Volunteer” means a person 18 years of age or older who assists in conducting children’s activities.
- 55 P. “Vulnerable adult” means any person 18 years of age or older identified by a caregiver, staff person in
56 charge or him/herself as an individual unable to take care of him/herself, or unable to protect him/herself

1 against significant harm or exploitation due to diagnosed diminished physical, mental or emotional
2 capacities.

3 Q. "We" means the South Georgia Annual Conference.

4 R. "Youth" means persons 20 years of age or younger who are strictly participants, holding no supervisory
5 responsibility, in a conference or district sponsored activity.

6

7 **Amendments**

8 A. Editorial changes that clarify the policy without changing its requirements may be made by the Conference
9 Secretary in consultation with the Safe Sanctuaries Team.

10 B. Substantive changes that alter the requirements outlined in this policy must be presented to the Annual
11 Conference for approval.

12

13 Note: The policies were developed utilizing the resources developed by the Reverend Joy Thornburg Melton
14 available through Cokesbury or Discipleship Resources.

15 *Safe Sanctuaries: Reducing the Risk of Child Abuse in the Church*

16 *Safe Sanctuaries for Youth: Reducing the Risk of Abuse in Youth Ministries*