

VII. BUSINESS OF THE ANNUAL CONFERENCE
HOLSTON ANNUAL CONFERENCE
JUNE 10-13 2012

James E. Swanson, Sr.
Resident Bishop, Presiding

A. SCHEDULE AND AGENDA

CALLED TO ACTION

SUNDAY – June 10, 2012

2:00 p.m.	Registration opens, Bethea Welcome Center
3:30 p.m.	Orientation for First-Time Appointees – Terrace Auditorium
4:00 p.m.	Rehearsal for Communion servers – Stuart Auditorium
4:45 p.m.	Dinner served at Terrace and Lambuth
6:00 p.m.	Laity Session – Stuart Auditorium
6:00 p.m.	Clergy Session – Shackford Hall
7:00 p.m.	Worship Leaders and Liturgists Prepare for Opening Worship
7:30 p.m.	Festival of Worship and Holy Communion
	Bishop James E. Swanson, Sr. presiding
	Lighting of the Christ Candle
	Call to Action – Bishop Swanson and Mary Ruth Richards
	Crossfire – Burks UMC Praise Team

MONDAY – June 11, 2012

7:00 a.m.	BOPping Along (Board of Pensions health walk) – leaving from Stuart
7:00 – 11:00 a.m.	Personal Health Assessments – 2 nd floor Terrace Lobby
7:45 a.m.	Jump Start Morning Worship and Communion in Memorial Chapel
8:30 a.m.	Prayer for Opening of Annual Conference
	Hymn #553 “And Are We Yet Alive?”
	Organizing Motions
	Adoption of Agenda
	Setting Bar of Conference
	Election of Tellers, Conference Secretarial Staff
	Report from Committee on Rules and Order
	Welcome from Jack Ewing, Lake Junaluska
	Announcements
	Blessing of Hands-On Mission Kits

9:00 a.m.	<p>Fostering Vital Congregations</p> <p><i>Vital Congregations have</i></p> <ul style="list-style-type: none"> • <i>Inviting and inspiring worship</i> • <i>Gifted, equipped, and empowered lay leadership</i> • <i>Effective, equipped, and inspired clergy leadership</i> • <i>Small groups and strong children's and youth ministries</i> <p><i>These key drivers are reflected through strong missional outreach in vital congregations.</i></p> <p>Reports to be included during the morning sessions can be found in your Book of Reports on pages 53 through 143.</p>
10:00 a.m.	Break
10:20 a.m.	<p>Fostering Vital Congregations</p> <p>The Monday morning time will include these reports: Congregational Development, Discipleship Team, Mission Team, Nurture Team, Outreach/Advocacy Team, Stewardship Team, Witness Team, Hispanic Ministries, Board of Ordained Ministry, Equitable Compensation, Pensions, Personnel Resources, Trustees, Archives and History, Connectional Table and Council on Finance and Administration</p> <p>Nominations</p> <p>General Conference Delegation Report</p> <p>Petitions and Resolutions</p>
11:55 a.m.	Blessing of the Meal
12:00 to 2:00 p.m.	Lunch Break
2:00 p.m.	<p>Memorial Service</p> <p>Rev. Grady Winegar, preaching</p> <p>Bristol Area UMC Choirs</p> <p>Seymour UMC Youth Handbell Choir</p>
3:00 p.m.	Break
3:20 p.m.	<p>Prayer for the Session</p> <p>Teaching Plenary with Dr. Drew Dyson and Dr. Lew Parks</p>
5:00 p.m.	Blessing of the Meal
5:00 p.m.	BOPping Along (Board of Pensions health walk) – leaving from Stuart
5:00 to 7:00 p.m.	Dinner Break
6:15 p.m.	Ordinands line up for Ordination Service
6:30 p.m.	Sponsors, Cabinet, and BOM line up for Ordination Service
7:00 p.m.	<p>Service of Ordination and Commissioning</p> <p>Bishop James E. Swanson, Sr. presiding</p> <p>Rev. Dr. Kim Cape, GBHEM, preaching</p> <p>First Bluefield UMC Choir</p>

TUESDAY – June 12, 2012

7:00 a.m.	BOPping Along (Board of Pensions health walk) – leaving from Stuart
7:00 – 11:00 a.m.	Personal Health Assessments – 2 nd floor Terrace Lobby
7:45 a.m.	Jump Start Morning Worship and Communion in Memorial Chapel
8:30 a.m.	Morning Watch – Worship Camp Style Living the United Methodist Way Reports to be included during the morning session can be found in your Book of Reports on pages 144 through 153. Holston Conference Foundation Holston Home for Children Asbury Inc. Holston Conference Higher Education and Ministry Emory and Henry, Hiwassee, Tennessee Wesleyan, Wesley Foundations at ETSU, Radford, UTC, UTK, UVA-Wise Francis Asbury Award
10:20 a.m.	Break
10:45 a.m.	Retirement Recognition
11:30 to 1:30 p.m.	Lunch Break
1:30 p.m.	Prayer for the Session Plenary Session – United Methodist Call to Action Dr. Dyson and Dr. Parks
3:00 p.m.	Fellowship Time on the Lawn Time to Greet Bishop and Mrs. Swanson
3:40 p.m.	Prayer for the Session Plenary Session – United Methodist Call to Action Bishop Gregory Palmer
5:00 p.m.	Blessing of the Meal
5:00 p.m.	BOPping Along (Board of Pensions health walk) – leaving from Stuart
5:00 to 7:00 p.m.	Dinner Break
7:00 p.m.	Evening Celebration of Bishop Swanson's Ministry Mount Moriah Parish Choir – Chattanooga

WEDNESDAY – June 13, 2012

- 7:00 a.m. BOPping Along (Board of Pensions health walk) – leaving from Stuart
- 7:00 – 11:00 a.m. Personal Health Assessments – 2nd floor Terrace Lobby
- 7:45 a.m. Jump Start Morning Worship and Communion in Memorial Chapel
- 8:30 a.m. Concluding Business of The Annual Conference
- Prayer for the Session
- Approval of Holston Conference Ministry Funding
- Cabinet Report
- Plenary Session – United Methodist Call to Action
- Holston Responds with Rev. David Graves
- Denman Evangelism Award
- Living Stone Award
- Bishop Fritz Mutti Recognizes Holston for HIV/AIDS Contribution
- Cabinet Recognitions
- Minute Question #85 “Where Shall Annual Conference Be Held?”
- Our Life Together
- Sending Forth Worship
- Bishop James E. Swanson, Sr. presiding
- Fixing of Appointments
- Licensing of Local Pastors
- Fairview UMC Youth Choir

BOPping Along!

The Board of Pensions would really like to engage folk during Annual Conference in participating in **exercise** and in our **new health initiative**. To that end, we are sponsoring **BOP** (Board of Pensions)-**ping Along!** Come take a brief walk with us at these times during Annual Conference and improve your health and vitality!

At each stated time, meet right in front of Stuart Auditorium (beside the statue of Chief Junaluska). We will walk to the foot bridge and back (30 minutes) or to the dam bridge and back (20 minutes). Five walks are scheduled, and we hope you will join us!

- Monday at 7:00 a.m. – 30 minute Foot Bridge BOP
- Monday at 5:00 p.m. – 20 minute Dam Bridge BOP
- Tuesday at 7:00 a.m. – 30 minute Foot Bridge BOP
- Tuesday at 5:00 p.m. – 20 minute Dam Bridge BOP
- Wednesday at 7:00 a.m. – 30 minute Foot Bridge BOP

B. DAILY PROCEEDINGS

**MINUTES OF THE FORTY-FIFTH SESSION
OF THE
HOLSTON ANNUAL CONFERENCE
OF
THE UNITED METHODIST CHURCH
(The 189th Session of the Holston Conference)

June 10 - 13, 2012
George R. Stuart Auditorium
Lake Junaluska, North Carolina
James E. Swanson, Sr., Resident Bishop**



**Holston Conference
Annual Conference 2012
Called to Action
Sunday – June 10, 2012**

Members, friends and guest of the Holston Annual Conference arrived at the Bethea Welcome Center at Lake Junaluska, for registration. At 3:30pm, first time appointees gathered in the Terrace Auditorium for an Orientation, hosted by Rev. Don Nation, Director of the Wesley Leadership Institute. Bishop Swanson introduced members of the current and incoming Extended Cabinet. Ken Luton, Coordinator of Benefits, spoke about Conference health and pension programs. At 6:00pm, The Laity Session was held in Stuart Auditorium and the Clergy Session was held in Shackford Hall.

Sunday evening's service was titled "Festival of Worship and Holy Communion". "Crossfire from Burks UMC (Chattanooga District) provided pre-service music, under the direction of Dagan W. Beckett. Mr. Wesley Rouse (Fairview-Maryville District) served as Conference Music Leader and Mr. Bryan K. Underwood (First Marion-Abingdon District) was the Conference Organist. Resident Bishop James E. Swanson, Sr. and Ms. Mary Ruth Richards, Conference Lay Leader, delivered the message. Bishop Swanson was the celebrant for the service of Holy Communion.

Monday- June 11, 2012

7:00 a.m. - The Extended Cabinet met at breakfast to discuss any last minute details. The Appointment Cabinet continued meeting after the members of the Extended cabinet were released. There were early morning walks and health assessments provided by the Conference Board of Pensions and Health Benefits.

7:45 a.m. - Morning Worship with Holy Communion was held in the Memorial Chapel, Rev. Andy Ferguson (Church Street UMC-Knoxville District) was the preacher and music was provided by Rev. Darryll Rasnake (Church Street UMC – Knoxville District).

8:30 a.m. - Annual Conference was called to order by Bishop Swanson and opened with prayer by Rev. Steve Sallee (Cokesbury-Knoxville District). As is the Conference tradition, those gathered sang hymn #553, “And Are We Yet Alive?” as our opening hymn.

Rev. Daniel H. Taylor, Jr., Conference Secretary, presented the organizing motions which included adoption of the agenda, setting the Bar of the Conference and election of ushers, tellers and conference secretarial staff.

**ORGANIZING MOTIONS
FOR
2012 HOLSTON ANNUAL CONFERENCE**

Annual Conference Roll Call:

I move that the signed registration cards constitute the roll call and record of attendance. Excused clergy will be noted and recorded in the Journal.

Legal Limits for Voting and Business:

I move that the legal voting and business limits of the 2012 Holston Annual Conference be the stage area, sections one (1) through ten (10), and pews behind sections one (1)B and three (3) of the George R. Stuart Auditorium.

Agenda:

I move that the Schedule/Agenda as printed and included in the Annual Conference Book of Reports constitute the agenda for the 2012 Session of the Holston Annual Conference, subject to any necessary changes and/or amendments by the Chair.

Reports:

I move that reports found in the Annual Conference Book of Reports that do not require action and other reports submitted for information, subject to editorial corrections, be ordered to record and published in the 2012 Conference Journal.

NOMINATIONS FOR SECRETARIAL STAFF

Secretarial Staff:

I move the election of the following persons who join the Conference Secretary as members of the secretarial staff for the 2012 Session of the Holston Annual Conference:

Diana Brown Taylor
Mike Sluder
Marci Villanueva

~ DANIEL H. TAYLOR, JR., *Conference Secretary*

USHERS/TELLERS

TELLERS: I move the election of the following Lay and Clergy members as Ushers/Tellers for the 2012 Annual Conference:

	Clergy	Laity
Abingdon	Donnie Lee Bailey Phyllis L. Hankins Leroy D. Henry Catherine Sandefur	Ernie Catron Mitzi Frye Joyce Moore Steve Patterson
Big Stone Gap	Edwin Blair Donald Hanshew Barry Sarver Daniel Theiben	Kathy Blair Josephine Roddenberry Glynda Sarver
Chattanooga	Bobby Black W. David Hall Joseph D. Moore C. Michael Roberts	Bryan Dantzler Barbara Hartman Jackie Watson Peter Wotowiec
Cleveland	Ralph Steven Brown Michael Cutshaw Travis Dean Humbard T. Anthony Miles	Jackie Brown Linda Humbard Becky Jaquish Betty Carolyn Ward
Johnson City		
Kingsport	Susan Arnold Robert Hults David Poore Nathan M. Ware	Carol Anderson Amy Aycock Sybil Smith Norma Tremblay
Knoxville	Teresa Atkins McClure Q. David Green Lynn W. Hutton Daniel F. Moore	Jack Barry Sandra Barry Shirley Swaggerty Vernon Swaggerty
Maryville	Douglas A. Armstrong Ronald D. Fisher Kenneth Lambert Alvin O. Shaver	John Clayton Charles Coffelt Carole Myers Tracy Starker
Morristown	Martha M. Beamer Marta M. Cogburn Ryan Davenport C. Raymond Spell	Arthur Milo Bohanan Kate Layer Jon Pursley Larry Shaver
Oak Ridge	Joe R. Phillips Randall E. Wright	H. Diane Cooper
Tazewell	James H. Brooks Jacqueline B. Strickler	Carl Adams Deborah Neal
Wytheville	Ronnie Gray Collins Rhonda Hobbs Elizabeth S. King Janet S. Richardson Timothy W. Smith	Shelby Luper Graham Simmerman Jennie Simmerman

Coordinator: Rev. Tony Collins

The report on changes to the Conference Standing Rules was given by the chairperson of the Committee on Rules and Order, Rev. Dr. Brad Scott. Report was approved.

A welcome to Lake Junaluska was given by Rev. Jack Ewing, Executive Director. He enumerated several of the recent improvements to the retreat center. Such as, new beds on 6th floor Terrace, updates to the lobby of Terrace, newly surfaced docks, electronic locks on room doors at Lambuth and new, wider sidewalks.

Jerry Russell (Maryville District) addressed the Annual Conference regarding the offering for the victims of Agent Orange in Vietnam. Jerry recognized all persons in the auditorium who served in the military in Vietnam. An offering was taken for the conference mission initiative in Vietnam for the victims of Agent Orange. Joe Phillips (Oak Ridge District) gave the prayer after the offering was received.

Danny Howe, Conference Missions Coordinator, spoke to the conference about the Hands-On Mission Kits going to Liberia and paid homage to Herbert Sei Lami Zigbuo, who died May 30th in North Carolina. Rev. Zigbuo served as a missionary in Liberia. Food Buckets, School Supplies and Sewing Kits were prepared, loaded and shipped.

There are already 500 food buckets at Fairview waiting for a third container.

District	Goal	Actual
Johnson City	500	908
Maryville	400	689
Cleveland	400	541
Wytheville	400	619
Kingsport	400	509
Morristown	300	894
Abingdon	300	746
Big Stone Gap	300	807
Oak Ridge	300	570
Chattanooga	300	932
Knoxville	300	755
Tazewell	200	1006

First Broad Street UMC (Kingsport) and Cokesbury UMC (Knoxville) provided tubs for Zimbabwe including undergarments, snacks, toiletries, laundry supplies. Bishop Swanson offered prayer for the generosity of the annual conference in fulfilling and exceeding the goals for the mission kits. He prayed that the gifts would be used for God's Glory.

Fostering Vital Congregations

Rev. Grady Winegar, Chair of the Conference Committee on Archives and History, introduced this segment as being a time of storytelling. He emphasized that stories and history give our present life meaning.

Mr. Charles Stewart (chair of CFA) gave the report for the Council on Finance and Administration. Deb Holly led the report on The Discipleship Team. She commented on the amount of money received toward the budget for ministry.

Thomas Hammondtree spoke to ministries that relate to children and youth. He gave witness to camping; CCYM and Camp Discovery as having helped him hear his call to ministry.

Rev. Reed Shell, Chair of the Conference Board of Ordained Ministry (BOM), reported to the conference that the BOM is striving to help laity find their call to ministry. Through the Board, we

provide financial support to persons attending seminary and Course of Study using the Ministerial Education Fund (MEF). New this year, the BOM offered our first year Provisional members a time of spiritual renewal and training at three retreats held at conference camps.

A marriage retreat is also sponsored by Clergy Concerns for couples young in ministry. The next marriage retreat will be held April 4-6, 2012 at Buffalo Mountain Camp. There will be a clergy and laity training event held in Knoxville on July 9. This training will help clergy and laity learn to provide marriage enriching events in their local churches. Report was approved.

Patty Muse, Chair, gave a report for the Conference Board of Pensions and Health Benefits. There is an opportunity for health assessments during annual conference. Also walks around the Lake before and after the business sessions. Report was approved.

Kristi Barnes spoke on Stewardship. She had attended the Texas Intensive Stewardship training. Danny Hensley, chair of the Committee on Equitable Compensation, informed the conference regarding equitable compensation and the increase of 4% that will be in effect for 2012-13.

Ginger Howe Isom addressed the conference about transformation needed to move toward the Call to Action aspect of Vital Congregations.

Prior to our first break, Rev. Daniel H. Taylor, Jr. recognized Dr. Richard Eslinger from United Seminary and Dr. Arun Jones from Candler School of Theology.

After the break, the Bishop recognized William and Grace Warnock as long time missionaries in Liberia, now retired. The Warnocks received one of the first Hands-On mission containers from Holston in 1987.

We resumed the Vital Congregations report with Deb Holly

Rev. Josh Kilbourne, Rev. Chris Brown, Ms. Becca Malone, Mr. Ralph Skinner and Rev. Tim Kobler, were audience participation members.

Report from the conference Personnel Resources Committee was given by the Chair, Mr. Michael Eastridge.

Gary James, laity, informed the Conference about a cooperative parish (Mt. Moriah) in the Chattanooga District.

Susan Montgomery addressed the conference about laity involvement in the local church, district and conference levels. Susan is part of Outreach Advocacy and enumerated some of the programs and trainings O/A has provided for the conference.

Leanna Johnson, a young adult lay person, spoke about the Evangelism conference that was held in Knoxville this year. Leanna's excitement was evident as she related the ways her church used the information they learned.

Deb Holly reported on the lay ministry and lay speaker training. She, while pouring lots of coffee, led a panel representing the Discipleship Team. A video presentation was shown highlighting one of the Change of Children grant recipients, East Ridge UMC (Chattanooga) Children's Ministry. Tom Hancock informed the conference about the grant that will be used to build an orphanage in Southern Sudan. Tom recognized our team in Yei, Sudan, Rev. Dr. Fred Dearing, Superintendent, Libby Dearing, Steve and Diantha Hodges. Becky Hall reported on several new church starts in South Sudan.

Susanna Lopez is from The Ministry of the Holy Spirit, in Sevierville. It is a cooperative parish with First, Sevierville, and is the fastest growing Hispanic ministry in the Conference. Evan a member of Out of the Box Ministries reported on this outreach of First UMC, Hillsville, VA. Out of the Box Ministries has grown 151% this year.

Jim Wheeler, chair of the conference trustees, reported on the purchase of a new episcopal residence in Blount County. Sale of the current Episcopal residence should more than offset the cost of the new residence.

Amy Nutt shared about the Witness Ministry at Ooltewah by which they have started at new worship service on Saturday evening.

Deb Holly invited Mr. Moses Kumar, the general secretary of the General Council for Finance and Administration, to address the conference about “living the Methodist way.” His purpose for addressing the conference was to thank us for paying our 2011 General Church apportionments at 100%. A framed picture was presented to Bishop Swanson, Charles Stewart and John Tate recognizing Holston’s contributions to GCFA. Holston Conference also paid Jurisdictional apportionments at 100%.

Deb Holly moved for the adoption of the Vital Congregations reports excluding the CFA report. The reports were adopted by a verbal vote signified by saying, “amen.”

Del Holley, chair of Holston’s General Conference Delegation, made a report on the 2012 General Conference held in Tampa, FL. At the conclusion of his report, Mr. Holley moved that Holston Annual Conference endorse Rev. David Graves as its nominee for episcopal election at the 2012 Southeastern Jurisdictional Conference. The motion was approved by a show of hands. Rev. Graves thanked Holston Conference for their support. A prayer for Rev. Graves was led by Del Holly.

The death of Jay Garrison was acknowledged and his contribution and service as Chancellor to the conference celebrated. Both Del Holley and Bishop Swanson spoke about Jay. Jay was elected as a Lay Delegate to General and Jurisdictional conferences. Bishop Swanson spoke of his personal friendship with Jay and his valuable work as Chancellor. Bishop Swanson nominated John Eldridge as Chancellor and turned the chair to Mary Ruth Richards to preside. There was a second to the nomination by Daniel H. Taylor, Jr. and John was elected unanimously. Due to the death of Jay Garrison, two additional delegates are needed to Southeastern Jurisdictional Conference. The names of Wilma Snyder and Victor Dingus were presented as the next highest votes to already elected alternates. They were approved as reserve delegates. This information was provided to the General Conference and Jurisdictional Conference Secretaries.

The Conference Secretary made the following announcements: The Peace with Justice luncheon will be in Terrace 316, JUMP (Junaluska United Methodist Productions) is videotaping the conference proceedings and they will be available for purchase.

11:55am: The conference was adjourned for lunch. Blessing of the meal was offered by Erin Gamble (Knoxville District).

Monday Afternoon

Service of Remembrance

The Conference returned to Stuart Auditorium for a Service of Remembrance celebrating the lives of those who died since the last time we met. Rev. Grady Winegar (Knoxville District) was the preacher for the hour. Grady’s sermon title was “Do You Believe This?” The scripture for the sermon was John 11: 17-27. Music was provided by the Seymour Righteous Ringers (Maryville District), under the directions of Gaile Todd, and the combined choirs from Anderson Street UMC, Addilynn Memorial UMC, First Bristol UMC, and State Street UMC, from the Abingdon District. After the Service of Remembrance and a short break the Conference resumed its business session at 3:20p.m., with a prayer by Mary Waterson.

The report from The Committee on Nominations was given by the Conference Secretary. The report was approved.

The afternoon plenary was led by Dr. Drew A. Dyson, James C. Logan Professor of Evangelism and Assistant Professor of Practical Theology at Wesley Theological Seminary, Washington D.C. Dr. Dyson's focus was the Call to Action. Dr. Dyson's topic was "Missional Imagination".

Just before adjournment door prizes for the health initiative were presented by Patty Muse and able assistants. Blessing of the Dinner meal was given by Rachel Collins and the session was adjourned for dinner.

Dinner Break and Health walk!

Monday Evening

Service of Ordination and Commissioning

The service began at 7:00 p.m. with a processional of the candidates for Provisional, Associate and Full-Connection memberships, Board of Ordained Ministry, Appointment Cabinet, and liturgists. Preaching was the Rev. Dr. Kim Cape, General Secretary of the General Board of Higher Education and Ministry. Dr. Cape's scripture selection was Ephesians 4:1-16 and her sermon was titled "What Would Wesley Do?" Music leadership was provided by our conference musicians and the choir from First Bluefield UMC (Tazewell District) under the direction of Mr. Jim Jones, accompanied by Mr. William Elliot, organist and Ms. Sharon Ziegler, pianist. Bishop Swanson, assisted by Bishop (ret.) Richard Looney, commissioned twelve (12) provisional elders and two (2) provisional deacons, recognized four (4) associate members, and ordained one (1) deacon and fifteen (15) elders.

Tuesday Morning

June 12, 2012

7:00 a.m. - BOPping along walk and Health Assessments sponsored by Pensions and Health Benefits

7:45 a.m. - Jump Start - Rev. Laurie Jo Cranford, pastor at Sulphur Springs UMC (JC) was the preacher for the morning. Music was provided by Rev. Maria Grimm of the Blue Ridge Circuit (WY).

The session was called to order at 8:30 a.m. with worship led by our four camp directors and the staff of Camp and Retreat Ministries. Rev. Randy Pasqua, Executive Director, led the report on Camp and Retreat Ministries.

Bishop Swanson recognized our military chaplains who were able to attend this year's annual conference.

Rev. Ronnie Collin, Chair of the Witness Team, assisted by Bishop Looney presented the 2012 Denman Award Recipients.

The Lay award went to the Camp Directors, John Erdman (Wesley Woods), Jason Onks (Buffalo Mountain), Donald Washburn (Lookout Mountain), and Michael Snow (Dickenson).

Youth recipient is Ms. Molly Kate Brannock.

The Clergy award was given to Rev. Dr. Jerald W. Russell, senior pastor of Fairview UMC (MA).

John Eldridge, chair of Petitions and Resolutions, presented one resolution asking the Holston Conference to support the campaign "No Malaria". Rev. Brian Taylor (JO), who chairs the campaign for the conference, spoke to the resolution. Bishop Swanson vacated the chair to speak to the resolution. Bishop Looney presided. The resolution was adopted unanimously. A video on No Malaria followed.

Rev. Clifford W. Amos, Development Officer, presented the report for Asbury, Inc.

The report for Holston United Methodist Home for Children was presented by Mr. Art S. Maskar, President/CEO.

Executive Director of the Holston Foundation Roger Redding presented the report. Roger highlighted the work in Sudan and remembered Rev. Linda Bird Wright.

Rev. Chris Brown, chair of Higher Education and Campus Ministry, introduced the five Wesley Foundation Directors: Rev. Tim Kobler (UT Knoxville), Rev. Keith Moore (UT Chattanooga), Rev. Beth Tipton (UVA Wise), Rev. John Ousley (ETSU), and Ms. Martee Buchanan (Radford University); and the three campus ministers: Rev. Mary K. Briggs (Emory and Henry), Rev. Chris Dover (Tennessee Wesleyan) and Rev. Dawn Chesser (Hiwassee). Chris also introduced our three college presidents: Dr. Robin Tricoli (Hiwassee), Dr. Rosalind Reichard (Emory and Henry), and Dr. Harley Knowles, Tennessee Wesleyan. Dr. Knowles addressed the conference on behalf of the college presidents. Chris announced that Martee Buchanan is the 2012 Francis Asbury Award recipient.

Announcements by the Secretary were followed by a short break to allow the stage to be set for the Retirement Recognition Service.

10:50 AM

The Holston Conference recognized fifteen (15) clergy members who were elected to the retired relationship. The combined years of service are 402. Each retiree received a pin and certificate. Bishop Swanson was assisted by Rev. Reed Shell, Chair of the Board of Ordained Ministry and the Conference Secretary. The mantle was passed from Rev. Jim Whedbee to Rev. Will Shewey. Will is the last associate member (deacon) who can be elected to full connection and ordained an elder under the 1992 Discipline.

Tuesday Afternoon

1:30 PM Bishop Swanson called the conference to order. His remarks reflected on the growing violence in Syria. Danny Howe (KI), chair of Missions Ministry Team, prayed for the session remembering all who are in harm's way, especially children.

Rev. Tony Collins spoke about the absence of Bishop Mack Stokes at this year's conference and made a motion that the Conference Secretary be directed to write Bishop Stokes at our regret that he was not with us and our prayers for the improving of his health. Motion was seconded and approved. A letter was sent to Bishop Stokes at the conclusion of the 2012 Holston Annual Conference.

The afternoon plenary was led by Dr. Lew Parks, Professor of Theology, Ministry, and Congregational Development at Wesley Theological Seminary in Washington, D.C. Dr. Parks' focus was on the small membership church, small groups in any size church, congregational vitality and church revitalization.

Following our time with Dr. Parks the conference took a break for an ice cream social and an opportunity to greet Bishop and Mrs. Swanson.

The afternoon session continued with a plenary led by Bishop Gregory Palmer, resident bishop of the Illinois/Great Rivers Annual Conference (Illinois Area). Bishop Palmer received a standing ovation for his presentation on The Call to Action and Vital Congregations. Mrs. Swanson presented flowers to Bishop Palmer for his wife Cynthia, who was unable to be with us.

4:45pm: Announcement that in 6 minutes 1,200 lives were saved by the offering collected for Imagine No Malaria.

Door Prizes were drawn for those who participated in the HRA (Health Risk Assessment). The evening meal blessing was given by Mary Haisten Gattis(KN).

Tuesday Evening***Let's Get Ready to Rumble!***

Tuesday evening was a celebration of Bishop Swanson's eight years of ministry in the Holston Conference (Knoxville Area). The service was as much a celebration for Mrs. Delphine Swanson and her ministry in Holston Conference. The program was hosted by Dr. Albert Bowles (RE) and music was provided by the Mount Moriah parish choir (CH). Bishop Gregory Palmer participated in the celebration and added well timed remarks. Lots of memories, photographs, video and laughter!

**Wednesday Morning
June 13, 2012**

7:00 a.m. - BOPping Along

7:45 a.m. - Jump Start: The Rev. Josh Kilbourne, associate at Middlebrook Pike UMC (KN), was the preacher on this final morning of the conference. Music ministry was provided by Rev. Dr. Brad Scott, pastor of First UMC, Pearisberg, VA. (TA)

The session began with conference singing. Rev Mickey Rainwater provided the opening prayer. Bishop Swanson introduced Bishop Lawrence McClesky who represented Africa University and thanked Holston for paying 100% of its apportionments for Africa University for 2011. This amounts to almost \$50,000.00.

Budget presented by Charles Stewart, motion made to accept the narrative budget. Jackie Watson, Chattanooga District "who will make the determining factors about the line items at a later date?" The question was addressed by John Tate. The CFA commitment is that the conference will operate within the funds that are collected. Paul Hite, Abingdon District, made a motion to amend the budget on page 104 in the Book of Reports to drop the period after 2008 all the DS's to receive up to a 4% salary increase administered by CFA, in 2013. Mr. Hite gave rationale for his motion as acknowledging the hard work involved. Rev. David Graves asked on behalf of the cabinet that this amendment not be accepted. Bishop call for the question and the amendment was not approved. Speech on line item budget by Bethany Dowdy who asked how this year's budget would have looked on a pie chart so that there could be some idea of where cuts might come from if there had to be budget reductions. Charles Stewart addressed this question about how a pie chart would look as of last year's budget. The 2013 budget of \$9,558,660.00 was approved.

Rev Fred Allen was recognized as a guest of the annual conference. He spoke at the Holston chapter of BMCR's breakfast this morning.

Rev. David Graves, Dean of the Cabinet, gave this year's cabinet report. Rev. Graves praised the conference for their work and encouraged the small churches to claim their good works. There are still struggles but there are a number of bright spots. Rev. Graves celebrated the contribution of the Abingdon Administrative Assistant, Betty Duncan, who died earlier this year from a brain tumor; Nichelle Evans, administrative assistant new to the Oak Ridge District and Ethel Starnes, who has come out of retirement to serve as administrative assistant in the Chattanooga District. A video presentation was made about Beulah church where a Boy Scout program was started. A presentation was also made by Scott Spence from the Abingdon District. He is from North Keywood and he brought the message of his vital congregations in a two-point charge. The Whittenburg Church is now a preaching station in the Morristown District and a video was shown about how they are doing vital ministries in a church that they thought would close. The Johnson City District featured the Edgefield UMC and pastor Estel Williams. They have approximately 200 in worship on Sunday and have opened their Church Life Center to any non-profit in the community. The church works with the local school and now have a basketball league that meets two nights a week and there is a food pantry in conjunction with Second Harvest. The next district

to be featured was Oak Ridge and Concord United Methodist Church. The focus was on strategic planning that allowed them to expand their space. This was a four year plan of acquiring property on which to expand. The consistent question at Concord is "What is next?" Wytheville District recognized Door of Heaven UMC, a Hispanic Congregation. Virginia Avenue United Methodist Church, in the Tazewell District, began a stewardship campaign that was based on tithing. They have gone from financial concerns to dealing with reserves. Chattanooga District featured the Mt Moriah Parish served by Dr. Elston McClain, Pastor Stanley Williams, Rev. Edward Ellis, Charles Smelley, and Fredrick Norman. The parish has formed a community to provide music and teaching to the parish churches. Signal Mountain UMC has been served by Dr. J.N. Howard in retirement. They have experienced growth in membership and have a new building. The Cleveland District was ravaged by tornados. Rev. Graves talked about the damage and recovery efforts that were provided by churches. Due to the work of the churches, The Red Cross has asked Holston to provide leadership. Sycamore Tree building was consecrated this year and now has a church charter. Rev. Jeff Whatley asked the church not to go into debt for the building of the church and in now completely debt free. When Katrina hit, the church postponed its own renovation to send 39 mission teams to help with renovations in New Orleans. The Big Stone Gap district lifted up Rye Cove UMC. They have engaged the community in youth and children's ministries. Kingsport District featured bright spots through cooperation among churches in the district. John Thompson was the presenter. Rev. Graves moved that the cabinet report be adopted. The motion was seconded by Rev. Doug Fairbanks. The Report was approved.

Mary Francis Tucker presented Bishop Swanson with a certificate, issued by Governor Bill Haslam, making him an honorary citizen of the State of Tennessee.

Tom Miteraj, from UMM, presented The Society of John Wesley Award to Michael Smith, the outgoing president of UMM and member of Concord (KN).

Rev. Lon Tobin presented the "Living Stone Award." It is a follow-up to the Mustard Seed Award and exemplifies the work of a small membership local church. This year's recipient is Ironsburg UMC (TA), where Rev. Bill Clark serves as pastor.

Rev. Grady Winegar presented the North Central Jurisdiction Historical Society's "Ministry of Memory" Award to Rev. Roy Howard.

Rev. Jeff Wright came to the podium to present the 2011-2012 Leadership Holston class.

Bishop Fritz Mutti addressed the annual conference in a spirit of thanksgiving and gratitude for Holston's contribution of approximately \$300,000 which is 10% of the total giving for the Global AIDS Fund.

Bishop Swanson gave the conference some information about Strength for The Journey retreat which is held twice a year, in the fall at Buffalo Mountain Camp. This year's dates are September 24-28, and October 22-26.

The Bishop recognized Rev. Dr. Douglas R. Fairbanks, Jr., Rev. Dr. William Randall Frye and Rev. Michael H. Travis, as they left the cabinet. Doug Fairbanks is projected to serve First Centenary (CH), and Randy Frye is projected to serve Fountain City (KN). Mike Travis retired. Projected Superintendents are Rev. Nathan Malone (Knoxville), Rev. Walter Weikel (Johnson City), and Rev. Joseph Green, (Cleveland).

Rev. Daniel H. Taylor, Jr. made the announcement that Bearspring UMC had inadvertently been omitted as a Five Star Church in the 2011 Book of Reports.

Change for Children, \$52,000 with half going to No More Malaria which equals the saving of 2600 lives.

The Conference Secretary made the motion that the extended cabinet be authorized to act on behalf of the Holston Annual Conference when the conference is not in session. Motion approved.

Annual Conference question #85; “Where shall the 2013 Holston Annual Conference be Held?” was answered with “Lake Junaluska.”

Rev. Catherine Nance, pastor of Beaver Ridge UMC (OA), presented “Our Life Together”.

Following a short break the conference came together for the *Sending Forth service*.

Bishop Swanson preached his last sermon before the conference as resident bishop. His sermon text was John 15: 1-8. The title of the sermon was “Leaving a Legacy”. Music was provided by the Fairview UMC Youth Choir under the direction of Mr. Wesley Rouse.

Appointments were fixed and new local pastors were licensed.

The final session of the 2012 Holston Annual Conference was adjourned by Bishop James E. Swanson, Sr.

The recessional Hymn was #154 “All Hail the Power of Jesus’ Name”.

Postlude by Bryan Underwood was “Toccata” from Symphony No.5, Charles-Marie Widor

Respectfully Submitted,
Rev. Daniel H. Taylor, Jr., Conference Secretary
Rev. Diana L. Brown Taylor, Minutes Secretary
Ms. Marci Villanueva, Administrative Assistant

C. LAITY SESSION

Holston Conference Annual Conference Laity Session Stuart Auditorium Sunday June 10, 2012 6:00 PM

I. Welcome

As lay members walked in, reporting guides were handed out. Jeff Kile led a song, Deborah Neal read scripture, and Ken Roddenberry offered a prayer, and a video about growth and change was shown. Mary Ruth gave her reflections on the video.

II. Introductions: Mary Ruth Richards

- Training PowerPoint on the conference website, orientation in BoR
- Member, not a delegate
- First time members are welcomed
- BOLM members are introduced. They will wear a red ribbon.
- Prayer room in the chapel
- Walks for health

III. UMY, UMW, UMM

- Taylor Downey introduced youth and discussed youth leadership and youth programs. Discovery and Resurrection are two examples. A mission to the Bahamas is planned.
- Georgia Lister recognized UMW and discussed the restructuring that was accomplished during General Conference. Their report is in the Book of Reports.
- Mike Smith recognized UM Men and their new officers. Day with the bishop has doubled in attendance. Calling All Men has been successful as well. It will be held in Abingdon and Concord this year. Their report is in the Book of Reports.

IV. Lay speaking

- Jane Blevins recognized lay speakers and invited those who want to serve but not speak
- The new name is lay servant or lay servant minister. This is effective January 2012
- Other changes will follow. Everyone is invited to attend the training
- A lay speaker track has been established.

V. Laity Instructions

- Del recognized that this is Mary Ruth's final AC as Conference Lay Leader
 - Lay members are to interpret the actions of the AC.
 - Also to report to our local congregation as soon as possible
1. Contact the leaders that are listed on the front of the reporting guide
 2. Help in participating in the conference-holy conferencing-Roberts Rules of Order
 3. Summary of each day with room for notes

VI. Benediction

- A special benediction was coordinated by Mary Ruth. Youth and BOLM members joined hands while Del and Mary Ruth led a responsive prayer.

VII. Additional AC Business

- BOLM met in the chapel for a few minutes on Sunday at 3:15 to go over AC plans. At that time, the door was not unlocked.
- BOLM met for 10 minutes in the chapel on Tuesday 6/12 at 1:15 PM. Items discussed included being deliberately present with your DS, AC so far, and the BOLM's role in the sending forth ceremony.
- BOLM assisted in the sending forth ceremony by presenting certificates to new local pastors and by participating in blessing Bishop Swanson at the end of his term in Holston.

jk: Respectfully submitted

D. CLERGY SESSION

Sunday, June 10, 2012

6:00 p.m.

The 2012 Clergy Session of the Holston Annual Conference convened in Shackford Hall, Lake Junaluska, N.C., with Bishop James E. Swanson, Sr. presiding.

Rev. David W. Graves, Kingsport District Superintendent and Dean of the Cabinet, answered in the affirmative Question 17, regarding the character and Conference relations of all clergy members.

The Administrative Review Committee was elected.

Bishop Swanson recognized Rev. Reed L. Shell, Jr., Chair of the Board of Ordained Ministry, who presented that portion of the Business of the Annual Conference report pertaining only to Questions 27 through 33 regarding the election of Associate, Provisional, and Full Connection Members and their licensing, commissioning, and ordination respectively. All seven questions passed with the required majority vote.

The Historic Questions were asked during the ordination session on Monday evening.

Secretaries for the session were Rev. Daniel H. Taylor, Jr., Conference Secretary and Ms. Marci Villanueva, administrative assistant.

The session was adjourned by Bishop Swanson at 6:40 p.m.

E. STANDING RULES

STRUCTURE AND ORGANIZATION

THE ANNUAL CONFERENCE

“The purpose of the Annual Conference is to make disciples of Jesus Christ for the transformation of the world by equipping its local churches for ministry and by providing a connection for ministry beyond the local church; all to the glory of God.” (2008 *Book of Discipline*, ¶601).

Composition and Character is defined by 2008 *Book of Discipline*, ¶602, ¶32-36

Organization is defined by 2008 *Book of Discipline*, ¶603

Function is defined by the 2008 *Book of Discipline*, ¶¶604-606

I. CABINET

- a. **Appointment Cabinet:** Resident Bishop; 12 District Superintendents; Executive Assistant to the Bishop ¶417-425
- b. **Extended Cabinet:** Appointment Cabinet; Director of Clergy Services/ Conference Secretary; Director of Connectional Ministries; Director of Finance Services/ Conference Treasurer; Director of Congregational Development; Director of the Wesley Leadership Institute; Steward of Clergy Concerns; Executive Director, Holston Conference Foundation. The Conference Lay Leader shall be invited to attend meetings of the Extended Cabinet.

II. COMMUNICATIONS ADVISORY COUNCIL, a service agency of the entire Conference. Total Membership = 14: 9 elected members, Cabinet Representative, Director of Communications, Information Technology Manager, Multimedia Coordinator, Print Media Specialist, Editor of *The Call* (Discipline ¶609, 646) Related to Council on Finance and Administration and Annual Conference.

III. COMMITTEE ON CONGREGATIONAL DEVELOPMENT

Total Membership = 13: 12 elected members, Cabinet Representative

IV. BOARD OF HIGHER EDUCATION AND CAMPUS MINISTRY Total Membership = 13: 12 elected members, one of whom shall be from the Young Adult Ministry, Cabinet Representative (Discipline ¶634) Related to the Discipleship Team and Council on Finance and Administration

- 1. *Wesley Foundations*
- 2. *Conference Colleges*

V. BOARD OF LAY MINISTRY (Related directly to Annual Conference)

- a. The Conference Lay Leader is the elected leader of conference laity (¶607.1);
- b. Total membership 23: 12 District Lay Leaders; presidents of United Methodist Men, United Methodist Women, United Methodist Youth; Resident Bishop, Conference Director of Lay Speaking; 2 cabinet representatives; 5 members-at-large; Conference Lay Leader. The Board may elect up to three associate Conference Lay Leaders from its membership, who may represent the Lay Leader with full voting rights in any group of which the Lay Leader is a member. (Discipline ¶631)
- c. The Conference Lay Leader shall be the chairperson of the conference Board of Lay Ministry (Discipline ¶607.3).

VI. DISCIPLESHIP TEAM Total Membership = 25: 12 elected members, Resident Bishop, Board of Higher Education & Campus Ministry Chairperson, Conference Lay Leader, Director of Connectional Ministries, 5 Chairpersons of Ministry Teams with vote: Missions, Nurture, Outreach, Stewardship, Witness, 4 Representatives without

vote: Appointment Cabinet, Board of Ordained Ministry, Communications Advisory Council, Wesley Leadership Institute. (Discipline ¶630)

- a. **Missions Team** Total Membership = 15: 12 elected members, Chairperson of Native American Ministries, Conference Secretary of Global Ministries, Cabinet Representative (Discipline ¶633). Sub-groups to be determined by Missions Team in consultation with Discipleship Team.
 1. *Native American Ministries* Total Membership = 7: 6 elected members, Cabinet Representative (Discipline ¶654)
- b. **Nurture Team** Total Membership = 19: 12 elected members, Representatives of the 6 Ministry Teams/Board with vote (Children's, Council on Youth, Young Adult, Camp and Retreat), Cabinet Representative. Other representatives to be determined and named by Nurture Team in consultation with Discipleship Team.
 1. *Children's Ministry Team* Total Membership = 12: 9 elected, 3 Ex-Officio (Conference Representative to Holston Home for Children, Cabinet Representative, Staff Resource Person)
 2. *Conference Council on Youth Ministries* Total Membership = 38: 2 youth per District, 1 adult per District, Coordinator of District Coordinators, Cabinet Representative (Discipline ¶649)
 3. *Young Adult Ministry Team* Total Membership = 13: 12 elected members, 75% or 9 of which are age 18 to 35, representing a cross section of the annual conference, Cabinet Representative (Discipline ¶650)
 4. *Camp and Retreat Ministry Board* Total Membership = 19+ : 16 elected members, Resident Bishop, Director of Connectional Ministries, Camp and Retreat Ministry Executive Director, 4 Site Directors, Chairpersons of 4 Site Boards
- c. **Outreach/Advocacy Team** Total Membership = 23: 12 elected members plus the four ministry area chairpersons of Religion and Race, Church and Society, Status and Role of Women, and Christian Unity and Inter-Religious Concerns, Cabinet Representative, additional Ex-Officio members named by the Team in consultation with the Discipleship Team (Discipline ¶629)
 1. *Religion and Race Ministry Area* Total Membership = 13: 12 elected members (1 from each District), Cabinet Representative (Discipline ¶643)
 2. *Church and Society Ministry Area* (Chair) (Discipline ¶629)
 3. *Status and Role of Women Ministry Area* (Chair) (Discipline ¶644)
 4. *Christian Unity and Inter-Religious Concerns Ministry Area* (Chair) (Discipline ¶642)
 5. *Disability Concerns* (Chair) (Discipline ¶653)
- d. **Stewardship Team** Total Membership = 13: 12 elected members, Cabinet Representative
- e. **Witness Team** Total Membership = 15: 12 elected members, Chairpersons of Committee on Small Membership Congregation Team and Hispanic/Latino Ministry Leadership Team, Cabinet Representative
 1. *Small Membership Congregation Team* Total Membership = 10: 9 elected members, Cabinet Representative
 2. *Hispanic/Latino Leadership Team* Total Membership = 10: 9 elected members, Cabinet Representative

VII. BOARD OF ORDAINED MINISTRY Total Membership = 37: 29 elected members (22 clergy, 7 professing members) [nominated by the Resident Bishop and elected by the Annual Conference]; The Board may adopt a policy to pull in others to use as interviewers as needed. Members may serve up to three four-year terms (¶ 635.1.a). Administrative Registrar and Director of the Wesley Leadership Institute (without vote); Chair, Order of Deacons; Chair, Order of Elders [nominated by the Board of Ordained

Ministry and elected by Clergy Session]; Co-Chairs, Fellowship of Local Pastors and Associate Members; 2 District Superintendents appointed by Resident Bishop. The Board shall select its own officers. Discipline ¶635, ¶306-309

VIII. GROUPS RELATED TO THE CABINET AND ORDAINED MINISTRY

- a. **Administrative Review Committee** Total Membership = 3: 3 elected clergy in full connection and two alternate clergy in full connection, nominated by the Bishop and elected by the Clergy Session. Discipline ¶636
- b. **Committee on Investigation (Clergy)** Total Membership = 7: 4 clergy in full connection, 3 professing members; 6 alternates of 3 clergy in full connection and 3 professing members. Members are nominated by the Resident Bishop and elected by the Annual Conference quadrennially. Discipline ¶2703-2711
- c. **Order of Deacons, Order of Elders** (Discipline ¶ 306-309)
- d. **Pastoral Counseling Center Supervisory Committee** Total Membership = 13: 8 elected members, Representative of the Board of Ordained Ministry, three (3) District Superintendents (none of whom shall be from any district where Counselors hold their Charge Conference), Steward of Clergy Concerns. Related to Cabinet and Board of Ordained Ministry.

IX. COUNCIL ON FINANCE AND ADMINISTRATION Total Membership = 15: 11 elected members and 4 persons without vote: Resident Bishop, Conference Treasurer, District Superintendent chosen by the Cabinet, and Director of Connectional Ministries. The Council shall elect its own officers, except the treasurer who shall be the Conference Treasurer. Discipline ¶611

X. ADMINISTRATION

- a. **Board of Pensions** Total Membership = 27: 8 elected members each from Clergy, Laymen, Laywomen, Pensions Director, Chair of Joint Committee on Incapacity, Cabinet Representative. Discipline ¶639
- b. **Board of Trustees** Total Membership = 13: 12 elected members, Cabinet Representative; Ex-Officio, Resident Bishop. The Board shall elect its own officers. Discipline ¶¶640, 2512-2550
- c. **Commission on Archives and History** Total Membership = 12: 9 elected members, Cabinet Representative, Historical Society Representative, Conference Archivist. Discipline ¶641
- d. **Commission on Equitable Compensation** Total Membership = 12: 10 elected members [an equal number of lay and clergy members], 1 District Superintendent named by the Cabinet, Conference Treasurer
- e. **Committee on Episcopacy** Total Membership = 14: 3 elected clergy, 4 elected laymen, 4 elected laywomen, 3 members appointed by Resident Bishop, Ex-Officio Members are the lay and clergy members of Jurisdictional Committee on Episcopacy. The Conference Lay Leader shall be one of the lay elected persons. ¶637
- f. **Committee on Nominations** There shall be a Conference Committee on Nominations composed of the Resident Bishop, who shall serve as Chairperson, members of the Extended Cabinet, Conference Lay Leader, President of the Conference United Methodist Women, President of the Conference United Methodist Men, Chairperson of the Discipleship Team, Conference Secretary, a representative of United Methodist Youth, one lay person from each district chosen by the District Committee on Nominations, and additional lay and clergy persons for equalization of lay and clergy membership.

- g. **Committee on Resolutions and Petitions** Total Membership = 10: 9 elected members and a Cabinet Representative (without vote). Committee members are elected for the quadrennium.
- h. **Committee on Rules and Order** Total Membership = 12: 8 elected members (4 Lay and 4 Clergy) nominated by the Committee on Nominations and elected by the Annual Conference, 4 Ex-Officio members with vote: Resident Bishop, Conference Chancellor, Conference Secretary and a Cabinet Representative
- i. **Episcopal Residence Committee** Total Membership = 3: Chairs or Representatives of the Committee on Episcopacy, the Council on Finance and Administration, and the Board of Trustees. Discipline ¶638
- j. **Personnel Resources Committee** Total Membership = 15: 12 elected members, Conference Chancellor, Executive Assistant to the Bishop, Chairperson of Committee on Episcopacy, Chairperson of Personnel Team of the Council on Finance and Administration, Resident Bishop (Ex-Officio)
 - 1. *Personnel Team of the Council on Finance and Administration*
- k. **Program Committee, Annual Conference Session** Total Membership = 9+: Resident Bishop, Conference Secretary, Conference Lay Leader, President of United Methodist Men, President of United Methodist Women, Chairperson of Discipleship Team, District Superintendent chosen by the Cabinet, Director of Connectional Ministries, additional members appointed by Resident Bishop as necessary

XI. SUPPORT GROUPS

- a. **United Methodist Men** All men of local churches or charges chartered or unchartered within the bounds of the Annual Conference. Discipline ¶648
- b. **United Methodist Women** All members of local units within the bounds of the Conference. Discipline ¶647

XII. THE CONFERENCE CONNECTIONAL TABLE

The membership shall include those staff persons, clergy, lay officials, and other persons deemed needed by the Resident Bishop to carry out the missions of the conference. Different connectional tables may be held for various missions.

Purpose: *to assist in identifying Conference priorities and coordinating Conference ministries and emphasis.*

XIII. TASK FORCES

Task forces must be formed with the approval of the Extended Cabinet and exist for a period of four years to complete their work. At the end of four years, any task force must reapply if needed for an extension not to exceed four more years. If funding is required task forces must apply to the appropriate body.

PROCEDURES

I. NOMINATIONS AND ELECTIONS

1. The Conference Committee on Nominations shall nominate all members of Conference boards, teams, councils, commissions, and committees including the Chairperson, Vice-Chair person, and Secretary, unless such nominations are otherwise provided for in the Book of Discipline or elsewhere in these Standing Rules. The Committee on Nominations, through the Conference Secretary, shall develop an annual instrument for the Charge Conference packet on which laity and clergy may indicate an interest in election to membership on a Conference or District Board, Committee, Team, Council, or Commission. The Committee on Nominations shall also nominate the Conference Lay Leader for election to a four year term of office. When a term is complete or a vacancy occurs of the Conference Lay Leader, the Board of Lay Ministry may submit the names of one or more persons for consideration by the Committee on Nominations. The Conference Lay Leader is eligible to serve two consecutive terms of office. All persons elected at the Annual Conference will begin serving at the close of the Annual Conference. The Extended Cabinet shall fill all mid-year vacancies which shall be confirmed at the next meeting of the Annual Conference.
2. Election to Conference boards, teams, councils, and committees shall be for a four-year term. Members are eligible for a second four-year term, except where the Discipline of the Church or action of the Annual Conference provides otherwise.
 - Members of the Board of Pensions are elected for a term of eight years and are arranged in panels: one-third laywomen, one-third laymen, and one-third clergy. (Discipline ¶639) Members of the Board of Pensions shall not serve consecutive terms.
 - Conference leadership groups shall be organized into the following descriptive categories: advocacy groups, agencies, boards, commissions, committees, councils, ministry areas, and teams. No person shall serve as an elective member of two or more conference leadership groups within the same category; provided, however, that the limitation on joint membership shall not apply to agencies, committees, United Methodist Men, United Methodist Women, the Religion and Race Ministry Area, the Board of Directors of the Holston Conference Foundation, Inc., and the Board of Directors of Asbury, Inc.
 - The year a person is elected at the Annual Conference, or is appointed by the Extended Cabinet to fill a vacancy, shall be year “one” of a term. After completing year “four” of a term, a person is eligible to serve a second term of office or year “five” through year “eight.” If a person has served two consecutive terms in an office, they are ineligible to serve another term in that office, but are eligible to serve in another conference office. A person who has served two consecutive terms in an office becomes eligible again after four years.
 - Members who fail to participate in the meetings and activities of a conference board, council, committee or team may be removed and a successor named in the next report of the Committee on Nominations to the Annual Conference, unless the by-laws of the agency provide otherwise.

- The chairperson, majority of members, or Resident Bishop may call a meeting of any conference board, council, committee, team or commission. The call of a meeting shall be coordinated with the Conference office and shall give the date, time, place, and purpose of the meeting. Unless a meeting is called at the Annual Conference, in order to report to the Annual Conference, a three day or greater notice should be given to members.
3. No person in the employ of a Conference agency shall be a voting member of a board, committee, commission, or council which supervises the work of the agency by which that member is employed.
 4. The Resident Bishop may designate a person to represent the Bishop on any board, team, council, commission, committee, other position, or any occasion where the Bishop deems it necessary. The Resident Bishop or designated person may charge a council, board, committee, team or commission or other conference entity to study or consider an issue that he/she believes is necessary to carry out the mission of the Conference.
 5. There shall be a Committee on Nominations within each district, composed of the District Superintendent (who shall serve as Chair), District Lay Leader, District President of United Methodist Women, District President of United Methodist Men, a representative of the District Youth Council, the Chairperson of the District Leadership Team or other structure, and the District Lay representative to the Conference Committee on Nominations. Additional representatives may be added by the District Leadership Team or other structure to ensure adequate representation. These district committees shall serve as a resource group throughout the year to supply appropriate names of clergy and lay persons to the Conference Committee on Nominations for service within the Annual Conference.
 6. Members of the boards of directors of Asbury Centers, Inc., Holston United Methodist Home for Children, and Advisory Board of Directors of the Methodist Medical Center of Oak Ridge shall be nominated and elected by the respective boards and confirmed by the Annual Conference.
 7. Members of the Board of Trustees of Holston Conference Colleges (Emory and Henry College, Hiwassee College and Tennessee Wesleyan College) shall be nominated and elected by the respective Boards at their fall Board meetings and confirmed at the next session of Annual Conference.
 8. The Holston Conference of the United Methodist Church Foundation, Inc. shall be governed by a board of not fewer than fifteen (15) directors elected by the Board of Directors and confirmed by the Holston Annual Conference of The United Methodist Church. The Resident Bishop of the Holston Conference of The United Methodist Church, and the Conference Treasurer shall be ex officio members of the board with full voice privileges and voting rights. All elected directors shall serve for terms of one, two, or three years as determined by said Board.

II. MEMBERS TO ANNUAL CONFERENCE

9. The lay members of the Annual Conference may be elected annually, or to four-year terms to provide continuity. Lay members shall serve at the meeting of the next Annual Conference following election.
10. The District Leadership Team or other structure, in consultation with the District Council on Youth Ministries or other appropriate group representative of youth

throughout the district, shall elect members of the Holston Annual Conference. The young persons elected shall meet the requirements for election of all lay members as stated in the Book of Discipline, ¶ 32, which is one person from age 12 to 17 and one person from age 18 to 30. The names and addresses of the elected members shall be sent to the Holston Conference Secretary by January 15. If any elected youth is unable to attend the Annual Conference, the District Leadership Team may select a replacement member to attend by sending the name of the youth to the Conference Secretary. A per diem for these youth members shall be paid by the Annual Conference.

11. Each year there shall be elected an equal number of lay and clergy members to the Holston Annual Conference. Professing lay members representing each local charge are to be elected at the Charge Conference. Diaconal ministers, active deaconesses, home missionaries under Episcopal appointment within the bounds of the Holston Conference, Conference President of United Methodist Men, Conference President of United Methodist Women, the Conference Treasurer, Director of Connectional Ministries and Associate Director(s), Director of Communications, Conference Chancellor, Chair of the Committee on Rules and Order, Chair of the Discipleship Team, Chair of the Personnel Resources Committee, Chair of the Council on Finance and Administration, The Executive Director of the Holston Conference Foundation, the Conference Lay Leader and other members of the Conference Board of Lay Ministry not otherwise elected as members of the Annual Conference shall be members of the Annual Conference. The conference director of Lay Speaking Ministries, Conference Secretary of Global Ministries (if lay), and the remaining lay members that will be needed to achieve equalization are to be apportioned to the Districts on the basis of district lay membership, provided that the total number of lay members shall include youth delegates required by the Discipline, District lay leaders, District presidents of United Methodist Women, and United Methodist Men, Lay delegates and alternates to the General and Jurisdictional Conferences for the Quadrennium. The clergy membership shall consist of deacons and elders in full connection, probationary members, associate members, and local pastors under appointment. See also Discipline ¶602.1e. Discipline ¶602
12. The Conference Secretary shall notify each District Superintendent of the number of lay members to be elected not later than sixty days following Annual Conference. The additional persons apportioned to the Districts as lay members to the Holston Annual Conference shall be elected at each of the District Conferences upon nomination from the local churches and District Committee on Nominations. Where there is no District Conference, lay members shall be elected in a manner determined by the District Leadership Team or other equivalent structure.

A prepared ballot of these nominees will be available for the election. Nominations may be received from the floor of the District Conference. A per diem for these members shall be paid by the Annual Conference upon requisition, where they are not paid by the local Church, the District, or some other source. The District Superintendents will be responsible for seeing that the members are elected and that their names and addresses are sent to the Holston Conference Secretary by January 15th of each year.

III. PROGRAM AND REPORTS

13. The Conference Secretary shall be responsible for Memoirs. A memorial service for clergy members, spouses of clergy members, and members of local congregations deceased during the year shall be held at each Annual Conference.
14. Proposed programs from boards, teams, commissions, committees, councils, and agencies that require Conference action shall be compiled and published and/or made available in electronic/digital format under the direction of the Annual Conference Program Committee and distributed to all lay and clergy members of the Conference at least thirty (30) days before the opening session of the Annual Conference. Reports from various committees, boards, teams, commissions, and agencies that are to be included in the Book of Reports are due at the office of the Conference Secretary by March 15.

Agenda items and reports not requiring action by the Annual Conference other than a vote to receive said item for publication in the Journal may be placed on a Consent Agenda. For any item or report to be eligible for placement on the Consent Agenda, it must have been distributed in the pre-Conference materials. Determination of items to be placed on the Consent Agenda shall be made annually by a committee composed of the Conference Secretary, the Chair of the Committee on Rules and Order, and the Director of Connectional Ministries. An individual item may be removed from the Consent Agenda by a written request signed by twelve clergy and/or lay members of the Annual Conference and presented to the Conference Secretary prior to the first business session of the Annual Conference. When an individual item has been removed from the Consent Agenda, it shall be placed into the regular agenda at an appropriate time as determined by the Conference Secretary.

15. The Statistical Report (Table No. 1, Table No. 2, and Table No. 3) for each local church shall be due and submitted by the pastor at an announced place and date set by each District Superintendent, to be no earlier than January 10th and no later than January 15th of each year.
16. The Program of the Annual Conference shall be arranged by a Program Committee composed of the Resident Bishop, Conference Secretary, Conference Lay Leader, President of the Conference United Methodist Women, President of the Conference United Methodist Men, Chair of the Discipleship Team, and a District Superintendent. The Resident Bishop shall serve as chair and may appoint additional members to serve on the Program Committee. The Conference may make any change in the schedule necessary to facilitate its work.
17. There shall be a Conference Committee on Resolutions and Petitions consisting of nine persons elected for the quadrennium by the Annual Conference after nomination by the Committee on Nominations. All proposed resolutions for the Annual Conference or petitions to General Conference, to be considered by the Annual Conference, shall first be presented to the Committee on Resolutions and Petitions by March 1. The Committee shall evaluate each proposed resolution for Annual Conference or petition to General Conference and recommend concurrence, non-concurrence or appropriate referral. Their recommendations and all materials must be in the hands of the Conference Secretary for the Book of Reports by March 15. Any resolution to Annual Conference or petition to General Conference proposed at the Annual Conference from the floor, that was not first considered by the Committee, must be referred, by a majority vote of the Annual Conference, to the Committee

for a recommendation, after which the Annual Conference may consider it. There shall be a Cabinet Representative appointed to the Committee (without vote). The Chair shall be nominated by the Committee on Nominations. All petitions to General Conference submitted for consideration by the Annual Conference must adhere to the specific requirements published each quadrennium by the Petitions Secretary of the General Conference.

IV. PROCEDURES

General

18. In those districts scheduling a district conference, the membership shall include the local church lay leader; chair of the administrative council or administrative board and council on ministries; presidents of United Methodist Youth, United Methodist Women, and United Methodist Men; lay leader; Diaconal ministers and pastors serving within the district; and such other persons as may be determined by the District Leadership Team or other structures.
19. No clerical member of the Annual Conference shall leave the seat of the Conference without notifying in writing that member's district superintendent, who will, in turn, report to the conference secretary.
20. The effective date for all clergy members of the Holston Annual Conference entering into voluntary retirement shall be at the close of the session of the Annual Conference at which their retirement is approved. No retirements may be voted for a projected date during the ensuing appointive year except by the joint recommendation of the Board of Ordained Ministry and the Board of Pensions in response to extraordinary and compelling circumstances.
21. The General Conference rules of order shall be used so far as they apply; otherwise, Robert's Rules of Order shall be used.
22. Any and all proposed changes in the Standing Rules of the Conference made by the Committee on Rules and Order shall be printed in the Annual Conference Book of Reports as outlined in Standing Rule 15 and shall be presented for approval by the Annual Conference at the opening business session of the Annual Conference. Any other motion to amend the Standing Rules must be presented in writing, lay over one day, and be reviewed by the Committee on Rules and Order before a vote is taken, and such motion must be approved by a two-thirds vote of the Annual Conference. The Standing Rules of the Conference shall be printed in each edition of the Conference Journal.

Finance

23. There shall be a Conference Council of Finance and Administration. The Council of Finance and Administration shall submit its proposed budget and recommendations in the Book of Reports to the members of the Annual Conference for its consideration. Budget amendments and other recommendations made by the Council of Finance and Administration, but not included in the Book of Reports may be considered at the Annual Conference. All requests for Conference funds or monetary obligations by any board, committee, council, team, agency or other body shall first be submitted to the Council of Finance and Administration for consideration in the budget. Requests for funds must be submitted to the Council of Finance and Administration or Conference Treasurer by March 1. All requests for funds properly made in time, but not recommended in the budget by the Council of Finance and Administration may

be considered by the Annual Conference by amendment to the budget. Other requests for funds or obligations shall not be considered by the Annual Conference unless first referred by majority vote of the Annual Conference to the Council of Finance and Administration for a recommendation. After receiving a recommendation, the Annual Conference may consider a proposed budget amendment. Discipline ¶¶610-618

24. The fiscal year of the Conference shall be from January 1st through December 31st of each year. The final day to receive payment on Conference apportionments shall be by the close of the business day of January 9th or the Monday following when the 9th falls on a Saturday or a Sunday.
25. The Treasurer of the Conference shall make final settlement and shall disburse all funds as designated after the adjournment of the Annual Conference. During the fiscal year, the Conference Treasurer shall make disbursements to various Conference Agencies at times and in manners approved by the Conference Council on Finance and Administration, and upon requisition of the proper officials of the Board and Agencies. Discipline ¶618
26. The District Superintendents shall receive equal salaries, plus allowances for travel and other expenses beyond the District served and for which no other financial arrangement has been made on requisition from the fund designated for this purpose.
27. There shall be a Conference Board of Trustees. Any request for the sale, mortgage, transfer or disposal of real estate or other assets owned by the Conference shall first be considered by the Conference Board of Trustees. The Board shall present its recommendations in the Book of Reports, but can include additional property or assets or change its recommendation at the Annual Conference. Any other items not considered by the Conference Board of Trustees must be referred to the Conference Board of Trustees by a majority vote of the Annual Conference before action. After receiving a recommendation from the Conference Board of Trustees, the Annual Conference may consider the item.
28. Capital funds campaigns initiated by Conference agencies and institutions that involve the churches of Holston Conference must have the approval of the Council on Finance and Administration and the Annual Conference. Other fund-raising campaigns which extend beyond district boundaries must have the approval of and be coordinated by the Council on Finance and Administration and the Annual Conference. In those instances where financial goals are to be assigned to the congregations, said goals, along with the proposed strategies for meeting those goals, shall be clearly identified prior to approval. Appeals arising within the Conference between Annual Conference sessions may be conducted only on approval of the Council on Finance and Administration. Approval of such appeals shall be communicated to local churches of the Conference.
29. The Conference Council on Finance and Administration shall be required to give thirty (30) days notice to all boards and agencies prior to the annual meeting for budgetary review for consideration of the annual budget of the Conference.

Journal

30. The Committee on Rules and Order and the Conference Secretary and Staff shall establish the policy for the publication of the Journal. Publication may include both print and digital publishing. The Journal shall be published under the direction of the Conference Secretary, who shall serve as editor. The Conference Secretary shall, with the approval of the Council on Finance and Administration, enter into a contract to publish the Journal. All materials to be published shall be in the hands of the Editor within fifteen (15) days after the adjournment of the Conference.
31. The Conference Secretary shall be responsible for the distribution of the Journal. The District Superintendents shall obtain the orders for the Journals from the pastoral charges, through pre-paid orders. Retirees may receive, upon request and without charge, a copy of the Journal for the year of their retirement. A clergy person, whose spouse has died, and Surviving Spouses may receive, upon request and without charge, a copy of the Journal that contains the memorial. Clergy and Diaconal ministers, who are retired or on incapacity leave, and conference claimants may receive, upon request and without charge, a copy of the Conference Directory. Requests must be made to the Office of the Conference Secretary, From Staff . Other persons may place orders with payment through the Conference Secretary. Receipts of Journal sales shall be held in a carry-over account at the end of the fiscal year.

Reports and Motions

32. All motions presented to the Conference and amendments to any paper shall be in writing and placed in the hand of the Secretary immediately following the presentation.

Election Procedures for Delegates to General and Jurisdictional Conferences

33. The Orders of Elder and Deacon shall make available to clergy members an option to withdraw their names from consideration to serve as delegates to General and Jurisdictional conference, so long as the eligibility of all members in full connection is not limited in any way. Any printed material to address this must be in the hands of the conference secretary prior to stated deadlines for the Book of Reports and Programs.

To ensure that qualified lay persons are identified for consideration as delegates to the General and Jurisdictional Conference, persons may be nominated by local churches, District Boards of Laity, or the Annual Conference Board of Lay Ministry on a form to be developed by the Conference Board of Lay Ministry. The form shall ask the potential nominee to respond to the following items:

1. I agree to be a nominee for General and Jurisdictional Conferences.
2. I wish to be a nominee for the Jurisdictional Conference only.

Names of all nominees from local churches shall be in the hands of the District Board of Laity by February 15th of the year in which delegates are to be elected. The District Board of Laity shall review the nominations and determine their eligibility. The Board may add names of persons it deems to be candidates and shall deliver the list to the Conference Board of Lay Ministry by March 1st. The Conference Board of Lay Ministry shall complete the lists, add any persons it deems to be candidates, and provide the list by March 15th, along with biographical information, to the Conference Secretary for printing and distribution in the Book of Reports. The form for nominations shall include the name, address, occupation, local church and

district, indication if individual is of ethnic constituency, current photograph, and a biographical sketch of no more than fifty (50) words provided by the nominee. In addition to this process, nominations may be made at the Orientation Session for Laity at the seat of the Annual Conference for presentation to the Conference.

Following the election of the lay delegates to General Conference and two lay delegates to Jurisdictional Conference, the chair shall then explain to the lay members that an additional list of names is now available indicating persons who have asked to be considered for election to the Jurisdictional Conference only, and they may now vote for these persons as well as any unelected person.

34. Ministerial and lay delegates elected to the previous General and Jurisdictional Conferences shall be delegates to special sessions of the respective conferences.
35. Expenses of two alternate ministerial and two alternate lay delegates to the General and Jurisdictional Conferences, in order of their election, shall be borne by the Annual Conference at a rate not to exceed the per diem of delegates.
36. Each member shall be required to vote for no more than the number of delegates for that particular ballot, but ballots with less than the required number will be considered valid.
37. The names of all eligible clergy persons in the conference shall be printed on a ballot in alphabetical order. A voting number shall be assigned for each eligible clergy person. Clergy members shall vote by ballot until the required number of delegates are elected by a majority vote of the ballots cast. The number of votes a clergy member can cast on a ballot cannot exceed the number of delegates left to be elected. On the ballot that elects the last delegate, if one or more clergy receives a majority vote that exceeds the needed number to be elected, the highest vote total(s) will be used to determine the election. The other clergy person(s) with majority vote will be elected as alternate(s). Another ballot will be taken to elect alternate delegates. After that ballot, if not enough alternates have been elected, a floor vote of a majority of clergy present and voting may elect alternates in the manner specified in the motion.
38. The extended cabinet is authorized to complete any unfinished business of the annual conference that was unavoidably overlooked, but where action is needed to properly carry out the mission of the conference. Any such decision by the extended cabinet shall be recorded in the minutes of the cabinet and reported in the subsequent Journal. The extended cabinet is also authorized to take action in behalf of the conference at times between annual conferences where it is deemed a vital issue and where time is of the essence. Any such action of the extended cabinet shall be recommended by the Resident Bishop after consulting with lay and clergy leaders. The action of the extended cabinet shall be recorded in the minutes of the cabinet and reported to the next annual conference for ratification.

F. THE UNITED METHODIST CHURCH THE BUSINESS OF THE ANNUAL CONFERENCE

The Minutes of the Holston Annual Conference
Held in George R. Stuart Auditorium, Lake Junaluska, North Carolina
from Sunday, June 10 through Wednesday, June 13, 2012
Bishop James E. Swanson, Sr. presiding
Date Organized 1824 (1968)
Number of This Session 189 (45)

PART I ORGANIZATION AND GENERAL BUSINESS

1. Who are elected for the quadrennium (§603.7, 618):

Secretary? Daniel H. Taylor, Jr.
Mailing address: P.O. Box 850, Alcoa, TN 37701-0850
Telephone: (865) 690-4080
Statistician? John R. Tate
Mailing address: P.O. Box 850, Alcoa, TN 37701-0850
Telephone (865) 690-4080
Treasurer? John R. Tate
Mailing Address: P.O. Box 850, Alcoa, TN 37701-0850
Telephone: (865) 690-4080

2. Is the Annual Conference incorporated (§603.1)? Yes

3. Bonding and auditing:

What officers handling funds of the conference have been bonded, and in what amounts (§618, 2511)?

Conference Treasurer, \$1,000,000.

Have the books of said officers or persons been audited (§617, 2511)? (See report, page of 2012 Journal.)

4. What agencies have been appointed or elected?

a) Answer Yes or No for each of the councils, boards, commissions, or committees listed:

- | | |
|---|-----|
| (1) Board of Ordained Ministry (§635)? | Yes |
| (2) Board of Pensions (§639)? | Yes |
| (3) Board of Trustees of the Annual Conference (§2512)? | Yes |
| (4) Committee on Episcopacy (§637)? | Yes |
| (5) Committees on Investigation (§2703.2, .3)? | Yes |
| (6) Administrative Review Committee (§636)? | Yes |

b) Indicate the name of the agency (or agencies) in your annual conference which is (are) responsible for the functions related to each of the following general church agencies (§610.1):

- | | |
|--|--|
| (1) General Council on Finance and Administration? | Conference Council on Finance and Administration |
| (2) General Board of Church and Society? | Outreach/Advocacy Ministry Team (Church and Society Ministry Area) |
| (3) General Board of Discipleship? | Discipleship Team; Nurture Ministry Team; Witness Ministry Team |
| (4) General Board of Global Ministries? | Mission Ministry Team |

(5) Higher Education and Campus Ministry?

Board of Higher Education and Campus Ministry

(6) General Commission on Archives and History?

Commission on Archives and History

(7) General Commission on Christian Unity and Inter-religious Concerns?

Outreach/Advocacy Ministry Team (Christian Unity and Inter-religious Concerns Ministry Area)

(8) General Commission on Religion and Race?

Outreach/Advocacy Ministry Team (Religion and Race Ministry Area)

(9) General Commission on the Status and Role of Women?

Outreach/Advocacy Ministry Team (Status and Role of Women Ministry Area)

(10) United Methodist Communications?

Communication Advisory Council

c) Indicate the conference agencies which have responsibilities for the following functions:

(1) Criminal Justice and Mercy Ministries (§655)?

Outreach/Advocacy Ministry Team

(2) Disability Concerns (§653)?

Outreach/Advocacy Ministry Team (Disability Concerns)

(3) Equitable Compensation (§625)?

Commission on Equitable Compensation

(4) Laity (§631)?

Conference Board of Lay Ministry

(5) Native American Ministry (§654)?

Mission Ministry Team (Native American Ministries)

(6) Small Membership Church (§645)?

Witness Ministry Team (Small Membership Congregation Team)

d) Answer Yes or No for each of the following conference or district organizations:

- | | |
|---|-----|
| (1) Conference United Methodist Women (§647)? | Yes |
| (2) Conference United Methodist Men (§648)? | Yes |
| (3) Conference Council on Youth Ministry (§649)? | Yes |
| (4) Conference Council on Young Adult Ministry (§650)? | Yes |
| (5) District Boards of Church Location & Building (§2518)? | Yes |
| (6) Committees on District Superintendency (§668)? | Yes |
| (7) District Committees on Ordained Ministry (§665)? | Yes |

e) What other councils, boards, commissions, or committees have been appointed or elected in the annual conference?

- (1) Annual Conference Program Committee
- (2) Camp and Retreat Ministries Board
- (3) Children's Ministry Team
- (4) Nurture Ministry Team
- (5) Committee on Congregational Development

- (6) Committee on Nominations
- (7) Committee on Petitions and Resolutions
- (8) Committee on Rules and Order
- (9) Fellowship of the Retired
- (10) Joint Committee on Disability and Incapacity
- (11) Pastoral Counseling Center Supervisory Committee
- (12) Personnel Resources Committee
- (13) Wesley Foundation Boards
- (14) Wesley Leadership Institute Committee
5. **Have the secretaries, treasurers, and statisticians kept their respective records according to the prescribed forms (§606.8)?** Yes
6. **What is the report of the statistician?** (See report, page 493 of 2012 Journal.)
7. **What is the report of the treasurer?** (See report, page 273 of 2012 Journal.)
8. **What are the reports of the district superintendents as to the status of the work within their districts?** (See report, page 216 of 2012 Journal.)
9. **What is the schedule of minimum base compensation for pastors for the ensuing year (§§342, 625.3)?**

For full-time service by Conference Members:

Full Member (M.Div.) or equivalent degree	\$ 38,624
Provisional Member (M.Div.) or equivalent degree	\$ 36,422
Associate Member	\$ 34,973

For Service as full-time Pastors:

M.Div.	\$ 33,770
Completed Studies	\$ 32,875
Beginning Studies	\$ 28,500

For Service as Student Pastors:

Seminary Students	\$ 26,565
College Students	\$ 23,087

Annual Supplements for Student Pastors with Dependent Children:

Each Dependent Child	\$ 662
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10. **What amount has been apportioned to the pastoral charges within the conference to be raised for the support of the district superintendents for the ensuing year (§614.1a)?** \$1,413,439

11. a) What amount has been apportioned to the pastoral charges within the conference to be raised for the support of the pension and benefit programs of the conference for the ensuing year (§614.1d, 1507)?

b) What are the apportionments to this conference for the ensuing year:

(1)	For the World Service Fund?	\$1,560,647
(2)	For the Ministerial Education Fund?	\$529,258
(3)	For the Black College Fund?	\$211,106
(4)	For the Africa University Fund?	\$47,242
(5)	For the Episcopal Fund?	\$435,155
(6)	For the General Administration Fund?	\$178,510
(7)	For the Interdenominational Cooperation Fund?	\$41,372

12. If the annual conference apportions to the local church a fund that combines two or more general apportioned funds with one another, or that combines one or more general apportioned funds with funds other than a general apportioned fund, list below for each combined fund: a) the name and amount of each general fund included in the apportionment; b) the percentage of the combined fund total that corresponds to each general fund apportionment (§614.3d, 615.4).

13. Conference and district lay leaders (§603.9, 659):

a) Conference lay leader: Name: James D. Holley "Del"
Mailing Address: 440 Bowers Park Circle
Knoxville, TN 37920

b) Associate conference lay leaders:

c) District and associate district lay leaders:

Abingdon District:	Sue Tilson
Big Stone Gap District	Ken Rodenberry
Chattanooga District	Becky Hall
Cleveland District	Charles Hurley
Johnson City District	Jan Goodsell
Kingsport District	Luke Bell
Knoxville District	Carl Mills
Maryville District	Don Story
Morristown District	Stephanie Widman
Oak Ridge District	Jeff Kile
Tazewell District	Deborah Neal
Wytheville District	Wilma Snyder

14. What local churches have been (Indicate district):

a) Organized or Chartered?

- (1) New Church Start (§259.2,.3)
- (2) Mission Congregation (§259.1a)

(3) Chartered Local Church (§259.5)(List only churches chartered this year)

b) Merged (§2545, 2546)?

(1) United Methodist with United Methodist

Name of 1st church	Name of 2nd church	Name of merged church
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(2) Other mergers

Name of 1st church	Name of 2nd church	Name of merged church
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c) Discontinued or abandoned (§229, 341.2, 2548)? (State which for each church listed. Indicate district)

(1) New Church Start (§259.2,.3)

(2) Mission Congregation (§259.1a)

(3) Chartered Local Church (§259.5)

d) Relocated and to what address?

e) Changed name of church? (Example: "First" to "Trinity")

Former Name	Asbury UMC CL	New Name	Riverstone Church	Address	Same
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f) Transferred this year into this conference from other United Methodist conference(s) and with what membership (§41, 260)?

Name	Membership	Conference from which transferred
------	------------	-----------------------------------

g) What other changes have taken place in the list of churches?

15. Are there Ecumenical Shared Ministries in the conference? (§208)

a) Federated church None

Name of church	District	Other Denomination(s)
----------------	----------	-----------------------

b) Union Church

<u>Name of church</u>	<u>District</u>	<u>Other Denomination(s)</u>
-----------------------	-----------------	------------------------------

Grassy Creek	Abingdon	Baptist
Lakeview	Abingdon	Baptist
Weaver Union	Abingdon	Presbyterian
Marble Point	Big Stone Gap	Baptist
St. Clair	Cleveland	Baptist
New Hope Union	Tazewell	Presbyterian
Red Oak	Tazewell	Lutheran / Presbyterian

c) Merged Church None

Name of church	District	Other Denomination(s)
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d) Yoked Parish None

Name of church	District	Other Denomination(s)
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16. What changes have been made in district and charge lines?

Abingdon

Big Stone Gap

Andover-Dunbar-Imboden Charge: Each Church (Andover UMC, Dunbar UMC, Imboden UMC) become a preaching station.

Chattanooga

St. Elmo-Lookout Mountain realignment as Lookout Mountain

Morganville realignment as Preaching Station under Trenton-Morganville-Slygo Valley

Cleveland

Vine Grove Church realignment as Mt. Olive-Vine Grove

Asbury UMC Cleveland #413834 name change only to Riverstone Church

Johnson City

Kingsport

Amis Chapel/Elm Springs realignment as Amis Chapel/Old Union

Knoxville

Maryville

Morristown

Liberty Hill/Edward's Chapel realignment as Edward's Chapel

Oak Ridge

Oakdale-Woods Chapel realignment as Morgan, Scott, Roane Cooperative Parish

Tazewell

Buchanan Parish (Garden, Grundy, Keen Mountain) realignment as Grundy UMC

Wytheville

Flat Rock UMC- Limited Service/listed with First UMC, Independence VA realignment as Flat Rock as a preaching station



Hands-on Collection



Rose Walk at Lake Junaluska, NC

PART II PERTAINING TO ORDAINED MINISTERS AND LOCAL PASTORS

(Note: A (v) notation following a question in this section signifies that the action or election requires a majority vote of the clergy session of the annual conference. If an action requires more than a simple majority, the notation (v 2/3) or (v 3/4) signifies that a two-thirds or three-fourths majority vote is required. Indicate credential of persons in Part II: FD, FE, PD, PE, and AM when requested.)

17. Are all the clergy members of the conference blameless in their life and official administration (§§604.4, 605.6)?

Yes. The character and Conference relations of all clergy members have been reviewed by the Cabinet and the Board of Ordained Ministry; those found to be in good standing are approved for an annual appointment; those clergy whose character or Conference relations are in question are being reviewed by appropriate bodies as defined by The Discipline.

18. Who constitute:

a) The Committee on Investigation (§2703.2)?

4 Clergy/3 Professing Members, 3 Clergy Alternates/3 Professing Member Alternates

Principals: (Clergy) Mary K. Briggs (AB), Laura Rasor (KN), Bradley Scott [Chair] (TA), (Professing Members) Ray Adams (MO), Ann Rowland (KN), Elizabeth Wood (BI)

Alternates: (Clergy) Douglas Hyndrich (TA), David Lovelace (JO), Sarah Slack (KN) (Professing Members) Dell Gates (JO), Beverly Henry (MA), Brad Taylor (OA)

b) The Administrative Review Committee (§636)? (v)

Principals: Brent Hall (OA), Janet Edwards (MO), Carole Martin (MA)

Alternates: Terry Goodman (TA), Chris Luper (WY)

19. Who are the certified candidates (§§311, 312)

a) Who have been certified as candidates for ordained or licensed ministry since the last session of the annual conference? (List the names of all those who have been certified, including those who are also listed in questions 20 and 21.)

Name	District
Chris Black	KN
Jerry Campbell	MO
Gary Crum	AB
Ryan Davenport	KI
Brenda Dowell	CH
Kelli Eldridge	AB
William Faulkner	MA
John Gargis	KN
Ryan Heatherly	KN
Timothy Hankins	MA
Nathan Irwin	OA
Wallace Johnson	WY
Jabe Largen	WY
Susana Lopez	MA
Carl T. Marshall	WY
Tommy Messer	CH
Cindy Paxton	JO
Anthony Roberts	KN
Matthew Robinson	KN
Jason Ratliff	JO
David Rose	BI
Charles Shipley	MO
Pamela Sutherland	WY
W. Ken Stout	KN
Nancy Twigg	KN
Rebecca Wheeler	WY
Carol Woody	KI

b) Who are continued as certified candidates for ordained or licensed ministry?
(Do not list as continued those licensed as local pastors in Question 21 or those listed as provisional members in question 28.)

Name	District	Year	School
Mary Austin	CH		Candler
Timothy Best	AB	2011	Duke Divinity School
Brian C. Cregger	AB	2010	Asbury Theological Seminary
Kelly Eldridge	AB	2011	Asbury Theological Seminary
Timo Harkonen	JO	2009	
Fabienne Holly	CH	2011	
Barbara Johnston	CH	2007	
Heather Hartman Lanier	CH	2012	
Linda C. Mefford	KN	2010	
Cindy W. Muncie	KI	2009	
Allison Powell	CL	2011	
Kristin Robertson	CH	2008	
Martha Scott	KN	2010	Asbury Theological Seminary

c) Who have had their candidacy for ordained or licensed ministry accepted by a District Committee on Ordained Ministry in another annual conference? (Include name of accepting conference.)

Carl Eddie Collier	South Carolina
Rebecca Collier	South Carolina
Wallace Johnson	North Carolina
Jabe Largen	North Carolina

d) Who have been discontinued as certified candidates for licensed or ordained ministry?

Matthew Barnes	MO
Valorie Brown	CH
Phillip Roy	OA
Donald White	WY

20. Who have completed the studies for the license as a local pastor, are approved, but are not now appointed? (§315 —Indicate for each person the year the license was approved.):

	Yr. Approved		Yr. Approved
Mary Amburn	(05)	Danny W. Arp	(07)
Amy Aycock (KI)	(10)	James L. Ball (WY)	(01)
Gregory K. Bartley (CH)	(03)	Harrison Bell	(09)
Bert E. Beria	(01)	Evelyn Boutz-Harris (CH)	(08)
J. W. Burgess (CL)	(06)	Leah K. Burns (OA)	(07)
Mary E. Cline (CH)	(08)	Bill F. Cross (CH)	(03)
Charles C. Dawn	(06)		
Carmel Skeen Day (MA)	(05)	John E. Dunn (OA)	(04)
Anthony Fears	(08)	Caleb Frazier (JO)	(09)
David Gibson (BI)	(03)	Alan L. Gorrell (AB)	(99)
Jimmy Guider (MA)	(98)	Timo Harkonen	(09)
Brian Headrick (MA)	(04)	John L. Hitechew (JO)	(97)
Gwang Hee-Son (KN)	(03)	Chadwick Holtz (CL)	(07)
Lurone Jennings (CH)	(03)	Lurone Jennings (CH)	(03)
Barbara L. Johnston (CH)	(07)	William R. Johnston (TA)	(09)
Alan Jones (OA)	(02)	Sylvia D. Jones (TA)	Seminary Graduate
E. Gaye King (MA)	(99)	Barry R. Lane	(00)
Darrell Lankford (MA)	(09)	Barbara Lay (MA)	(00)
John R. Lindsay (KN)	(03)	Lynn H. Mason (JO)	(06)
A. Stephen McCready (AB)	(85)	Misti Dawn McCreary (MA)	(08)
Margaret McLean (JO)	(04)	Mark A. Meade (MA)	(08)

Roy Van Miller (MO)	(89)	Doug Moore	(10)
Lezley Mullins (KI)	(07)	Cindy W. Muncie (KI)	(10)
Timothy D. Peterson (MO)	(02)	Allison Powell (CL)	(11)
Will Purushotham (OA)	(07)	David M. Rader (JO)	(00)
Charles G. Smythers (WY)	(00)	J. Michael Stallings (OA)	(07)
David F. Sweitzer (MA)	(96)	Billy W. Stephens	(02)
W. Ken Stout (KN)	(12)	Douglas S. Tweed (KI)	(09)
John Walden (CH)	(10)	Charles H. Weatherly	(03)

21. Who are approved and appointed as: (Indicate for each person the first year the license was awarded. Indicate what progress each has made in the course of study or the name of the seminary in which they are enrolled. Indicate with an asterisk those who have completed the five year course of study or the M.Div. (§319.4)? (v)

a) Full-time local pastors? (§318.1)

	Licensed	Progress in Course of Study
Aaron Atchley*	2009	Asbury Theological Seminary
Donnie Lee Bailey	2002	111,113, 114; 2nd yr; 311,313; 4th yr; 511,512,514
Janet Manning Batts *	2005	Completed 2011
Bobby Black	2007	1st yr, 2nd yr, 3rd yr
Edwin G. Blair	2007	111, 113, 114; 2nd yr; 3rd yr, 4th yr
William Boyd (Retired)*	2003	Completed 1991
Norman W. Clark	2003	1st yr; 2nd yr; 3rd yr; 414, 512, 513, 514; Asbury Theo. Seminary
H. Wayne Cook	2006	111,112,114; 2nd yr; 313, 314
L. Diana Cornett	2006	112,113,114; 212, 213,214; 311,313; 513
Ryan Davenport	2011	
Bobbie J. Dunford *	2001	Completed 2006
Stephen M. Evans *	1997	Completed 2005
C. Leon Fraley (retired)	2009	111,112,113; 211,212,213; 311,313,314; 411; 511,513
Betty M. Furches *	2001	Completed 2005
Lynn Garrison-Mullins	2009	
Javier Hernandez	2007	1st yr
Rex A. Hill	2007	
John J. Justice	2006	112,113,114; 2nd yr; 311,312,313; 513
Darren Kitts	2009	111, 113; United Theological Seminary
Vincent Krauss *	2003	Completed 2009
Darrell Lankford	2010	
Darlene J. Marshall *	1997	Completed 2003
Teresa Atkins McClure	2007	1st yr; 2nd yr; 311,312,313; 4th yr; 513
Jeremy McMillan	2008	Candler School of Theology
Thomas A. Miles	2009	
Victoria Neese *	1998	Completed 2011
Amy S. Nutt	2006	College Courses
Leon B. O'Quinn	2004	111,112,114; 2nd yr; 3rd yr; 4th yr; 5th yr
Cindy Paxton	2012	1st yr; 211; 311, 313; 411; 511, 513
Bill R. Porter *	1988	Completed 1988
James H. Purser *	1993	Completed 2007
Alta C. Raper *	2002	Completed 2007
Jason Ratliff	2012	
Arturo Reyna	1999	1st yr; 212,213,214; 311, 313, 314; 412,413, 414; 512
William C. Rimmer	2001	112, 114; 213; 311,314
Van G. Sanks *	1992	Completed 2004
Barry Keith Sarver *	1997	Completed 2004
Alvin O. Shaver *	2006	Completed 2011
Donald P. Shelor	2007	1st yr; 2nd yr; 3rd yr; 411, 412, 414; 512, 514
Regina H. Shelton	2004	112, 113, 114; 213,214; 3rd yr; 413; 5th yr
William "Bill" Shelton	2004	111, 112,113; 212, 213,214; 313,314; 412, 414; 512
William "Will" Shelton II	2006	Asbury Theological Seminary
William Shupe *	2000	Completed 2009

Douglas A. Silvers	2009	
David G. Smith *	1985	Completed
Mike Somers *	2011	Completed 2011
Elizabeth Sullivan	2008	Candler School of Theology
Steve M. Tuck *	1988	Completed 2003
C. Michael Watson	2010	111, 112, 114, 211, 213, 311, 313, 411, 513
L. Knox Wimberly	2009	1st yr; 212, 213
Brenda Holloway Woods	1997	112,113,114; 213,214; 311,313; 513

b) Part-time local pastors? (§318.2) (fraction of full-time in one-quarter increments)

	Time	Licensed	Progress in Course of Study
Bruce Adams	¾	2009	
Ted P. Anders (Retired)*	¾	1972	Completed 1977
Larry J. Anderson	¼	2003	111,113; 313; 413
Susan N. Arnold	¼	2009	Asbury Theological Seminary
Gary Atwater	¼	2002	111,114; 211; 314; 513
Engelbert Bastian	¼	2003	111,112,113; 211,212,213; 311,313, 314; 411,412,413; 512,513
Phillip F. Bates	½	2005	1st yr; 211, 213,214; 311,313,314; 413; 513
Martha Beamer	½	2007	1st yr; 212, 213, 214; 311,313;513
Jacob Beeler	¼	2008	
Terry Benetto	½	2003	
Phyllis Blazer	¼	2011	Seminary Graduate
O. Ray Bolen	½	2000	1st yr; 2nd yr; 3rd yr; 413; 511,512,514
Gregory D. Bostick *	½	1999	Completed 2008
Richard D. Bowers	½	2003	1st yr; 2nd yr; 3rd yr; 4th yr; 511,512,513
Daniel Bradley	½	2009	
James Brooks	½	2010	1st yr
Thomas "T.J." Burdine	¼	2010	Asbury Theological Seminary
Steve Butler *	¼	2009	Seminary Graduate
Jerry Campbell	¼	2012	
Richard Carnes	¼	2005	212; 314; 412
Daniel Castillo	½	2009	111
R. Darrell Chambers	½	2003	114; 313; 412, 413
William Cheetham	¼	2004	112,113,114; 211, 213,214; 311,313, 314; 513
Robert K. Cloud *	¼	1996	Completed 2007
Marta Cogburn *	¼	2006	Completed 2011
Deborah Sue Collins		2002	1st yr; 2nd yr; 3rd yr; 411,413; 513
Jason Crabtree	¼	2006	211,214; 311; 411, 413; 5th yr
L. Gayle Crabtree		2006	
Edwin E. Cunningham *	½	1996	Completed 2003
H. Roy Dalton	¼	2004	1st yr; 2nd yr; 3rd yr; 4th yr; 512,513
Brian Daniel			
H. Denver Davidson *	½	1992	Completed 2005
Andrea Davis	½	2011	Duke Divinity School
Gregory P. Davis	¼	2008	
Roger V. Deel	¼	2009	
D. Jeanne Denton	¼	2004	
James W. Diehl	¼	2008	111, 114
Fred E. Dimond *	¼	1992	Completed 2001
Gleasanna Dixon		1999	Completed 2010
Danny Ray Dockery	¼	2004	1st yr; 211, 213,214; 311,313; 513
Ronnie Duncan		2007	1st yr; 2nd yr; 3rd yr
Westley A. Duncan	½	2000	113, 114; 213; 313, 314; 413; 513, 514
P. Randall Emmert	¼	2001	1st yr; 211; 311,312; 412, 414; 511
William B. Ewing *	½	1993	Completed 2006
Barbara B. Farmer	½	2009	112,113, 114; 313
William Faulkner	¼	2012	
Greg Scott Fletcher	¼	2003	113; 313

Cathy Fowler	¼	2005	112,113,114; 213, 214; 311, 313; 513
Roy E. Fowler *	½	1997	Completed 2011
Garrard L. "Gary" Fox	¼	2008	211, 413
Sherri Franklin	¼	2010	114, 313
Vivian Franklin	¼	2006	112,113, 114; 212,214; 413, 414
Prentis Max Frye II	¼	2010	214; 313; 412, 413
Vickie J. Fulkerson	¼	2010	114
John Gargis	½	2012	
Janet Geitner	½	2006	111,113,114; 212,213,214; 314; 413
David O. Gibbs, Jr.	½	2002	114; 211,213,214 ; 311,313; 4th yr; 511,513,514
James L. Guthrie (Retired)*	¼	1961	Completed 1974
Wm. David Hall	¾	2008	1st yr; 2nd yr; 312, 314
Keith T. Hampson	¾	2008	
Jimmy R. Harmon	½	2003	1st yr; 2nd yr; 3rd yr; 412, 414
James Hartley	¼	2011	
Caroline E. Hawthorne	¼	2009	
Charles H. Heck	¼	2006	114; 2nd yr;313; 411, 412, 413
Darrell D. Hensley	¼	1994	111,112; 214; 313; 512,514
T. Randall Hensley	½	1995	112, 113, 114; 211,212,214; 311,313, 314; 411,412,413; 512
Carlos Hess *	½	2004	Completed 2009
Steve Hicks	¼	2011	
Timothy Hodges	¼	2009	
Jimmy Lee Horn	¼	2011	
Robert Neal Howard	¼	2002	111; 311, 314; 413, 414; 512
Terry Huffer	¼	2009	113; 313
Leroy M. Hull III	½	2004	Seminary Courses, Asbury Theological Seminary
Robert Hults	½	2011	
Travis Humbard	¼		
Charles B. Johnson	¼	2000	1st yr; 2nd yr; 311,313,314; 4th yr; 5th yr
Jack C. Johnson	¼	1985	113; 211,213; 311,313; 412,413; 511
Janice Johnson	¼	2010	Completed 2010
Natalie Justice	½	2011	1st yr; 211, 212, 214; 3rd yr; 411, 413, 414; 511, 513, 514
Ray Justus	¼	2008	
John F. Keller, Jr.	¼	2008	111,113; 212, 214; 4th yr
Charles Kilbourne (Retired)*	¼	1962	Completed 1974
Elizabeth King	½	2008	111, 112
Linda Krauss	¼	2007	111, 112, 114;211, 212, 213; 311,313
Ken C. Lambert	½	2010	214; 313; 412, 413
Randy Lantz	½	2007	112,113,114; 212, 213;311,313
Charles M. Lindy *	¼	1976	Completed 1983
Susana Lopez	½	2012	
Ken Luton	¼	2009	112
Kenneth Lytton	¾	1999	112,114; 211, 212,213; 311,312,313; 414; 513,514
L. Audrey Madigan	¼	2005	
Ronnie Maness *	¼	1996	Seminary Graduate
Betty Sue Marshall	¼	2002	112,114; 2nd yr; 311; 513,514
Nancy Martin	½	2011	Candler School of Theology
Rochelle D. Maxwell	¾	2000	1st yr; 212,214; 313; 4th yr; 5th yr
J. Richard McKee	¼	2009	112; 212
Lisa McLaughlin	¼	2006	111; 211,212,214; 311,313, 314; 411, 413, 414; 5th yr
Carl E. Mehaffy	¼	2009	113
T. Anthony Miles	¾	2010	
Dennis Milhorn *	½	2004	Completed 2012
Dixie J. Miller	½	2003	1st yr; 2nd yr; 3rd yr; 411,413,414; 513
Mark Miller	½	2010	111, 112, 114; 311
Shirley B. Miller	¼	2010	
Joseph D. Moore, Jr.	½	2002	1st yr; 211,214; 3rd yr; 411,413; 511, 513, 514
J. Glenn Moseley	½	2000	111, 112, 113; 2 nd yr; 311, 312, 313; 411, 412, 413; 5 th yr
James R. Mullens	½	1993	111,112,113; 211,213,214; 311,314; 413,414; 511,513
William B. Norris	¼	2010	111

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Gary E. Perdue	½	2006	1st yr; 213, 214; 311; 313, 314; 413
Brenda Poole	¼	2001	1st yr; 211,213,214; 311,313; 513
David Poore	¼	2011	
Randy Powers	¼	2004	1st yr; 211,212; 311,313, 314;411, 414
Thomas E. Prater	½	2009	
Steven E. Pross	½	2009	112,113, 114; 313
Vivian M. Reed	¼	2005	113; 211, 214; 313, 314; 412; 513
John R. Repass	¼	2007	
John L. Rhoads (Retired)*	¼	1976	Completed 1981
Kevin Richardson	½	2010	1st yr, 214, 311, 313, 412, 413, 511, 512, 514;United
Theological Seminary			
Anthony Roberts	½	2012	
C. Michael Roberts *	¼	1998	Completed 2006
Luther W. Roberts *	¼	2005	Completed 2010
Rex G. Rogers	½	2007	111,113,114; 2nd yr; 311; 413
Linda W. Rozar	¼	2002	111; 212,213,214; 311,313; 411,412,413; 511
Catherine L. Sandefur	¼	2009	112, 114
Sherry C. Seay	¼	2010	214; 313; 412, 413
Charles Shipley	¼	2012	
Betty A. Shirley	½	2001	111,112, 114; 2nd yr; 311,313,314; 4th yr; 511,512
Randall A. Shupe	¼	2009	114; 214
James Silcox	½	2010	111; 314
J. Leonard Smith *	¾	1979	Completed 2002
C. Scott Spence	¾	2004	112, 114; Hood Theological Seminary
Grover Starnes	¼	1997	111; 213,214; 313; 412, 413
William B. Stuart	¼	2007	111,113,114; 212, 214; 313; 412, 413
Robert Sutton	¼	2011	111
Ken Taylor	½	2010	
G. Stephen Templeton	¼	2005	212; 313; 413
Darrell Thacker	¼	1999	2nd yr; 311,313, 314; 4th yr; 511
Donald C. Thayer *	¼	1990	Completed 2000
D. Lee Thomas *	½	2006	Completed 2012
Frank J. Trexler	½	2001	1st yr; 211,212; 311,313; 4th yr; 5th yr
Nancy Twigg	¼	2012	
Gary O. Tye	½	2001	
Michael Vaughn	½	2008	1st yr; 211
Gary T. Vaught		2010	
Royce Vickery	¼	2008	111,113; 211, 212, 214; 313; 413
Bruce E. Vincent, Sr.	½	2002	111,113, 114; 211, 212, 214; 311, 313; 412,413,414; 5th yr
Donna Marie Waddle	½	2001	111,113,114; 2nd yr; 311,313; 4th yr; 511,513
John Walden	¼	2010	
Floyd E. Ward	¼	2003	111; 211, 212, 214; 312,313,314; 411,412,413; 511,512,514
Dustin L. Wellons	½	2009	Asbury Theological Seminary
Sarah Wells	½	2003	114; 313, 314; 413,414
Charles Wender	¼	2006	
Stanley R. Williams	¾	1994	1st yr; 2nd yr; 313,314; 412,413,414
Wm. Charles Williams	¼	2010	313; 413
Brian W. Williamson	¼	2005	111, 113; 213
Mark E. Wills	½	2000	112; 212,214; 312,313; 413; 512,514; Vanderbilt
Thomas J. Witten, Jr.	½	2007	
Carol Woody	¼	2012	
Ernest S. Yeatts, Jr.	½	2002	
Timothy L. York	¼	2009	
Judy Yonce	½	2005	1st yr; 212,213,214; 3rd yr; 411,413,414; 511,512, 514
Russell Young	¼	2010	112, 114; 214; 311, 313; 412, 413

c) Students from other annual conferences or denominations serving as local pastors and enrolled in a school of theology listed by the University Senate (§318.3,4)?

d) Persons serving as local pastors while seeking readmission to conference membership

(§§365.4, 366, 368.3)? (If not in this conference indicate name of conference where serving.)

22. Who have been discontinued as local pastors (§320.1)?

Mitch Cain PL (MO) Donald White FL (WY) James Trivett PL (TA)

23. Who have been reinstated as local pastors (§320.4)?

David Gibson (BI)

24. What ordained ministers or provisional members from other Annual Conferences or Methodist denominations are approved for appointment in the Annual Conference while retaining their conference or denominational membership (§§331.8, 346.1)? (List alphabetically; indicate Annual Conference or denomination where membership is held. Indicate credential.)

a) Annual Conferences

Name	Credential	Conference	Years Appointed
Elizabeth Allen-Villinger	RE	West Virginia Conference	4
Charlotte G. Brendel	FD	Western North Carolina	1
Samuel Dzobo	FE	Zimbabwe East	5
Frederick Heard	RE	North Georgia	2
Frank M. Mason	RE	Florida Conference	3
Danny Treadway	RE	South Georgia Conference	10
Jack Sills	FE	Tennessee	
Nathan M. Ware	RE	New York Conference	4

b) Other Methodist Denominations

25. What clergy in good standing in other Christian denominations have been approved to serve appointments or ecumenical ministries within the bounds of the Annual Conference while retaining their denominational affiliation (§§331.8, 346.2)? (v) (Designate with an asterisk those who have been accorded voting rights within the annual conference. Indicate credential.)

Name	Credential	Denominational Affiliation	Yrs. Appointed
William S. "Bill" Clark	OF	Christian	7
Joel Cook	OF	Baptist	1
Edward Donley	OF	United Brethren in Christ	3
Rodney Dunn	OF	Church of God	5
Edward Ellis	OF	Baptist	1
Merrill M. Hawkins	OF	Cooperative Baptist Fellowship	6
William Allen Hughes	OF	Christian	28
Walter Isley	OF	Southern Baptist	7
David Massingale	OF	Presbyterian USA	1
Linda McDaniel	OF	Missionary Baptist	3
Ken Meredith	OF	Baptist	5
Jerry Lee Page	OF	Southern Baptist	9
Dan Palmer	OF	Missionary Church Inc.	1
Kenneth C. Purcell	OF	Disciple of Christ	1
George Saddler	OF	Baptist	7
Danny Shortridge	OF	Southern Baptist	5
Steven Spell	OF	Southern Baptist	1
David Tully	OF	Christian	2
Paige Wimberly	OF	United Church of Christ	1

26. Who are affiliate members: (List alphabetically; indicate annual conference or denomination where membership is held.)

a) With vote (§586.4 [v])?

b) Without vote (§§334.5, 344.4)? (v 2/3)

Peter Pereira (FE) Northern Illinois Conference

Samuel R. Roberts III (RE) West Virginia Conference

NOTE: If your conference has admitted or ordained persons as a courtesy to another conference, list these persons in Question 40 only. If persons have been admitted or ordained by another annual conference as a courtesy to your conference, list these persons in Questions 27-39, whichever are appropriate, giving the date and name of the accommodating conference.

27. Who are elected as associate members? §322 (v) (List alphabetically-see note preceding Question 27):

Mark A. Barber

James Todd Chancey

Reece F. Fauscett

Annette Marie Warren

28. Who are elected as provisional members and what seminary are they attending, if in school? (under §§322, 324, 325)

a) Provisional Deacons:

(1) Under the provisions of §§ 324.4a, c? (v)

Elizabeth Rudesill

Madonna Flanders

(2) Under the provisions of §324.5? (v)

b) Provisional Elders:

(1) Under the provisions of §§ 324.4a, b? (v)

Shannon Marie Langston Berry

Gilbert C. Butler, III

William Conner

Sarah Jo Emmerich

Michael Ladd

Adam Thomas Love

Jacob Paul Reedy

Robert Ruth

Charla L. Sherbakoff

Timothy W. Smith

Ginny Tompkins

Kenneth R. Tucker, Jr.

(2) Under the provisions of §324.6? (v)

(3) Under the provisions of §322.4? (v 3/4)

29. Who are continued as provisional members, in what year were they admitted to provisional membership, and what seminary are they attending, if in school (§326)?

a) In preparation for ordination as a deacon? (PD) (§326.1)

Marty Dedrick 2011

b) In preparation for ordination as an elder? (PE) (§326.2)

David E. Ault 2011

Amanda C. Beaty 2010

Sharon Bowers	2011
Barbara Doyle	2011
Paula Dell Campbell	2009
David M. Grant	2011
T. Gilbert Harris	2011
Jacob Wm. Herron	2011
Danielle Jenkins	2011
Jerrod W. McCormack	2010
Elaine Ruth	2011
Rosa Slavik	2011
Michael D. Ward	2011
Randall E. Wright	2011

- c) Provisional deacons who became provisional elders? (Indicate year)
- d) Provisional elders who became provisional deacons? (Indicate year)
- e) Provisional members who transferred from other conferences or denominations?

(§347)

30. Who have been received from other Christian denominations (§347.3): (List alphabetically-see note preceding Question 27):

- a) As provisional members (§347.3a,b)? (v) (date received)

Matthew Hampton 6-10-2012

- b) As local pastors (§347.3a)? (v) (date received)

31. Who are elected as members in full connection? (List alphabetically-see note preceding Question 27. Anyone appearing on this question must also be listed somewhere in questions 32-33 or 35, unless the clergy's orders from another denomination were recognized on question 39 in a previous year.):

- a) Deacons

Carolyn Porter Gass (2009)

- b) Elders

Raymond Walter Amos, Jr.	James David Gass II
Elizabeth Scott Hamilton	Douglas Clifton Jennings
William Luke Lauderback	Charles Leon Leonard
James David Neel	Joe Robson Phillips
Faith Ellen Ramer	John Marion Slater, Jr.
Will H. Shewey	Bradley Keith Stapleton
Betsy Roach Switzer	Teresa Gail Tolbert
Samuel Todd Ward	

32. Who are elected for ordination as deacons in full connection and what seminary did they attend: (List alphabetically-see note preceding Question 27)

- a) After provisional membership (§330)? (v 2/3)

Carolyn Porter Gass (2009)

- b) Transfer from elder in full connection (§309.3)? (v 2/3)

33. Who are elected for ordination as elders and what seminary did they attend?

a) After provisional membership? (§335) (v 2/3)

Raymond Walter Amos, Jr.	James David Gass II
Elizabeth Scott Hamilton	Douglas Clifton Jennings
William Luke Lauderback	Charles Leon Leonard
James David Neel	Joe Robson Phillips
Faith Ellen Ramer	John Marion Slater, Jr.
Will H. Shewey	Bradley Keith Stapleton
Betsy Roach Switzer	Teresa Gail Tolbert
Samuel Todd Ward	

b) Transfer from deacon in full connection? (§309.3) (v 2/3)

34. What provisional members, previously discontinued, are readmitted (§364)? (v)

35. Who are readmitted (§§365–367 [v], §368 [v 2/3]):

a) As associate members?

b) As members in full connection?

36. Who are returned to the effective relationship after voluntary retirement (§358.7): (v)

a) As associate members?

b) As provisional members? (Indicate credential)

c) As members in full connection? (Indicate credential)

37. Who have been received by transfer from other annual conferences of The United Methodist Church (§§347.1, 416.5, 635.2m)? (List alphabetically. Indicate credential. See note preceding Question 27.)

Name	Conference	Date
Pamela Dawn Chesser (FE)	North Illinois	06/13/2012
Dennis Fox (FE)	North Carolina	07/01/2011

38. Who are transferred in from other Methodist denominations (§347.2)? (List alphabetically. Indicate credential.)

Name	Denomination	Date
Timothy W. Jones (FE)	Church of the Nazarene	6/13/12

39. What clergy, coming from other Christian denominations, have had their orders recognized (§348): (v)

a) As deacons?

b) As elders?

Michael Reynolds	Disciples of Christ
Matthew Hampton	Baptist

40. Who have been ordained as a courtesy to other conferences, after election by the other conference? (See note preceding Question 27. Such courtesy elections or ordinations do not require transfer of conference membership.)

a) Deacons in full connection?

b) Elders in full connection?

41. Who have been transferred out to other annual conferences of The United Methodist Church (§416.5)? (List alphabetically. Indicate credential. See note preceding Question 27.)

Name	Conference	Date
Jason McIntosh	North Alabama	6/13/12

42. Who are discontinued as provisional members (§327)? (Indicate credential) (v).

Jeff Bryant	PD	1992 Discipline
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43. Who are on location?

a) Who has been granted honorable location (§359.1)? (Give date when this action became effective. Record Charge Conference where membership is held. Indicate credential and year of most recent report.):

(1) This year? (v)

Name	Date Effective	Charge Conference
Annette Flynn	13 June 2012	

(2) Previously?

Name	Date Effective	Charge Conference
Joseph Adams	1973	
Henry C. Dawson, Jr.	1980	Emory (AB)
Dan Dotterweich	1992	Wilmore, KY
John B. Evans	1963	
William S. Gamble	1978	
Clifford Anthony Geers, Jr.		1982
James. W. Henley	1971	
Edward D. Jervy	1964	
W. George Jones	1968	
R. D. McGee	1965	
Fred Boyd Moretz	1981	W. North Carolina Conference
Jackie K. Moser (AM)	1976	Tuckaleechee (MA)
Brian C. Patton	2009	Cokesbury (KN)
Richard Kenneth Piper	1969	
Rebecca A. Reed	2000	Allen Memorial (CL)
Joseph N. Rutland	1959	
Vance R. Sherwood	1987	
John Stanley	1973	New Salem (CH)
Edward B. Steffner	1959	Johnson City, First (JO)
Ronald H. Stone	1987	Greeneville, Asbury (MO)
Barbara E. Thomas (PM)	1964	
Howard Ware, Jr.	1972	Knoxville, First (KN)
J. J. Watson	1956	
Kenneth Rule Weir	1968	
Don White	1965	

b) Who on honorable location are appointed ad interim as local pastors? (§359.2) (Indicate date and appointment.)

c) Who has been placed on administrative location (§363.1)? (Give date when this action became effective. Record Charge Conference where membership is held. Indicate credential.):

(1) This year? (v)

(2) Previously?

44. Who have been granted the status of honorable location-retired (§359.3)? (Record Charge Conference where membership is held. Indicate credential.):

a) This year? (v)

b) Previously?

Name	Credential	Effective	Charge Conference
Arlen B. Morgan	RE	2008	St. Elmo (CH)
Ben Ellis Pitts	RE	1993	
Thomas Underwood	RE	1997	Jefferson City, First
Martin C. Wilson	RE	2002	
Margaret B. Wood-Johnston	RA	2010	

45. Who have had their status as honorably located and their orders terminated (§359.2)? (v) (Give date when this action became effective. Indicate credential.)

46. Who have had their conference membership terminated? (Give date when this action became effective. Indicate credential.)

a) By withdrawal to unite with another denomination (§360.1, .4)? (v)

b) By withdrawal from the ordained ministerial office (§360.2, .4)? (v)

Jeff Bryant
Jeremy LaDuke

c) By withdrawal under complaints or charges (§360.3, .4; 2719.2)? (v)

d) By termination of orders under recommendation of the Board of Ordained Ministry (§354.12)? (v)

e) By trial (§2713)?

47. Who have been suspended under the provisions of §361.1c, §2704.2c or §2711.3? (Give effective dates. Indicate credential.)

48. Deceased (List alphabetically in the spaces provided)

a) What associate members have died during the year?

Effective:

Retired:

Name	Date of Birth	Date of Death
Charles L. Copeland	5/3/1935	5/30/2011
Louis T. Hill	6/17/1924	11/28/2011

b) What provisional members have died during the year? (Indicate credential.)

Effective:

Retired:

Name	Date of Birth	Date of Death
James E. Smith	1/4/1918	12/27/2011

c) What elders in full connection have died during the year?

Effective:

Name	Date of Birth	Date of Death
Linda Bird Wright	7/9/1942	4/5/2012

Retired:

Name	Date of Birth	Date of Death
Frank Bauman	10/11/1922	5/10/2012
Dale C. Bittinger	5/27/1922	12/8/2011

Raymond C. Deese	6/15/1917	5/1/2012
Jerry B. Fleenor	12/13/1938	4/3/2012
James C. Henry	2/22/1920	5/20/2012
Robert L. Hiltner	10/8/1922	1/6/2012
Robert B. Hudson	3/14/1930	7/2/2011
Thomas H. Lynch	11/6/1928	6/20/2011
Stanley McCready	1/12/1938	4/17/2012
Cecil McFarland	8/7/1930	4/19/2012
Claude Snapp	5/29/1929	2/29/2012
Harry P. Tindell	12/5/1936	10/11/2011
Frank E. Wier	10/1/1930	10/12/2011

d) What deacons in full connection have died during the year?

Effective:

Retired:

e) What local pastors have died during the year?

Active:

Retired:

Name	Date of Birth	Date of Death
Franklin Clifton	6/16/1945	7/5/2011
Charles Eberhart	5/17/1933	4/8/2012
John H. Holbrook	1/28/1930	5/31/2012
Charles M. Killen	12/1/1929	6/4/2011
Roy F. LaDuke	6/26/1928	10/13/2011
Hazel Virginia Timmons	9/10/1924	10/26/2011

49. What provisional or ordained members (elders and deacons) have received appointments in other Annual Conferences of The United Methodist Church while retaining their membership in this Annual Conference (§§331.8, 346.1)? (List alphabetically; indicate annual conference where appointed. Indicate credential.)

Name		Conference	Years
Aldana W. Allen	FE	Western North Carolina	1
Tony Brown	FE	Pacific Northwest	1
Douglas E. Crockett	FE	Virginia	2
Fred Dearing	RE	East Africa	2
Michelle McKinnon Young	FE	Czech and Slovak Republics	2
Craig Paul	RA	North Georgia	3
John Price	FE	Florida Conference	1
James R. Taylor	FE	South Carolina	7

50. Who are the provisional, ordained members or associate members on leave of absence and for what number of years consecutively has each held this relation (§354)? (Indicate credential. Record Charge Conference where membership is held.)

a) Voluntary? (v; v 2/3 after 5 years)

(1) Personal (§354.2a)

Name	Number of Years	Charge Conference
David Brannock (FE)	(Morristown)	Trinity
Cheryl M. Caruso (FE)	(Cleveland, 3)	
Eric L. Doolittle (FE)	(Oak Ridge 1)	
Kevin Fiorini (FE)	(Wytheville)	St. Paul

Jerrod McCormack (PE)	(Maryville)	Seymour
Laura Jean Myers-Ross (FE)	(Chattanooga, 13)	Christ
Scott R. Neil (FD)	(Knoxville, 2)	Washington Pike
Maggie Owens-Yates (FE)	(Abingdon, 6)	Zion, Damascus
John K. Price (FE)	(Big Stone Gap, 2)	Tribly/Blanton-Florida Conf.
Gloria Rhudy (AM)	(Wytheville)	Independence, First
Beverly Robinette (FE)	(Abingdon, 5)	Emory
G. Curtis Trent (FE)	(Maryville, 4)	Alcoa, First
Deanna Y. Webb (FE)	(Tazewell, 10)	Pocahontas, Christ First

(2) Family (§354.2b)

Nicole M. Krewson (FE)	(Cleveland)	Keith Memorial
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(3) Transitional (§354.2c)

Ambrose S. Havey IV (FE)	(Cleveland, 2)	Keith Memorial
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b) Involuntary? (v 2/3)**c) Who have been placed on leave of absence since the last session of the annual conference (ad interim)?:**

Name	Effective Date	Charge Conference
(1) Voluntary? (v)		
(i) Personal		
Aldana W. Allen (FE)	01/01/2012	(Knoxville)
Marty Dedrick (PD)	07/01/2011	(Morristown)
Catherine Fox (FE)	11/01/2011	(Colonial Heights)
Amy Holmes (FE)	10/01/2011	(Cherokee)
Jeremy LaDuke (FE)	09/30/2011	(Fairview)
(ii) Family		
(iii) Transitional		
Cliff Amos (FD)	09/07/2011	(St. Paul, Fountain City)

(2) Involuntary? (v 2/3)**d) Who on leave of absence have had their leaves terminated since the last session of the annual conference (ad interim)?**

Name	Effective Date
Aldana W. Allen (FE)	06/13/2012
Cliff Amos (FD)	(Knoxville) St. Paul, Fountain City 12/31/2011
Jeffery Bryant (PE)	(Johnson City) Jonesborough 09/07/2011
Kevin Fiorini (FE)	(Wytheville) St. Paul 06/13/2012
Catherine Fox (FE)	(Kingsport) Colonial Heights 02/20/2012
Ambrose S. Havey IV (FE)	(Cleveland) Keith Memorial 06/03/2012
Jeremy LaDuke	(Maryville) 06/07/2012
John Price (FE)	(Big Stone Gap) Clintwood 08/13/2011

51. Who are granted sabbatical leave (§352)? (v) (Give date when this relation became effective; indicate credential.)

52. What actions have been taken concerning disabled members (§357)? (Indicate credential.)**a) Who were granted incapacity leave since the last annual conference session (§357.2)? (Give effective dates)**

Kenneth Blevins (AM)	04/30/2012
Joel Campbell (FE)	06/15/2011

b) Who have had their incapacity leave terminated since the last conference session (§357.3)? (Give effective dates of terminations):

Joel Campbell (RE)	01/01/2012
Jeff Tallent (FE)	09/01/2011

c) Who are granted incapacity leave at this session (§357.1)? (v)

Kenneth Blevins (AM)	Janice A. Cate (FE)	Thomas A. Conley (FE)
Jimmy D. Darnell (FL)	Paula Dell Campbell (PE)	Gary Franklin Hill (FE)
William L. Hill (FE)	A. Clark Jenkins (FE)	Mathilda Sue Merker (FE)
P. April Milligan (FE)	W. Michael Ogle, Sr. (FE)	J. Darrell Ray (AM)
Helen E. Shaw (FE)	John L. Sheldon (FE)	David R. Vaughn (FE)
Malcolm Wansley (FE)	Nancy J. Wilhite (FE)	

53. What members in full connection have been retired (§358): (List alphabetically giving full name—first, middle, last—in that order. If retiring in the interim between conference sessions (§358.2d), indicate the effective date of retirement.) (Under §358.1, no vote required; under §358.2, v; under §358.3, v 2/3)**Deacons****a) This year?****b) Previously?**

Doris Ahern	W. Clarence Bennett	Mary Kathryn Crone
Ellen Fisher	Helen Monroe Grills	W. Sue Hicks-Caskey
Nancy T. Hobbs	Patricia Hogan	Linda Hansen Kress
John William Mullen	James W. Thompson	Carolyn Whitaker

Elders**a) This year?**

Heidi Bender	C. Stephen Byrum	Joel H. Campbell
Mark C. Davis	Kevin Fiorini	Gale K. Flanary
Marvin V. Howard	Frederic R. Kellogg	Thomas D. Markwood
David T. St. Clair	Michael H. Travis	James E. Whedbee

b) Previously?

Kenneth K. Abbott, Jr.	Ronald O. Allen	Donald Eugene Allison
Judith Anna	Edward Mahan Archer	Fred L. Austin
John Y. Bacon	Wm. Kenneth Bailey	Ted Francis Baker
William H. Balch	James Monroe Ball	John W. Bardsley
George W. Baxter	Robert H. Bean	James W. Beard
Dallas J. Beck, Sr.	James D. Benson	Larry K. Best
Patricia Bishop	Fred L. Bittle	B. Ann Blair
Frank M. Bostick	Albert J. Bowles, Sr.	James L. Britton, Jr.
Andrew Jackson "Jack" Brown	James Douglas Brown	Paul E. Brown, Sr.
Charles M. Bryan	R. Harold Buck	Lawrence Leo Bulson
Ronald Wister Burgess	Jan Buxton-Wade	William Cahill
Ashley Calhoun	S. Lee Campbell	Robert T. Cantrell
C. Kenneth Caraway	James E. Caraway	Robert Lee Carbary

Edwin C. Carter	Jack W. Carter	William J. Carter
H. Paul Castor	Lee-Lee T. Castor	Herman F. Cate
Lee A. Cate	Larry L. Caylor	Von Darnell Chance
Alberta L. Clark	John Thomas Clark	Lawrence C. Clark
George W. Climer, Jr.	Alvin C. Cobble	Ernest O. Cole
Robert M. Copeland	G. Wayne Cummings	Donald J. Daniels, Sr.
Fred E. Dearing, III	Larry V. DeVault	Charles R. Dilks
Clarence G. Dishman	Charles. E. Dixon	James A. Dougherty
James L. Douthat	Darris K. Doyal	Tom F. Driver
Columbus V. Duff	M. Beecher Dunsmore	J. Vance Eastridge
Robert Edmonds	Pierce Jackson "Jack" Edwards	Joe B. Elkins
David W. Elliott	Paul B. Elmore	Bobby H. Ely
Jerry Everley	John W. Farmer	Charles J. Fowler
William Fowler	H. Eddie Fox	Robert H. Freestate
David L. Funk	Steven N. Galyon	Gregory A. Garland
David L. Gilbert	John W. Gilbert, Jr.	James E. Goddard, Jr.
Gordon Goodgame	Ronald Goodman	J. Ronald Gough
David M. Graybeal	James R. Green	Brian H. Greene, Jr.
Curtis A. Grissett	Gary W. Grogg	Henry M. Groseclose
Thor Hall	Robert E. Hamilton	J. Ronald Hammond
Jimmy J. Harless	Henry A. Harlow	Thomas G. Harris, Sr.
James W. Hart	Robert L. Haskins	Robert A. Hayes
David Lee Hazlewood	Kenneth H. Henderlight	James Carl Henry
Harry W. Hight	Donald Gene Hill, Sr.	Roger E. Hilton
Bill Elvis Hinton	B. David Hodge	Norman Holcomb
William H. Horner	J.N. Howard	Roy Leslie Howard
L. Riley Huffstetler	Bennie F. Huguley, Jr.	Richard A. Humphrey
Charles J. Hurlock	A. Jack Irvin	Robert L. Irwin
Olin M. Ivey	Bonnie Jacobs	Garland E. James
James A. Jenkins	Millard J. Johnson	Toombs H. Kay, Jr.
Glenn Keller	Dan Buford Kelly	L. Dwight Kenney
Louis T. Ketron	G. William Kilday	Melvin Gene Kirk
David B. Knight, Sr.	Sullins M. Lamb	William H. Lassiter
David A. Lawrence	Maurice Lay	Fred D. Layman
Henry E. Lenoir	Wayne David Lewis	Charles E. Lippse
Terril D. Littrell	Charles W. Lockerby	Freddrick L. Long
David H. Lovelace	Eugene H. Lovell, Jr.	Calvin W. Maas
John Robert Manney	Paul Y. Marchbanks	Joe L. Marine
Ronald H. Matthews	James Benny Matherly	Gary R. Mauldin
C. Douglas Mayo	Clarence McCall, Jr.	J. Spurgeon McCartt
Timothy F. McCobin	W. Ray McDougale	Gerald H. McFarland
Charles R. McKinney	R. Mark McKnight	James E. McReynolds
Eblen G. "Buddy" Miller	Joseph T. Miller	Damon B. Mitchell
Dennis E. Milligan	William C. Mooney, Jr.	Donald S. Moore
Eldon Anderson Moore	Robert R. Moore	Donald L. Nation
Charles T. Neal	Wiley L. Neal	Edward D. Nelson
John W. Neese	Karl A. Netting	Alfred L. Newman
Wallace E. Newman	William E. Nickle	Carl I. Oaks
George Edwin Odle	Jimmy R. Osborne	Kyle V. Overton
Robert A. Pardue	Robert E. Parrott	Richard J. Patterson
Roger E. Perkins	Leonard Miller Perry	James L. Philpott
James S. Pollock	Robert Simpson Powers	Harold D. Ray
Harold W. Rehagen	Betty C. Reiff	Frederick H. Richard
Janet S. Richardson	Gordon L. Ridenour	John E. Ripley

John W. Roberson, Jr.	Ben L. Robertson	Ernest L. Robertson
William S. Rodgers	Shirley Jean Rogers	Homer C. Roller
J. Donald Rose	Steven M. Ross	W. Darryl Ross
Billy Frank Rowland	Peyton Rowlett	James Rutherford
Larry S. Rye	Pedro O. Salazar	Curtis R. Schofield
William D. Scott	James M. Shanks	Carol Ferguson Shirey
Olin E. Shupe	Alvin H. Smith	Frank Douglas Smith
John B. Smith	Wendell M. Smith	Roger B. Solomon
Donald E. Stansell	John Steiner	Jack L. Stevens
Robert Warren Stewart	Hugh D. Stohler	William C. Stooksbury
Amos Taj	Earl M. Tapley	James Michael Teague
John K. Thierbach	William B. Thomas	Richard H. Timberlake
Bedford T. Transou, Jr.	Cabel W. Trent	Robert A. Tripp
John Nelson Trundle	Charles P. Turpin	Kenneth C. Verran
A. Byron Waites	Julian Walton	David C. Warden
Carl Wayne Ware, Jr.	William F. Warnock, Sr.	Warren H. Wattenbarger
W. Ogle Wattenbarger	Lewis E. Weaver	Jack P. Weikel
William R. Wells	Charles W. Whetsel	Raymon E. White
Norman Carroll Wilhoit	Jack H. Wilson	John N. Wilson
Cass Mack Turner, Jr.	Grady C. Winegar	Peter M. Wohlwend
Nelson Charles Woody	Richard E. Worringham	Martha Yeomans

54. What associate members have been retired (§358): (List alphabetically giving full name-first, middle, last-in that order. If retiring in the interim between conference sessions (§358.2d), indicate the effective date of retirement.) (Under §358.1, no vote required; under §358.2, v; under §358.3, v 2/3)

a) This year?

Craig E. Paul

b) Previously?

Cecil Baxter	Billy L. Byrd	Harvey Joe Carrico
Ernest Howard Chinault	Jackson D. Clark	Roy H. Corbin
Donald L. Everhart	Harry Wayne Fleenor	Alfred Shular Furr
James Robert Gilbert	David R. Gilliam	William B. Gillespie, Jr.
John A. Hackney	Marvin Hayes	Bruce E. Hensley
Mack A. Houston	C. W. Huff, Jr.	Donald W. Large
Bill Lichlyter	Larry A. Linkous, Sr.	Thomas L. Martin
Hagan McClellan, Sr.	H. Randolph Morris	Randolph R. Mutter
Lawrence L. Nuckolls	Larry D. Patton	Alfred E. Pierre
Harold Dean Russell	Robert L. Schooley	Calvin S. Tabor, Sr.
Millard C. Taylor	Aubrey L. Whitlow, Sr.	Daryl K. Williams
Fred F. Williams		

55. What provisional members have been retired (§358): (Indicate credential. If retiring in the interim between conference sessions (§358.2d), indicate the effective date of retirement.) (Under §358.1, no vote required; under §358.2, v; under §358.3, v 2/3)

a) This year?

b) Previously?

Robert C. Brewer, Jr.

56. Who have been recognized as retired local pastors (§320.5):**a) This year?**

Leon Fraley
 Raymond Klaiber, Jr.
 James R. Mullens
 James Titcombe

b) Previously?

Ted Anders	Miles D. Baines	Christine Bean
Thomas Blackshear	Robert Boragine	William R. Boyd
Porterfield "Pete" Bradby	Carolyn Braddy	Nelson W. Bridge
Donald M. Brummett	Jerry W. Clark	George B. Collinsworth
Robert E. Cook, Sr.	Joseph T. Crockett	Charles W. DeHart
Howard L. Edwards	Mary Elizabeth Fox	James L. Guthrie
Lee A. Hokaj	James R. Johnson Sr.	Carl V. Jones
Paul P. Jones	Charles F. Kilbourne	Wayne Monroe
J. Paul Lane	Charles D. Liles	Kenneth T. Long
John R. Mays	Clyde McDonald	Rose T. Mincey
Mariel H. Myers	Kenneth Newman	Truman Nicholson
William Ray Perkins	William C. Poister	Rudolph W. Pope
Wayne Rader	Hugh Ratledge	John L. Rhoads
Austin L. Shamblin	Oliver W. Spriggs	Carl E. Steele
Patsy Keith Taylor	J. Garland Thayer	Robert Lynn Thompson
John A. Tiller	Walter O. Waddey	Robert F. White, Jr.
Vernon A. Windom	Mark S. Womack	

57. Changes in clergy membership: What is the number of ordained ministers: (NOTE: The numbers in parenthesis following each category listing are the question numbers in this report form where ministers in that category are listed. The number reported below should agree with the number of names listed in the corresponding questions.)

- | | |
|---|-----|
| a) Elected as associate members? (27) | 4 |
| b) Elected as provisional members? (28a, b) | 14 |
| c) Elected as deacons in full connection? (32a) | 1 |
| d) Elected as elders in full connection? (31b) | 15 |
| e) Readmitted? (34, 35a, b) | 0 |
| f) Retired made effective? (36a, b, c) | 0 |
| g) Transferred in? (30a, 37, 38) | 4 |
| h) Transferred out? (41) | 1 |
| i) Discontinued as provisional members? (42) | 1 |
| j) Honorably located this year? (43a1) | 1 |
| k) Administratively located this year? (43c1) | 0 |
| l) Withdrawn? (46a, b, c) | 0 |
| m) Termination of orders? (46d) | 0 |
| n) Terminated by trial? (46e) | 0 |
| o) Deceased? (48a, b, c, d) | 23 |
| 58. What is the number of: | |
| a) Pastoral charges? | 558 |
| b) Local churches? | 898 |

59. What is the number of clergy members of the Annual Conference:

a) By appointment category and conference relationship?

(NOTES: (1) Where applicable, the question numbers on this report form corresponding to each category have been placed in parenthesis following the category title. Where these question numbers appear, the number reported in that category should agree with the number of names listed in the corresponding questions. (2) For the three categories of Appointments to Extension Ministries, report as follows:

§344.1a, c): the number of clergy members appointed within United Methodist connectional structures, including district superintendents, or to an ecumenical agency.

§344.1b, c): the number of clergy members appointed to extension ministries, under endorsement by the Division of Chaplains and Related Ministries of the General Board of Higher Education and Ministry.

§344.1d): the number of clergy members appointed to other valid ministries, confirmed by a two-thirds vote of the Annual Conference.

See the Discipline paragraphs indicated for more detailed description of these appointment categories.) (Licensed Local Pastors not currently under appointment should not be counted as clergy members of the conference)

b) By gender and racial/ethnic identification? (NOTE: See the instruction for item 59 for guidelines to assist in the racial/ethnic identification count.)

*The sums entered in these spaces should agree with the comparable totals in the bottom two lines of question 59).

Female Clergy Members							
Categories	Deacons in Full Connection	Elders in Full Connection	Provisional Deacons	Provisional Elders	Associate Members & Affiliate Members with Vote	Full-time Local Pastors	Part-time Local Pastors
Asian							
African American/Black		2		2	1		2
Hispanic							1
Native American							
Pacific Islander							
White	14	79	3	10	4	11	35
Multi-Racial							
Total Number, Female Clergy Members*	14	81	3	12	5	11	38
Grand Total, All Conference Female Clergy Members*	164						

Male Clergy Members							
Categories	Deacons in Full Connection	Elders in Full Connection	Provisional Deacons	Provisional Elders	Associate Members & Affiliate Members with Vote	Full-time Local Pastors	Part-time Local Pastors
Asian		1					
African American/Black		11			2	1	3
Hispanic						1	2
Native American							
Pacific Islander							
White	7	268		15	28	30	118
Multi-Racial							
Total Number, Male Clergy Members*	7	280	0	15	30	32	123
Grand Total, All Conference Male Clergy Members*	460						

PART III CERTIFICATION IN SPECIALIZED AND CERTIFIED LAY MINISTRY
(§635.2u, v, The Book of Discipline)

Note: Indicate credential of persons in Part III: FD, FE, PD, PE, AM, FL, PL, and LM.

60. Who are the candidates in process for certification in specialized ministry?

Christina Barton (WY)	Lay	August 30, 2007	Camp and Retreat
Eric Barton (WY)	Lay	August 30, 2007	Camp and Retreat
Norman D. Broom (CH)	Lay	June 11, 2002	Music Ministry
Wendy McGlasson (OA)	Lay	April 12, 2004	Youth Ministry
Steve Misak (KI)	Lay	September 16, 2008	Christian Education
Jason Onks (JO)	Lay	November 27, 2007	Camp and Retreat
Clair M. Travis Sauer (CH)	FE	January 3, 2005	Youth Ministry
Michael Snow (WY)	Lay		Camp and Retreat
Patricia Tipton (KI)	Lay	December 20, 2009	Christian Education, Youth Ministry
Don Washburn (CH)	Lay	April 14, 2008	Camp and Retreat
Stephanie Widmann (MO)	Lay	May 16, 2006	Christian Education

61. Who is certified in specialized ministry? (List the areas of specialized ministry. Indicate by an asterisk those certified this year.)

Certified Christian Educators	Credential	Certified Camp and Retreat	Credential
Lisa Blackwood (MA)	FD	Randy Pasqua (JO)*	FE
Darres P. Carter (KI)	Lay	Certified Music Directors	Credential
Linda Coffey (KI)	FD	Carlene B. Eastridge (JO)	Lay
Jaymie Derden (AB)	Lay	Douglas Grove-DeJarnett (JO)	FD
Penny Harper (KI)	Lay	Lynn W. Hutton (KN)	FD
Patricia B. Heaton (MO)	Lay	Melanie Sue Karnes (KI)	FD
M. Jeannie Higgins (MO)	FD	Beth P. McCoy (AB)	Lay
Richard D. Isbell (KN)	FD	Cynthia Thompson (KI)	FE
Susan M. Isbell (KN)	Lay		
Sue Lynn Johnson (OA)	FD		
Melanie Sue Karnes (KI)	FD		
Debra K. Larkin-Oliver (MO)	Lay		
Cynthia Thompson (KI)	FE		
James W. Thompson (CL)	RD		
Carolyn E. Whitaker (CL)	FD		

62. Who are transferred in as a certified person in specialized ministry?

None

63. Who are transferred out as a certified person in specialized ministry?

None

64. Who have been removed as a certified person in specialized ministry?

None

65. Who are certified as lay ministers (§ 271, 635.2v, and 665.10)? (List alphabetically giving full name—first, middle, last—in that order, by district)

(Chattanooga District)

Linda Coniglio, GraceUMC
 Mike Fuller, Christ UMC
 Vance Grant, Signal Crest UMC
 Barbara Hartmann, Jones Memorial UMC
 Drayton Holmes, Sand Mountain UMC
 Pam Johnson, Christ UMC

Bryan Dantzler, Christ UMC
 Jimmy Goddard, Brainerd UMC
 Glenda Gwaltney, Christ UMC
 Mark Hawley, Mustard Tree Ministry
 Angela Hunt, Mustard Tree Ministry
 Mike King, Trenton UMC

Frank Klassee, Trenton UMC	Judy Kroulek, Grace UMC
Joseph Madida, Christ UMC	David Meredith, Bethlehem-Wiley UMC
Jan Myers, Trenton UMC	Frederick Norman, Stanley UMC
Kathy Robertson, Signal Crest UMC	Charles Smelley, jr. Stanley UMC
Mark White, Trenton UMC	Debbie Worthington, Christ UMC

(Johnson City)	(Knoxville District)	(Oak Ridge District)
Patty Muse	Charlene Becker	Tom Shope, Kern UMC

PART IV DIACONAL MINISTERS

(Paragraph numbers in questions 67-75 refer to The 1992 Book of Discipline)

- 66. Who constitute the Committee on Investigation (§2703.3)? (v)**
 Chairperson: Bradley Scott Principal: Laura Rasor
 Alternate: Ann Rowland
- 67. Who are reinstated as diaconal ministers (§313.3c)? (v)**
 None
- 68. Who are transferred in as diaconal ministers (§312)?**
 None
- 69. Who are transferred out as diaconal ministers (§312)?**
 None
- 70. Who have had their conference relationship as diaconal ministers terminated by Annual Conference action (§313.3)? (Under §313.3a, no vote; under §313.3b, v 2/3)**
- 71. What diaconal ministers have died during the year?**
 a) Effective:
 b) Retired:
- | Name | Date of Birth | Date of Death |
|--------------|---------------|---------------|
| Betty Turner | 01/11/1928 | 11/20/2011 |
- 72. What diaconal ministers have been granted leaves of absence under §313.1a, c, d) (disability, study/sabbatical, or personal leave): (v)**
 a) Since the last session of the Annual Conference? (Give effective date of each):
 b) At this session of the Annual Conference? (Include names of persons listed in Question 72a, if their leaves of absence are continuing):
- 73. What diaconal ministers have been granted an extended leave (§313.1e):**
 a) Since the last session of the Annual Conference? (Give effective date of each):
 b) At this session of the Annual Conference? (Include names of persons listed in Question 73a, if their leaves of absence are continuing):
- 74. Who have returned to active status:**
 a) From disability, study/sabbatical, or personal leave of absence (§313.1a, c, d)?
 b) From extended leave (§313.1e)? (v)
- 75. Who have taken the retired relationship to the Annual Conference as diaconal ministers (§313.2): (Under §313.2b, v 2/3)**
 a) This year?
 b) Previously?
- | | | | |
|---------------------|--------------------|----------------|---------------------|
| Dorothy Avers | Marianna R. Harris | Grace Parkhill | Joyce Leona Roberts |
| Mary Eugenia Settle | Ottalee S. Winegar | | |

PART V APPOINTMENTS AND CONCLUDING BUSINESS

76. Who are approved for less than full-time service?

a) What associate members and elders are approved for appointment to less than full-time service, what is the total number of years for which such approval has been granted to each, and for what fraction of full-time service (in one-quarter increments) is approval granted (for purposes of equitable compensation claim and pension credit) ¶¶338.2, 342.2, 1506.4b)? (v $\frac{1}{4}$):

Name	District	Yrs. Approved	Less than Full-time
A. Carol Beaty (PE)	Maryville 2	$\frac{1}{2}$	
Priscilla Bryan (FE)	Maryville 4	$\frac{1}{4}$	
Dennis Fox (FE)	Oak Ridge	1	$\frac{1}{2}$
Caroline Goddard (FE)	Morristown	2	$\frac{1}{2}$
John H. Graham (FE)	Abingdon	9	$\frac{1}{2}$
Phyllis Hankins (FE)	Abingdon	2	$\frac{3}{4}$
Ambrose S. Havey (FE)	Chattanooga	2	$\frac{1}{4}$
David Henderson (FE)	Oak Ridge	1	$\frac{1}{2}$
Paul Hite, Jr. (FE)	Tazewell	$\frac{1}{2}$	
Randall Pasqua (FE)	Maryville 1	$\frac{3}{4}$	
Natalie Smart (FE)	Cleveland	1	$\frac{1}{4}$

b) What deacons in full connection and provisional deacons are approved for appointment to less than full-time service (¶331.7)?

Sue Lynn Johnson (FD)	Oak Ridge	$\frac{1}{4}$
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77. Who have been appointed as interim pastors under the provisions of ¶338.3 since the last session of the annual conference, and for what period of time?

Richard Patterson	November 2011 through June 2012
Clarence Dishman	November 2011 through June 2012
Debra Collins	March 2012 through June 2012

78. What changes have been made in appointments since the last annual conference session? (Attach list. Include and identify Appointments Beyond the Local Church (Deacons) and Appointments to Extension Ministries (Elders). Give effective dates of all changes.)

Name (Relationship)	District	Appointed from	Appointed to	Effective Date
Jacob P. Reedy (PL)	KI	Bethel/Cross	Approved/Nt Aptd.	31 Aug 2011
Charlotte G. Brendel (FE)	CH	Western NC	First Centenary	1 July 2011
Caleb Frazier (PL)	JO	McCarty UMC	Attend School	1 Sept 2001
Mark W. Maxwell (SY)	JO		McCarty UMC	1 Sept 2011
Linda I. McDaniel (OF)	CH		Assoc. Brainerd UMC	1 Sept 2011
John K Price II (FE)		Voluntary LOA	serving FL Conference	1 Sept 2011
Jeffrey L. Tallent (FE)	BI	Incapacity Leave	Bethel/Cross KI	1 Sept 2011
Andrew Givens (SY)	CH		Wildwood	15 Sept 2011
Daniel L. Bradley (PL)	TA	Looney's Chapel	Round Bottom	13 Nov 2011
Carl E. Steele (RL)	TA		Looney's Chapel	13 Nov 2011
Ryan Davenport (FL)	MO	Central/Rutledge as SY	Central/Rutledge as FL	14 Nov 2011
Carl E. Collier (FL)	MO	Chestnut Grv/Ebenezer	Approved/Nt Aptd.	31 Dec 2011
Aldana Allen (FE)	KN	Lonsdale	LOA	1 Jan 2012
Robert Bean (RE)	KN		Lonsdale	1 Jan 2012
Larry V. DeVault (RE)	MA		Chestnut Grv/Ebenezer MO	1 Jan 2012
Nancy G. Martin (PL)	KI	Approved/Nt Aptd.	Grange Hall/Lebanon	1 Jan 2012
Charles E. Millican (SY)	OA		Chevront/Swan Pond	1 Jan 2012
Deborah W. Pfeiffer (FL)	KI	Grange Hall/Lebanon	Approved/Nt Aptd.	1 Jan 2012
John Rhoads (PL)	OA	Chevront/Swan Pond	Retired	1 Jan 2012

Craig Paul (AM)	CH	N. Georgia Conference	Retirement	21 Jan 2012
Craig Paul (RA)	CH	Retirement	Serving N. Georgia Conf.	21 Jan 2012
Fred Diamond (PL)	KI	Otis	Approved/Nt Aptd.	28 Jan 2012
Harry Fleenor (RA)	KI		Otis	29 Jan 2012
David W. Graves (FE)	KI	Lifespring/DS Kingsport	DS Kingsport	1 Feb 2012
David G. Tully (OF)	KI		Lifespring	1 Feb 2012
Catherine A. Fox (FE)	WY	LOA	Hospice Chaplaincy Ext Min	20 Feb 2012
Charles Eberhart (PL)	KI	Chalyb. Spg/Okolona/MtZ	Approved/Nt Aptd.	1 Mar 2012
Janet Edwards (FE)	MO	Edward's Chpl/Liberty Hill	Liberty Hill	1 Mar 2012
Richard McKee (PL)	KI	Approved/Nt Aptd.	Chalyb Spg/Okolona/MtZion	1 Mar 2012
Wayne T. Monroe (RL)	WY	Retirement	Looney's Chapel TA	1 Mar 2012
William L. Perkins (RL)	TA	Little Walker Circuit	back to Retirement	1 Mar 2012
Carl E. Steele (RL)	TA	Looney's Chapel	back to Retirement	1 Mar 2012
James Titcombe (PL)	OA	Grigsby Chapel	Retirement	2 Mar 2012
Janet Richardson (RE)	MO	Retirement	Little Walker Circuit	4 Mar 2012
Deborah W. Collins (PL)	KI	Approved/Nt Aptd.	Austin Springs JO	12 Mar 2012
Tom Shope (SY)	OA		Grigsby Chapel	18 Mar 2012
Charles Shipley (SY)	MO	Approved/Nt Aptd.	Edward's Chapel	1 April 2012
Kenneth J. Blevins (AM)	TA	Bland Circuit	Incapacity Leave	30 April 2012
Shannon Marie Berry (PL)	TA	Seminary Student	Bland Circuit	1 May 2012
Jason McIntosh (FE)	KI	Holston Conference	Transferred North Alabama	1 June 2012
Ambrose Havey (FE)	CL	LOA	Lookout Mountain CH	3 June 2012
Mark Dowell (FE)	CH	St Elmo/Lookout Mtn.	St. Elmo	3 June 2012
Pamela D. Chesser (FE)	MA	Trans. from N. Illinois Con.	To Holston/Buckner Mem	13 June 2012
Aldana Allen (FE)	KN	LOA	Serving in Western NC	13 June 2012
Tony Brown (FE)	MA		serving Pacific Northwest	13 June 2012
Annette Flynn (FE)	CH	Signal Crest	Honorable Location	13 June 2012

79. **What elders (full connection and provisional), associate members, and local pastors are appointed to ministry to the local church and where are they appointed for the ensuing year? (Attach a list.)**

See "Fixing of Appointments 2012-2013, Holston Annual Conference"

80. **What elders (full connection and provisional), associate members, and local pastors are appointed to extension ministries for the ensuing year? (Attach a list)**

a) **Within the connnectional structures of United Methodism (§344.1a, c)?** Add new DS

Thomas T. Ballard	H. Carlton Blackburn III	Mary K. Pope Briggs
Archer I Coppedge	Fred E. Dearing III (Retired)	Richard S. Edwards
Harold Eddie Fox (Retired)	P. Max Frye II (§316.1)	Joseph Green
David W. Graves	T. Randall Hensley (§316.1)	Marvin V. Howard
Harry W. Howe	R. Michael Hubble	Sandra J. Johnson
Nathan Malone	C. Barry Kidwell	G. William Kilday (Retired)
Timothy L. Kobler	Charles Maynard	Adam E. McKee III
G. Keith Moore	Donald L. Nation (Retired)	John W. Ousley
Larry J. Ousley	Randall C. Pasqua	Arturo Reyna (§316.1)
Jason C. Roe	Laura A. Shearer	Talmage A. Stanley
J. David Tabor	Daniel H. Taylor, Jr.	Meg G. Taylor
Walter Weikel	David C. Warden (Retired)	Carol E. Wilson

b) **To ministries endorsed by the Board of Higher Education and Ministry (§344.1b, c)?**

David K. Beavers	Michael D. Charles	Rhonda Sue Cooper
Barry L. Culbertson	Timothy W. Graham	Gerald Scott Henry, Jr
Kevin L. Holmes	David B. Knight, Jr.	H. Robert McClellan, Jr
John W. Oldham		

c) **To other valid ministries under the provisions of ¶344.1d? (v 2/3)**

John Anderson	David E. Ault	Harvey R. Brown
Chris Dover	Catherine Fox	Caryl Griffin
Steven D. Martin	C. Ray Penn	Bruce G. Privratsky
Ricky J. Ray	W. Edward Snodgrass III	Bruce W. Spangler
Lisa A. Stone		

81. Who are appointed as deacons (full connection and provisional) for the ensuing year? (Attach a list.)

a) Through non-United Methodist agencies and settings beyond the local church (¶331.1a)?

Lisa Blackwood (FD)	Diana Brown Taylor (FD)	Linda Coffey (FD)
Amy Horak (FD)	L. Clark Taylor (FD)	Lynn Hutton (FD)

b) Through United Methodist Church-related agencies and schools within the connectional structures of The United Methodist Church (¶331.1b)?

Clifford W. Amos (FD)
Mary Elizabeth Tipton (FD)

c) Within a local congregation, charge, or cooperative parish (¶331.1c)?

Rebekah Fetzter (FD)	Madonna Flanders(PD)	Douglas Grove-DeJarnett (FD)
Lynn W. Hutton (FD)	Richard Isbell (FD)	M. Jeannie Higgins (FD)
Sue Lynn Johnson (FD)	P. Christopher Luper (FD)	Glenna Manning (FD)
Elizabeth Rudesill (PD)	Ila Schepisi (FD)	Carolyn Gass (FD)

82. Who are appointed to attend school (¶416.6)? (List alphabetically all those whose prime appointment is to attend school.)

Associate Members:

Provisional Members

Members in Full Connection:

Barbara A. Clark (FE) Pastoral Fellow Emory Healthcare

83. Where are the diaconal ministers appointed for the ensuing year (¶310) [1992 Discipline]? (Attach list)

Beth McCoy Music Ministry Consultant Abingdon District Extension Ministry

84. What other personal notations should be made? (Include such matters as changes in pension credit (¶1506.6), corrections or additions to matters reported in the "Business of the Annual Conference" form in previous years, and legal name changes of clergy members and diaconal ministers.)

Deborah Pfeiffer	change name to	Deborah Collins (divorce)
Laura Blair	change name to	Laura Blair Plaster (marriage)
Misti Dawn Raegan	change name to	Misti Dawn McCreary (marriage)
Asa Henderickson	change name to	Asa Majors (marriage)

85. Where and when shall the next Conference Session be held (¶603.2, 3)?

June 9th - 12th, 2013 at Lake Junaluska, NC

VIII. REPORTS, RESOLUTIONS

A. REPORTS

THE CABINET REPORT OF THE DISTRICT SUPERINTENDENTS

As we left Annual Conference last year, there was much talk about Call to Action and how each church would take a look at where their congregation had been in the last few years and what the church might look like in 2015, especially around participation in ministry and mission. We talked about the need to reach new people and to experience church revitalization. In fact, many left discouraged as a lot of the talk centered on how much the United Methodist Church has declined in membership, worship, Sunday school, and professions of faith. We heard that the last decade was devastating in this regard and about the coming of a “death tsunami,” resulting in church closures and the possibility that if we kept going the way we were going, 300 churches in Holston would close in the next five to ten years.

Yet, the faithful people of Holston have always been open to new challenges and in the midst of all this news, over the last year, we rolled up our sleeves and went to work. Over the last several months, the District Superintendents, pastors, and lay leadership have been at work on our Call to Action reports. 94% of our 899 churches have submitted their report. These reports must be more than a piece of paper. They represent the hopes and dreams of what can be in the life of each congregation. Philippians 4:13 tells us, “For I can do everything through Christ who gives me strength.” NLT

During this past year, we have seen a renewed attitude that every congregation is a vital congregation. It is time to start talking about “bright spots” in every church and in every corner of the Holston Conference. We give God praise that over the last year many of our large membership churches had increases, especially in worship attendance, turning around years of decline. People in medium and small membership congregations began to move away from the “why” question to “why not?” Wonderful discussions have taken place. Talk has turned from decline to key drivers of vitality and four areas of focus. More time of prayer and discernment has taken place. Walls of fear and mistrust seem to be coming down. Churches are talking about strategic thinking and planning. This emphasis has spread to all our Districts as the Cabinet is asking that each District work to develop and bring forth a District Strategy for Mission and Ministry.

To help in this effort, the Cabinet is scripting a lot of work going forward from the Conference Prayer Services held on April 15, to pre-conference briefings, to Charge Conference work in the fall of 2012. Prayer will be the key for us, because if our efforts are not bathed in prayer, our efforts will not be fruitful. Each church will now be held accountable for their Call to Action report going forward; each District Superintendent will hold each other accountable to serve as a resource to the churches in the District we serve. This commitment will be evident as we complete 2012 and move into 2013.

A key emphasis for each of us will be a focus on “bright spots.” Our connection of working together is the strength of the United Methodist Church. We begin each Cabinet meeting with prayer, worship, and the sharing of a “bright spot” from around the Annual Conference. These have brought great energy and synergy to our work, and in turn, to the work of the Annual Conference. We could fill pages of how God is moving from Tazewell to Chattanooga and every place in between. The majority of our report that will be shared at Annual Conference will focus on “bright spots.” Do we still have challenges? Yes we do, but we also have great possibilities in the midst of these

challenging times. I believe that we as District Superintendents can do things you cannot do; you, pastors and laity, can do much more than we can do; God can do all things; and together, we can do great things!

We are called to action. The next Annual Conference year will bring about much change from General Conference actions to receiving a new Bishop in Holston. When we focus on Christ and remember we can do all things through Christ who strengthens us, the best is yet to come!

I would like to take a moment of privilege to thank Bishop Swanson for these eight years of leadership in Holston. He has been in many places and has led us with grace. There may have been times we have not agreed with him, but there is no questioning his pastor's heart and his passion to preach God's word. Following Annual Conference, we will welcome three new District Superintendents to the Appointment Cabinet. We wish Doug Fairbanks, Randy Frye, and Mike Travis well and thank them for their years of leadership. We also want to recognize Bettye Duncan for her 35 years of service as the Administrative Assistant in the Abingdon District. Bettye had to retire last fall and graduated to Heaven this past March after a courageous battle with cancer. In the last year, we welcomed several Administrative Assistants: Nichelle Evans to Oak Ridge District; Cindy Fleenor to the Abingdon District; and Ethel Starnes, who we just won't let retire, back to serve in the Chattanooga District.

Now as followers of Christ, we are called to action. Let's continue the good work that has begun!

David W. Graves, Dean of the Cabinet

**Holston Conference Delegation to General & Jurisdictional Conferences 2012
Report to Annual Conference Session**

The General Conference of the United Methodist Church convened in Tampa on Tuesday, April 24, 2012. Nearly 1,000 delegates from congregations around the globe met together under the theme, "Make disciples of Jesus Christ to transform the world." We were sent by our annual conferences surrounded by the prayers of our sisters and brothers across the connection with high hopes for a productive time of holy conferencing. We began our work in earnest – with 5 hours of plenary debate, parliamentary amendment, and the ultimate adoption of our Plan of Organization and Rules of Order. Expressing the frustration of procedural wrangling at such an early point in our 11 days together, I posted the following comment on my Facebook wall: "When we get to heaven, if God makes us adopt 'rules of order to govern our time together,' the Methodists are in trouble."

General Conference 2012 is, perhaps, the most analyzed and criticized gathering of the United Methodist Church in its denominational history. In 2008, delegates to General Conference were asked to refrain from the use of electronic devices such as cell phones and laptop computers on the plenary floor during legislative sessions. By contrast, in Tampa, at times the convention center looked like the exhibit hall of a consumer electronics show with all the iPads, laptops, smartphones, digital cameras and recorders, and just about any other piece of electronic hardware you can imagine. Legislative sessions and some committee meetings were streamed live on the internet, and on-going debate and vote results were published in real time by Tweets, Facebook posts, blog entries, e-mail, and text messages. In the past, much of what happened at General Conference was not known in the annual conferences until oral reports such as this one were made, but I know that you have read dozens of articles, editorials, and e-mails dissecting what the General Conference did or did not do this year.

For those reasons, making this report this year is a particular challenge for me. My goal this morning is to offer you a message of hope from the 2012 General Conference. It's not all good news, but even in the disappointing moments, there are reminders that we serve a God who loves us, calls us, and empowers us to do great things in the name of Jesus Christ!

One of the most significant issues facing delegates to this General Conference was comprehensive restructuring of the denomination's General Boards and Agencies. The General Administration legislative committee considered three competing proposals for structure, but none of them garnered enough support for the committee to recommend adoption. In spite of an effort to draft a compromise plan, the end result of the committee's work was to offer no recommendation for restructuring to the plenary session of the General Conference. Prior to debate on the legislative floor,

another effort was made to draft a compromise plan. That proposal – known as Plan UMC – was passed by General Conference, but was later ruled constitutionally defective by the Judicial Council. The General Conference did approve several petitions offered by the General Boards and Agencies themselves which served to reduce the overall size of those groups and streamline their processes for ministry and program. While we could not agree on a complete restructure of our leadership groups, the General Conference did take a step in the right direction. In the process, we learned a lot about how not to approach this issue in the future. We learned that there are significant trust and communication issues around restructuring. We learned that developing a restructuring plan will take time and will require an intentional effort to listen to the concerns of groups at all levels of the denomination – from local congregations to the General Secretaries – and to address those concerns in the final legislative proposal.

One important point to bear in mind is that the proposed restructuring was only one piece of the Call to Action and Vital Congregations focus. Overall, the Call to Action is a ten-year emphasis on building effective practices in local churches to start and sustain vital congregations, reform lay and clergy leadership development, deployment, and evaluation, statistically measure our progress in those areas, and establish a new culture of accountability throughout the church. Those overarching principles of the Call to Action will continue to guide the work of our leadership groups for the next two quadrennia.

Another issue widely discussed outside General Conference was the change in the *Book of Discipline's* provisions for security of appointment. The Higher Education and Ministry legislative committee worked diligently to add procedural safeguards to the language of the original petition in an effort to prevent abuses of discretion in the appointment process. As a result, the final legislation received overwhelming support in the plenary vote.

There were issues that generated a great deal of debate in legislative committee and on the plenary floor. A variety of petitions addressed the denomination's position on the practice of homosexuality, ordination and appointment of self-avowed, practicing homosexuals, and clergy participation in same-sex covenant ceremonies. The debates, protests, and demonstrations around human sexuality revealed the pain experienced by persons on both sides of the issue. Although the General Conference voted to retain the *Book of Discipline's* current statements on human sexuality, conversations will continue. Our challenge is to find productive, spiritually-healthy ways to engage in holy conferencing on the issue in spite of our disagreements about the specific language included in the *Discipline*.

We also debated divestment from companies doing business in the midst of the Israeli-Palestinian conflict. That is another area with deeply held convictions by advocates on both sides of the issue. Ultimately, the General Conference approved a resolution calling for adherence to our denomination's principles for ethical investment without mandating specific divestment.

The General Conference adopted a budget for 2013-16 of \$603 million, a 6% decrease from the current quadrennial budget. The budget establishes a new \$5 million fund for theological education in the central conferences and \$7 million to recruit and train young clergy in the United States.

We also approved legislation facilitating full communion with a number of historically black pan-Methodist denominations and moving United Methodist Women from the auspices of Global Ministries to its own autonomous structure.

There were moving times of worship and Communion and celebrations of our denominational ministries around the world. We celebrated the 40th anniversary of the General Commission on the Status and Role of Women, the 20th anniversary of Communities of Shalom, and the 100th anniversary of Girl Scouts. We learned that the United Methodist Church's "Imagine No Malaria" efforts have helped cut the number of Malaria-related deaths on the continent of Africa in half. We heard inspirational messages from lay and clergy persons involved in ministry to and with the poor, homeless, and marginalized. We celebrated the planting of over 600 new churches since 2008 – more than half of which are racial/ethnic congregations.

Throughout our work together in Tampa, I felt an overwhelming sense of the global nature of the United Methodist Church. From praying the Lord's Prayer together in our native tongues to seeing the delegates from Africa, Asia, and Europe actively participating in debate and leadership, we were surrounded by reminders that we are servants of a Kingdom that is not constrained by geographic boundaries.

During one of our delegation meetings in preparation for General Conference, I shared a devotion based on the Biblical account of the Hebrews' flight from Egypt. You remember the story: under Moses' leadership, the Hebrews leave Egypt in the middle of the night. God leads the people to the shore of the Red Sea and then hardens the heart of Pharaoh so that he and his armies pursue them. When the Hebrews see the Egyptians advancing toward them, they turn on Moses. "Why have you brought us to this place?" I suggested that we would find ourselves asking the same question during our time in Tampa. And, I submit, that all of us in this room will ask the same question as we continue down our own paths of mission and ministry in the days and months ahead. We can approach this inquiry in one of two ways.

Like the Hebrews, we can choose to focus on the place we find ourselves. “This place” is about us: our fears, our anxiety, our concerns. “This place” is about all that we do not have and all that we have not done. “This place” is about our failures and shortcomings.

Or we can choose to focus on “why.” “Why” is about God – it is the great unanswerable question, as any person who has been involved in raising a child can attest. “Why” is about purpose; it is about the work yet to be done; it is about the persons we will meet. “Why” is about mission and ministry; it is about hope, and faith, and love. “Why” acknowledges that it’s not about us and where we are; it’s about what God needs us to do in the place He has put us.

Today, we look toward the future of the United Methodist Church. We see things that raise our level of fear and anxiety. We see obstacles on the path. But we see so much more that gives us hope. We see great things that God will use to encourage us along the way. And we know that there are many things as yet unseen – great victories that are incomprehensible to us, but that God will deliver through the strength of His hand and the prayers of His people.

Pray to be in the middle of God’s plan and purpose. Pray for the United Methodist Church to be faithful to its mission to make disciples of Christ for the transformation of the world. And pray for faith to be exalted over fear – “For God has not given us a spirit of fear, but of power, and love, and self-control.”

Thanks be to God!

Respectfully submitted,

Del Holley, delegation chairperson

Called to Action: Vital Congregations in Mission and Ministry

Imagine a Church that is boldly reshaping human hearts and the world by courageously seeking out innovative ways to proclaim the good news about God's ongoing salvation history in the world. Think about what the Church is already accomplishing through addressing the needs of its community and then reaching out into the global community to speak the truth about God and tangibly change the human condition. Visualize this Church diligently and intentionally following after God's call.

The United Methodist Church is producing this kind of fruit.

From its earliest days, Methodists imagined a movement that would connect people to God, develop disciples of Jesus Christ, and address the needs of the poor, imprisoned, and infirmed. Methodism, as a movement, flourished against intimidating odds and witnessed a bountiful harvest.

Holston Annual Conference is reclaiming our call to action to make disciples of Jesus Christ for the transformation of the world. This is an exciting time to be a United Methodist in the Holston Conference because we once again stand on the frontier of faith, boldly blazing new trails in this new and changing world.

The Call to Action study empowers both laity and clergy alike to audaciously set ambitious goals (through the Five Indicators of Congregational Vitality), generate vital congregations (through the Four Key Drivers), and embody the fruit of the kingdom (by committing our lives to the Four Areas of Focus). Together we challenge one another to prayerfully and faithfully seek a new way toward God's kingdom that is breaking in all around us and across the globe. This is not a program that can be participated in by reading the right material and categorizing the information into our rolodex of methods for organizing the latest ministry. It is a movement that is changing the Church, the Holston Conference, and the world.

Nowhere is ministry more effective and productive than in the local church. Regardless of size or geographic location, the local church is on the front lines of where the brokenness of the world meets the redeeming grace of our Lord and Savior Jesus Christ. This is the primary way in which we make disciples of Jesus Christ for the transformation of the world. You can change the world in the local church.

And yet, as a connectional people we see ourselves participating in ministries across the conference and around the globe. The effectiveness of the local church only multiplies the kinds of ministry that are possible from Saltville, Virginia, to Southern Sudan. The work that God has called us to receive is local as well as global.

Every dollar tithed by the local church is connected to a ministry, has a face, and makes an impact that is changing the world for the glory of God. Through our connectional life we are intimately connected to a far-reaching arm of grace and love to a hurting world. You participate in these ministries. These stories are your stories. These ministries are your ministries. These faces are your faces.

The following pages introduce you to the vision of the Call to Action and Vital Congregations.

First, you will find a summary sheet that highlights the commitments we make as vital congregation in the Holston Conference. Second, you will find excerpts from a publication prepared by the Council of Bishops, which provides an overview and invitation to live as vital congregations. Copies of this *Call to Action Study Guide* may be downloaded free at www.umccalltoaction.org or ordered through Cokesbury Book Store.

As we go through this annual conference session, we pray that you will be open to the preaching, teaching, and sharing, so that we will return home with stories to tell to strengthen our fulfillment of our mission to make disciples of Jesus Christ for the transformation of the world. Please be in prayer as you prepare for our time together, as you participate in the days of the annual conference, and as you return home to continue faithful service. Holston Conference: Vital Congregations Called to Action! Thanks be to God!

~ Annual Conference Planning Committee

CONNECTIONAL TABLE

The Connectional Table is a gathering of lay and clergy leaders assembled by the bishop on an occasional basis to consider particular issues in the life of the annual conference. This group is co-chaired by the conference lay leader. For the past several years, this group has met to consider establishing and funding conference priorities. In the fall of 2011 the Connectional Table recommended the formation of a team of persons to provide focused attention to establishing these priorities. This group of 17 persons was designated as the Bishop's Blue Ribbon Team. They spent three days with Susan Hays, a professional consultant and sister to the authors of *Switch: How to Change When Change is Hard*. She led the group through the fundamentals of this process which identifies every experience of change as having three components: the rational (symbolized by a rider), the emotional (symbolized by an elephant), and the implementation (symbolized by a path).

Drawing on the process from *Switch* and the materials from the Vital Congregations portion of the Call to Action, the Blue Ribbon Team recommended to the Connectional Table that supporting and developing the drivers of congregational vitality serve as the core of the work of the annual conference.

These four drivers of congregational vitality are as follows:

- Inviting and inspiring worship
- Gifted, equipped and empowered lay leadership
- Effective, equipped and inspired clergy leadership
- Small groups and strong children's programs and youth ministry

In addition to the four drivers, the Blue Ribbon Team added two additional categories to gain a full expression of conference commitments:

- Congregational Vitality and Missional Outreach
- Living the United Methodist Way

The resulting six categories have been used to guide the interpretation of the 2012 budget and the development of the proposed 2013 narrative budget. In addition, they are reflected in the ministry reports presented in the Book of Reports and the verbal reports that will be shared on Monday morning of annual conference. These priorities reflect the commitment of the ministries of the Holston Annual Conference to participate in the adaptive challenge identified in the Call to Action:

The Adaptive Challenge for The United Methodist Church is to redirect the flow of attention, energy, and resources to an intense concentration on fostering and sustaining an increase in the number of **vital congregations** effective in making disciples of Jesus Christ for the transformation

of the world.

The Call to Action suggests that this focus be in place for a minimum of the next ten years. This commitment will continue to guide the conference ministry priorities and will be reflected in the annual conference funding priorities.

Several outcomes have already occurred in response to this commitment:

- The extended and appointment cabinets have invited clergy and lay leaders of vital congregations to come to each meeting and share “bright spots” of vital congregations. These opportunities have been both inspirational and informational and have verified that congregational vitality is generated by commitment to the drivers identified in the Call to Action.
- Bright spots of ministry in the six identified areas are being highlighted through articles in *The Call*. Holston Conference has many good stories to tell. Sharing of these stories is a means to familiarize our congregations with the drivers and indicators of vitality and to illustrate the many ways that congregations of all sizes and in all locations can be vital.
- Each of the twelve districts held simultaneous prayer services on April 15, 2012. These Days of Prayer were initiated to offer prayer for vital congregations in the Holston Conference as well as to pray for the General and Jurisdictional Conferences.
- A series of conversations have been identified to help us look at the best use of our resources as we fulfill significant ministry commitments. The goal is that our ministry priorities and our conference funding plans will reflect the priorities of creating vital congregations and bearing the fruits of the Four Areas of Focus of The United Methodist Church.

These first conversations have been organized around a series of questions:

For the Wesley Foundations and Conference Colleges and our Conference Board of Higher Education and Ministry: How do we best provide campus ministries in the Holston Conference?

For the Pastoral Counseling Center: How do we best provide support for our clergy and their families and our conference staff through an arrangement that allows us to share costs?

For the Board of Pensions: How do we provide retiree health insurance that is cost effective for our retirees, their spouses, and the annual conference?

For the Extended Cabinet and District Lay Leadership: How do we define the role of the district superintendent to support congregational vitality and structure the districts geographically to best support these efforts?

For the Annual Conference Planning Committee, Extended Cabinet, and Wesley Leadership Institute: How do we interpret and implement a fee for annual conference and explore the possibility of offering CEU credits for clergy and participation in leadership development credits for local congregations?

For the Annual Conference staff: How do we best staff to fulfill our commitment to fostering vital congregations in the Holston Conference?

Other similar conversations are expected to emerge as we continue to grow into the adaptive challenge. The prayer is that this will be a time of creative consideration of the options before us and of positioning our conference ministries to serve faithfully and fruitfully into the future. These conversations are underway. Updates of these conversations will be shared at the annual conference session and outcomes will be reported at future sessions of the annual conference.

The Connectional Table invites your prayers to accompany their work as the annual conference continues to support vital congregations and bear fruit for the Kingdom.

Bishop James E. Swanson, Sr.

Mary Ruth Richards, Conference Lay Leader

COMMUNICATIONS ADVISORY COUNCIL

The Communications Advisory Council continues to work closely with the communications staff as we strive to keep the conference connected through communication tools. Our main areas of communication within the conference include:

Publication - The Call
Webpage
Conference Information Technology
Design and Print

All four components work together to keep the conference moving forward to make disciples of Jesus Christ for the transformation of the world. When it comes to making sure we have vital congregations that carry forth the initiative of Call to Action, the advisory committee feels that the services we provide through communications are there to assist pastors and congregations in having vital worship, inspired lay leadership, and effective clergy. Each of the areas in Call to Action takes advantage of what our conference communications offer.

By the request of our Conference Council on Finance and Administration (CFA), we are happy to report that our communications staff has worked diligently to find any avenue that can be cut in the 2012 budget. We have been able to make considerable adjustments to the 2012 budget while also continuing to fully fund our communications and IT needs through reserve funds produced from past years' conference sales of communication items.

We have made general projections for 2013 that include this possibility as well. However, CFA has given us room to have time for discussions throughout the year regarding the best way to address several large areas of the conference ministries so we have not finalized the line items of funding or expenses. We are fortunate to have the reserve funds for this time of discernment and can draw on these for two years, if necessary, without doing any harm.

We also want to report that we are in the process of performing a full audit of our communication needs. UMCOM offers this service to conferences who are looking at making changes to their communications. While we feel our communications staff effectively performs the duties that are required in Holston, we continue to struggle with the best and most cost-effective way to communicate to the conference the vital information that needs to be addressed to our conference members. Hopefully, this audit will be conducted this year with a report going to the 2013 Annual Conference.

As I roll off of the Communications Advisory Council I want to thank Carol Wilson and the smooth transition she has made into her position as the conference communications director. I look forward to seeing how this area of our conference will continue to grow over the next few years.

Respectfully submitted,
Jason N. Gattis, Communications Advisory Chair

CONGREGATIONAL DEVELOPMENT TEAM

As Christians, we are called to be faithful and fruitful in all that we do. While it is God who gives the growth, we are to cultivate in ourselves and others the skills of planting and watering. Holston's Congregational Development Team is deeply committed to this task and to the work of partnering with local churches and committed disciples – to nurture new faith communities and to help strengthen and renew existing churches. In all of this, we seek to stay focused on the best means and opportunities to cultivate vital congregations who can be about the work of making disciples of Jesus Christ for the transformation of the world.

We celebrate the birth of seven new churches in the Holston area during the period 2008-2012. As a part of the denomination-wide Path 1 movement to start hundreds of new United Methodist churches in the United States during this quadrennium, we are thankful for these new faith communities that are seeking to reach the large numbers of unchurched and dechurched people in their mission fields. Four of the new churches are Anglo starts, and three are Hispanic/Latino new church starts. (The Congregational Development Team partners with the Conference Hispanic Ministries Team in helping to initiate and support new Hispanic churches.) Two of the new church starts emerged in 2011: Out of The Box – a second campus of First United Methodist Church, Hillsville, VA, and LifeSpring, a new church start in Kingsport, TN. Holston has experienced one of the largest new church starts in United Methodism during this quadrennium (Cokesbury West); one of its fastest growing Anglo starts (Out of The Box/First Hillsville UMC); and one of its larger Hispanic/Latino new church starts (Ministerio del Espiritu Santo – partnered with First UMC, Sevierville, TN).

In addition to partnering with new church starts in the Holston area, the Congregational Development Team, for the first time in 2011, made a commitment to help start new churches in South Sudan (the world's newest nation). Funding has already been provided to help launch one new church, Kenyi UMC, and the Team has funds committed to help launch one to two additional new church starts in South Sudan. We are excited about this opportunity to partner in a mission field that has vital links to Holston and has seen the support of many Holston churches.

Funding for new church starts comes from multiple sources, including: tithe-based apportionment giving from Holston churches, monies previously given and now lodged in Holston Conference Foundation accounts, and funding from partnering churches. Another important source of support is our "15 New Churches" campaign (formerly known as the "Be A Builder" campaign). 2011 saw the highest level of giving to "15 New Churches" in several years.

A fast growing emphasis of Congregational Development ministries in Holston involves our partnership with a growing number of existing churches to support their efforts toward transformation and growth. This support takes many forms, including: loans and grants toward new facilities, coaching support for pastors, and special events to equip laity and clergy to better understand today's rapidly changing culture and how we and our churches can better connect with the large numbers of unchurched people in our mission fields.

One new transformation effort in 2011-2012 involves 14 Holston churches that have become a part of two transformation cluster learning groups. Nine medium-size churches are working together, and five large/downtown churches are meeting together. After an initial two day retreat in September 2011 for clergy and key laity from all 14 churches, pastors have been meeting in monthly cluster gatherings with two Path 1 trained coaches. The pastors experience group learning with their peers and read and

discuss ten excellent books related to themes such as “bearing fruit”, “how to make hard changes,” and “how to work toward transformation.” As the pastors learn, they collaborate with key laity in their churches. Together, they work toward implementing one to two key strategic efforts in their churches and mission fields over the next year. The Congregational Development Team hopes to continue working with many of the cluster churches for a second year. Longer term, we hope to continue to bring new churches into the process.

Additionally, we continue to offer Natural Church Development to Holston Conference churches as a possible pathway to greater congregational health and renewed vitality. Several new churches entered the process over the last year. Taking the NCD Survey (... it is taken by the pastor and twenty-nine active and engaged laity) is a great way for a church to benchmark its current health.

Another source of support to churches in the effort to help them become more vital congregations is the availability of MissionInsite demographics resources to every church in Holston Conference at no cost. MissionInsite is a great online demographics resource that can allow a local church to discover a huge amount of relevant information in the ten mile area surrounding their church. As churches learn how to utilize the system and to process and apply the information they obtain, they can make better decisions about who they are specifically called to reach and how they can better reach those persons. It can be a tremendous asset in helping a church to identify its true mission field, and in prioritizing ministries and effective strategies to reach people for Christ. We are excited that over 200 people in Holston Conference attended MissionInsite training events in 2011-2012.

The Congregational Development Team celebrates the continued work of the African-American Ministries Team in Holston Conference. In August, 2011, a second leadership conference was held, focusing on the theme of “Rethink, Relaunch, Renew, & Revision.” Dr. Harold Lewis (Florida Conference) was the major plenary speaker.

We take note of and celebrate the 2012 Holston Evangelism Conference held in March in Knoxville. Sponsored by the Witness Team, over 280 participants learned powerful ways that Fort McKinley UMC in Dayton, Ohio (a church over 100 years old) experienced tremendous transformation in a three year period, growing from 40 in attendance to over 400. Participants heard great stories and were given practical tools to take back to their communities to help them rediscover their mission fields, reconnect with their communities, and reclaim lives for Jesus Christ, one at a time.

Finally, the Congregational Development Team expresses its deep gratitude to Bishop James E. Swanson, Sr., for his visionary leadership and unwavering support given to the work of starting new churches and helping existing churches to find renewal and new life. Not only in his leadership in Holston, but also as a leading Bishop on the Path 1 Team to start new United Methodist churches nationwide and throughout the world, Bishop Swanson has been a huge positive force in our mission to reach new people, reach younger people, and reach more diverse people for Jesus Christ. We are grateful and thankful for his leadership among us.

Becky Hall – Chair, Congregational Development Team
Richard Edwards – Director of Congregational Development

DISCIPLESHIP TEAM

4 Just as our bodies have many parts and each part has a special function, 5 so it is with Christ's body. We are many parts of one body, and we all belong to each other. 6 In his grace, God has given us different gifts for doing certain things well. So if God has given you the ability to prophesy, speak out with as much faith as God has given you. 7 If your gift is serving others, serve them well. If you are a teacher, teach well. 8 If your gift is to encourage others, be encouraging. If it is giving, give generously. If God has given you leadership ability, take the responsibility seriously. And if you have a gift for showing kindness to others, do it gladly. (Romans 12:4-8 NLT)

Music is one of my favorite things. Listening to the melody and harmonies flow together like the crystal drops of water in a rushing river delights and reminds me of the beauty of the passage where many parts work together to do things well. The guitarist and pianist share the melody, the rhythm guitar fills the song with warmth, the drummer sets the tempo and helps with the dynamics of the song, and the bass line pulses the rhythm and melody in rich low tones. All together, the music makes a song to be enjoyed by many. God is asking us in Romans 12 to work together, our unique talents and gifts to do good work for His kingdom.

As God has blessed us with special gifts and abilities for service, our Holston Discipleship Team is also blessed with gifts with which to serve God. The Discipleship Team is comprised of many teams or families of folks who are gifted to serve in many ways, and when all this service comes together, we act as one—just as God has planned.

The Nurture Team serves through education and guidance for healthy Christian growth. From Holston Camps to Adult Ministries to Leadership Holston, we reach out to teach, encourage, build relationship, and spread God's love across the conference and beyond. Holston Colleges and Wesley Foundations nurture students as they study. The Stewardship Team trains and guides our conference to learn best practices for sacrificial giving, so that we might reap the rewards of obediently following God's command. Feeding the poor and improving health and living conditions are some of the ways that the servants on Outreach and Advocacy follow God's command to love our neighbors. Our Mission Team knows that the mission field is all around us and serves to bring a clean drink of water and medical treatment to those in Sudan and the folks in the Appalachian Mountains and all places in between – staying true to God's command to help the sick and the poor. Motivating Holstonians to move out...step out... shout out the Good News is the Witness Team's call to action to win people for Christ! All of our teams work together to resource our local churches in being vital congregations. The Four Key Drivers are all related to the ministries offered by the Ministry Team of Holston.

I have been honored to have served on the Discipleship Team for the last eight years and have learned so much about the larger church and about the many ways in which God works through our Holston Conference. I challenge each of you to be involved, to offer your special gifts and talents, and watch how God orchestrates a beautiful song called ministry.

May God bless Holston Conference,

~Deb Holly, Chairperson

Office of Connectional Ministries

The Office of Connectional Ministries of Holston Conference has been energized this year to think creatively and positively about how we can best resource the local churches of Holston as they respond to the Call to Action and Vital Congregations project. We praise God for the possibilities for transformation in our congregations, and we seek God's guidance in offering those resources that will best serve our local churches. We are here to assist you!

The Connectional Ministries staff has expertise and can assist any size local church in developing new or improving existing ministries with children, youth, young adults, adults, and older adults. Our Camp and Retreat Ministries support the local churches through summer camp programs for children and youth, as well as retreat ministries throughout the year. We have persons on our staff who can resource churches seeking to strengthen Safe Sanctuaries policies.

Please contact our office if we can assist your local church with discerning God's vision for your church, setting specific ministry goals for your congregation, assessing how your congregation is doing in any area of ministry, responding to the Call to Action and Vital Congregations, or providing training for small group ministries. If we are not able to assist you, we will help you find someone who can. You may reach us by calling the Conference Office (toll free at 866-690-4080) or sending an email to connectionalministries@holston.org.

Above all, we thank God daily for the churches of Holston Conference – small to large, rural to suburban to urban, from north Georgia through east Tennessee to southwest Virginia – who so faithfully continue to win persons to Jesus Christ and serve God through outreach and mission in this world. We are honored to be in ministry with you.

~ The staff of Connectional Ministries

a. African American Ministry Team

The African American Ministry Team (AAMT) is focusing for its next conference in 2013 with the theme "Rethink Possible." The agenda will include all aspects of the Vital Congregation initiative. This meeting will be held the first week of August 2013 and will be inclusive for those seeking to make diversity a reality for the Christian Experience in the Holston Conference.

~ William Pace, Chair

b. Missions Ministry Team

It is the responsibility and privilege of the Missions Ministry Team to interpret the mission of the United Methodist Church as called by God to reconcile the brokenness of humanity through Christ Jesus. The team is also committed to offer the opportunity to be in mission in the world to all who call Holston home. We are striving to offer experiences in mission with the marginalized of our local communities, within the regions of our great nation, and around the globe, both through participation and resources. We seek to live into the transformational opportunities of serving "the least of these" as we engage members of our local churches in the mission of the church, both through the sharing of their resources and the offering of their time and talents. We embrace the Four Areas of Focus of the United Methodist Church and seek to facilitate a culture within our denomination that may one day have these focus areas as a part of our individual and collective DNA, or who we innately are.

Holston continues to send mission teams throughout the world, having over 225 teams from local churches and districts in the field last year, with some of those registered through United Methodist Volunteers in Mission. We encourage all teams to register with UMVIM to enable teams to have the best experience possible and allow the connectional church to be aware of how God is transforming the world through missions. Holston has also been intentional about team leader training to ensure that teams have a positive experience and live into the culture of the mission setting they are called to serve. Your donations to UMVIM-SEJ enable these trainings to be available as well as for coordination assistance in putting a team into the mission field.

Holston continues to embrace community ministry through the assignment of GBGM Church and Community Workers. Koni Purscell has been in the Big Stone Gap District for over a year now, and her ministry is enabling individuals and local congregations within Holston and other annual conferences to be in ministry with marginalized communities in the district. Harry Howe and Mark and Linda Stransky continue to transform the lives and homes of the folk in southwest Virginia through the ministries of Project Crossroads. Harry will finish the clinical portion of his Physician's Assistant Program later this summer and begin integrating rural medicine into the portfolio of assistance ministries offered by the project.

Holston was unfortunate to have been stricken by tornados both in 2011 and early 2012 that left heavy damage and loss of life, but we were blessed by the outpouring of response by members of Holston as well as from other annual conferences. Over 5300 volunteers cleaned debris, assisted in rebuilding homes, and shared a compassionate God with victims and communities in the Chattanooga, Cleveland, Johnson City, and Wytheville Districts. After having a personal experience in the despair of being victims of such magnitude, members of Holston are continuing to be trained and made ready to respond to disaster when it strikes again.

During the 2010-2011 Conference year, the Missions Ministry Team was again involved in the collection of Hands-On Kits for a part of our Annual Conference offering. These kits, which were sent to Ishe Anesu in Zimbabwe and to Liberia, provide much-needed food, school supplies, and health kits for the children there. Another benefit of the Hands-On collections each year is that they provide every local church in Holston the opportunity to be involved directly in missions.

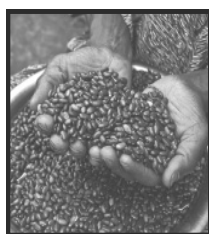
We celebrate the partnerships in ministry that many local churches of Holston as well as districts have with areas of need around the world. The work of the church in these areas enables us to embrace the connection of our denomination through collaborative efforts and a common passion for the transformation of the world.

Holston continues to live into God's vision for the people of South Sudan as we are seeing the United Methodist Church grow and become a strong component of the forward movement of this new nation. Over 20 local churches are now planted and over 25 boreholes have been drilled since Holston first entered into ministry with East Africa Annual Conference in 2006. Boo and Phyllis Hankins broke new ground and "prepared a way for the Lord" during two years of mission work with our brothers and sisters who have struggled for so long. Fred and Libby Dearing are now serving there, continuing to strengthen the church and care for the most vulnerable: the widows and orphans. Partnerships are now being set up between local churches in South Sudan and districts and churches within Holston, as well as other annual conferences. These partnerships create facilities that are necessary to educate the children and disciple the communities for a future of hope, love, and peace. Steve and Diantha Hodges are making great progress in providing micro-enterprising opportunities and training in agricultural sustainability. Diantha is bringing quality of life to a people long suffering from malnutrition, disease, and infant mortality. The realization that a few changes in lifestyle can make a great difference in quality of life is now a reality enjoyed. Lynn and Sharon Fogleman have been in Yei since February of this year and will be providing rural health as physicians who have worked previously in Kenya and Red Bird Missionary Conference. Mission teams continue to travel to South Sudan to live into our covenant with East Africa Annual Conference and keep the people of Holston connected to a ministry of transformation – transformation of a new nation being born after going through the fire, and transformation of ourselves in seeing, believing, and living the scriptures as God restores life to the people of South Sudan.

As we continue to fulfill our covenant in South Sudan, God has called upon Holston to remember the people of Vietnam. During the latter half of 2012, we will be engaged in ministry in the country where so much pain remains prevalent and so many scars need to be wiped away by the

grace of Christ Jesus. We look forward to the opportunities of healing and wholeness as we enter into ministry with the people of Vietnam and are grateful as we celebrate the "Bishop's Initiative," the Annual Conference Offering going to our ministry with Vietnam.

~ Danny Howe, Chair



formerly Advance Specials
The Advance
 Advancing hope in Christ's name
Holston Annual Conference 2013 www.holston.org

Be a 5-Star Church

To qualify for the 5-Star Award, churches must:

1. Pay Fair Share in full
and give at least \$25
in categories 2 through 5:
2. Give to at least one International Advance
3. Give to at least one U.S. Advance
4. Give to at least one UMCOR Advance
5. Give to at least one Conference Advance

International Advance

A. Missionaries Supported by Holston Conference

GBGM Code	Holston Project No.
-----------	---------------------

Rukang Chikomb	Code: 14959Z	
Country: Democratic Republic of Congo		
Fresie Chikomb	Code: 3021434	
Country: Democratic Republic of Congo		
The Rev. Bill Lovelace	Code: 11872Z	054
Country: Ukraine		
Helen Roberts-Evans	Code: 3021129	705
Country: Liberia		
Missionaries Around the World	Code: 00779Z	075
(Any Amount)		

(Other missionaries may be supported by Holston churches. Inquiry should be made through the Conference Mission Sec.)



GBGM Code	Holston Project No.
-----------	---------------------

B. Africa

- | | | |
|--|---------------|------------|
| 1. ISHE ANESU Project/Maria Humbane Zimbabwe | Code: 13071A | 160 |
| 2. Africa University Scholarship | Code: 3021028 | 629 |
| 3. Imagine No Malaria | Code: 3021190 | 684 |
| 4. Steve & Diantha Hodges, Sudan | Code: 982465 | 691 |

C. Mexico

- | | | |
|--------------------------------------|---------------|------------|
| "Give Ye Them To Eat" Hunger Program | Code: 007629A | 074 |
|--------------------------------------|---------------|------------|

D. Estonia

- | | | |
|---|----------------|------------|
| 1. Baltic Mission Center | Code: 010923-N | 055 |
| 2. Baltic Methodist Theological Seminary Scholarship (\$1,500 per year) | Code: 15021B | 203 |

E. Paraguay

- | | | |
|--------------------|----------------|------------|
| New Horizon School | Code: 302-1089 | 421 |
|--------------------|----------------|------------|

Covenant Relationships

with Missionaries and Persons in Mission

Although Advance salary support for missionaries is needed in any amount, churches wishing to have a Conference Covenant Relationship with a missionary provide \$1,000 per year; churches under 333 members provide \$3 per member per year. A GBGM Covenant Relationship with a missionary requires \$2,500 per year; churches under 333 members provide \$5 per member per year. Covenant Relationship forms and information can be secured from the Conference Mission Secretary. On the conference deposit slip, list the missionary's name, code number, and the amount.

United States Advance

A. Missionary Supported by Holston Conference

Fran Lynch

Alaska Missionary Conference Code: 982950 032

B. Appalachian Ministries Network

Code: 982041 007

C. Appalachian Service Project

Code: 982050 092

D. Cherokee U.M. Church, Cherokee, NC

Code: 731144 153

E. Four Corners Native American Ministries, Shiprock, NM

Code: 581254 023



	GBGM Code	Holston Project No.
F. Henderson Settlement, Frakes, Kentucky	Code: 773365	088
G. Hinton Rural Life Center, Hayesville, NC	Code: 731372	042
H. Fran Lynch Program Support	Code: 931520-355	264
I. Red Bird Mission, Inc., Beverly, Kentucky	Code: 773726	010
J. Society of St. Andrew Potato Project, Big Island, VA	Code: 801600	029
K. United Methodist Volunteers in Mission, SEJ Jurisdiction, Birmingham, AL	Code: 901875	043



Photo courtesy of Heifer International

UMCOR Advance

	GBGM Code	Holston Project No.
A. Heifer Project International	Code: 982418	021
B. Heifer Project, Living Gift	Code: 982532	031
C. UMCOR Disaster Response in U.S.	Code: 901670-1	026
D. UMCOR Emergency Relief (Around the World)	Code: 982450-8	050
E. World Hunger / Poverty	Code: 982920	016

Holston Annual Conference Offering

Council of Bishops Emphasis:
IMAGINE NO MALARIA

Conference Advance

A. Persons in Mission Supported by Holston Conference

		Holston Project No.
<i>Harry Howe</i>	Marion, VA Code: 982926	020
<i>Koni Purscell</i>	Big Stone Gap, VA Code: 982931	701
<i>Fred and Libby Dearing</i>	Sudan	719
<i>Bruce & Emy P.*</i>	Middle East (*totally supported by churches of Holston Conference)	008
<i>Mark & Linda Stransky</i>	Marion, VA	571
B. Asbury, Inc.		091
C. Muslim Outreach Team Project		003
1. Rebekah S.		572
D. Campus Ministry and Wesley Foundations		
(Be sure to indicate which ministry you are supporting)		
1. ETSU		064
2. Radford		127
3. UT Knoxville		305
4. UT Chattanooga		313
5. UVA at Wise		061



Rev. 3/15/12



Holston
Project No.

E. CONTACT Telephone Ministries

(Be sure to indicate which ministry you are supporting.)

1. Johnson City 063
2. Contact-Concern of NE TN, Inc. 413
3. McMinn County/Meigs County/
Monroe County 162
4. Contact Helpline, Inc.-Anderson/Blount/Grainger/
Jefferson/Knox/Loudon/Roane/Sevier/Union 183

F. Disaster Relief Within Holston Conference 143

G. District Advance (Indicate which project)

H. Habitat for Humanity Ministries

(Be sure to indicate which habitat you are supporting)

- | | |
|---------------------|-------------------------|
| 1. Anderson Co. 184 | 4. Jefferson County 145 |
| 2. Blount Co. 167 | 5. Loudon County 099 |
| 3. Holston 067 | |

I. Hispanic Ministries within Holston Conference 093

1. Galax, VA 541
2. Maryville District 542
3. Morristown District 543

J. Holston Conference Camps

1. Camperships

Buffalo Mountain 238	Dickenson 437
Lookout 276	Wesley Woods 275
Undesignated 087	
2. Camp Development Funds

Buffalo Mountain 101	Dickenson 236
Lookout 078	Wesley Woods 113
Undesignated 484	
3. Annual Ministry Funds

Buffalo Mountain 486	Dickenson 488
Lookout 487	Wesley Woods 489
Undesignated 485	
4. Strength for the Journey Scholarships
(HIV/AIDS Retreats) 300

Conference Advance

Continued

**Holston
Project No.**

K. Holston United Methodist Homes for Children

1. Dermid Family Services, Bristol, Virginia 103
2. Holston Home, Greeneville, Tennessee 002

L. Neighborhood Centers

1. Bethlehem Community Center 079
2. Wesley House Community Center 080

M. Student Aid, Conference Scholarship Grants

1. Emory and Henry College 085
2. Hiwassee College 045
3. Tennessee Wesleyan College 125

N. Support for Action Ministries

1. Angelic Ministries (KN) 637
2. Big Stone Gap Dist. Church & Community Renewal 141
3. CASA of East Tennessee (KN) 493
3. CASA Corridor of East TN (CL) 611
4. CASA of the Tennessee Heartland (OA) 455
5. Coalition for Kids, Inc. (JO) 133
6. Crossroads Medical Mission (AB) 364
7. Emerald Youth Foundation-Just Lead (KN) 014
8. GATE-Gateway to Independence (MA) 612
9. Good Samaritan Ministries, Inc. (JO) 066
10. Hope for Healing.org (MO) 577
11. Interfaith Health Clinic (KN) 492
12. Jubilee Project, Inc. (MO) 015
13. Morgan-Scott Project (OA) 013
14. Overhome Ministries (MO) 170
15. Plateau Home School (OR) 106
16. Project Crossroads Ministries (AB) 047
17. Second Harvest Food Bank 759
18. Unity Center (CL) 151
19. Volunteer Ministry Center (KN) 614
20. W.S. Hight Community Outreach PACE (CH) 362
21. Wesley Medical Clinic (AB) 674

O. Volunteer Labor Program

- Central Region 128

P. Volunteer in Mission Projects and Personnel Projects approved by the Conference

1. New Church Development/
Orphanage in Guatemala 121
2. New Church Development in Costa Rica 161
3. New Church Development in Holston 380



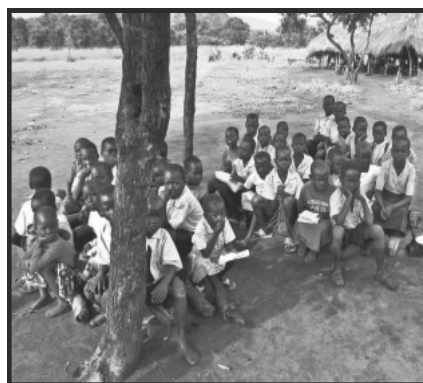
**Holston
Project No.**

Q. World Ministries

1. Connecting Churches World Evangelism 367
2. English Speaking UMC-Prague 716
—Michelle McKinnon-Young
3. Haiti Water Project 671
4. South Sudan Projects 537
5. Hope for Today-India—Peter Peieria 490
6. Magdy Bassaly—
Ambassadors for Christ International 501
7. Mary Diana Samuel Orphanage-India 579
8. Operation Classroom/Liberia—Dan Kelley 058
- Operation Classroom Shipping 059
9. SIFAT 670
10. The Rescue Ministries-Philippines 676
11. Uhuru Child-Kenya 717

R. "Change for Children"

012



Holston Annual Conference 2013

www.holston.org

c. Nurture Ministry Team

Greetings from the Conference Nurture Ministry Team –

The mission of this team is to nurture and support growth in the knowledge, experience, and expression of the love of Christ of the laity and clergy of the Holston Conference. That mission is a task this team of staff and volunteers, laity and clergy, takes very seriously. Here are some of the celebrations and noteworthy news from this past year. The Nurture Team is significantly involved in providing resources for local churches in response to the Call to Action. All four of the key drivers of congregational vitality have to do with the work of the Nurture Team: (1) authentic worship, (2) small group ministry and programs for children and youth, (3) effective pastoral leadership, and (4) spiritually engaged laity. The Leadership Holston program is a premier training program for clergy and laity together to enhance their effectiveness in ministry. Also within the responsibility of Nurture Ministry Team are responsibilities for resourcing congregations in the area of worship and overseeing age-level ministries in Holston, including children and youth ministries.

Leadership Holston continues to be a vital program to nurture leadership (both lay and clergy) in Holston Conference. This year's class of 22 participants is the largest yet and has representatives from 11 of the conference's districts. Plans for next year include adding a class specifically geared to youth, perhaps offered during the summer. We celebrate a program that so closely addresses one of the UMC's Four Areas of Focus – to Develop Principled Christian Leaders – while also responding to the key drivers of effective pastoral leadership and spiritually engaged and equipped laity.

Gaye King and the Children's Ministry Team continue to educate and equip leaders who work with children. A highlight of the year for the team included the March Forth for Children event in March. Mark Burrows of Ft. Worth, Texas, was keynote speaker, and several other workshop leaders directed workshops around the theme of Family. Change for Children awarded \$16,000 in grant money that will further support children's programming both in and outside the boundaries of Holston Conference.

Laura Lambert and the Conference Council on Youth Ministries have worked to make several events great successes. From two amazing weekends of the Resurrection youth event with speaker Reggie Dabbs to Youth Assembly happening at Tennessee Wesleyan College this summer, Holston's youth are being exposed to quality faith building experiences that are also fun! Watch for highlights of the upcoming summer mission trip to the Bahamas to work with orphans and AIDS patients.

The Young Adult Team and Laura Lambert accomplished another Divine Rhythm event in January for the conference's young adults and college students. Speaker Matthew Paul Turner challenged participants to a better understanding of Christ's message for Christians in light of how often Christian brothers and sisters get the Good News wrong.

The Nurture Team expresses appreciation to Rev. Frank M. "Bob" Bostick for the leadership he has provided the Older Adult Team for the past several years. Bob retired in December, and now Gaye King is planning events that offer a combination of fun, fellowship, and faith for mature folks in the conference. The annual Jubilation event featured author Linda Douty on aging, personal growth, and spiritual formation. The team is studying how to best organize events that will reach the largest number of older adults, which may include more district level events. Watch for more from this team!

Randy Pasqua and the Camp and Retreat Ministries Team continue to serve in a thriving area of ministry for the conference. The combination of exposing primarily children and youth to

the wonder of God's creation as they explore their faith is a gift for the team to work with. This team continues to challenge the standard role of camp and last year took "camp" to children in area city parks – a fresh new way to minister to our neighbors.

Pete Rowlett carries on the important work of Marriage Ministries. The 8th annual retreat for couples working in ministry took place in April with the underlying theme being that the best way to help lay people with their marriages is to help clergy maintain healthy marriages.

This document covers just the high spots of these ministries. I trust you will read the detailed reports of these teams in this book. It is our privilege to serve the conference as we strive to NURTURE people in all ages and stages of their Christian discipleship.

~ Leanna Johnson, Chair

c.1 Camp and Retreat Ministries

(Relates to Nurture Ministry Team)

"Sharing the Love of Christ in the Glory of God's Creation" is the mission of Holston Conference Camp and Retreat Ministries (CRM). We accomplish this mission through the combined ministries of Buffalo Mountain Camp, Camp Dickenson, Camp Lookout, and Camp Wesley Woods. We are uniquely positioned to support the Call to Action and vital congregations by partnering with local churches to be in ministry to children and youth and to engage clergy and laity through our Ministers in Residence program and weekend retreat ministries.

The 2011-2012 year has been a solid year for CRM. Summer camp attendance held steady with a positive growth of six campers. Our traditional summer camp sessions welcomed 2,897 campers last year. The positive aspect of our summer is a significant growth in the number of United Methodist campers. We continue to have a profound impact on the spiritual formation of our campers. During their camp experience, 39% of our campers made a significant faith commitment; 1,129 campers either made a first-time or a renewal commitment to discipleship. Nurturing young disciples is our calling, and we are jubilant about the results.

The exciting new "Camp in Community" outreach ministry through Camp Wesley Woods served hundreds of children in an innovative day camp; these children would otherwise not have been served. Camp left the mountain to bring Christ to children in their churches, parks, and homeless shelters.

CRM did not escape the tornadoes of the 2011 spring. Camp Lookout took a direct hit. Through the tremendous efforts of the camp staff and hundreds of volunteers, summer camp began on time and continued to be a great blessing to its campers.

On the financial front, CRM is extremely grateful to the Conference, Districts, Churches, participants, and our many individual partners. Each of the four camps was able to operate in 2011 with a positive net balance in its operational budget.

Your camps continue to partner with clergy and laity from across our Conference and beyond sponsoring retreats focused on leadership development, spiritual renewal, and personal inspiration.

To the members of Holston Conference, the CRM Board expresses great appreciation for the tremendous support and encouragement received for "Sharing the Love of Christ in the Glory of God's Creation."

~ Ed Terry, Chair of CRM Board

~ Randy Pasqua, Executive Director of CRM

c.2 Children's Ministries Team

The Children's Ministries Team is proud to play a significant role in resourcing local churches as they seek to provide programs for children in their geographic area. The Vital Congregations project recognizes the importance of strong children's ministries in healthy, vibrant congregations. We are available to assist any local church that desires to improve in this area of ministry.

March Forth for Children, our biannual conference-wide training for those working in children's ministry, was held March 2 and 3 at Cokesbury Center in Knoxville. With a baseball inspired theme to connect faith and home, over 115 paid workers and volunteers including 20-year veterans, those on their second day on the job, clergy and laity came together to discuss and learn how our local church can better equip parents to be vital faith leaders in the home. A number of issues surround those working with children including congregations lacking the willingness to invest in children's ministry, limited budgets, parents who are absent or unengaged in their children's faith development, plus volunteers who are juggling 40-hour work weeks, family, and are leading children's ministry with limited support. Keynote speaker Mark Burrows from First UMC, Fort Worth, Texas, encouraged and inspired participants as he taught about family focused worship, music, and puppetry. A wide range of workshops from children's ministry 101 to bullying and faith formation to using social media were offered. Evaluation comments indicated a hunger among participants for training and resources.

Conference resources like the Holston Kids Link newsletter and holstonkids.org website continue to offer networking and training opportunities. Team members are looking into ways to connect children's ministry workers within districts together on a regular basis to offer the support and resources those workers are seeking.

Through the ongoing generous support of our Holston Conference congregations, Change for Children continues to offer grants to churches who are intentionally working to support new and existing ministries with economically disadvantaged children in Holston Conference and in Africa. In 2011 Change for Children granted a total of \$89,000 to 17 Holston churches and the Southern Sudan Orphan Ministry.

Since passing the resolution in 2004, Holston Conference churches have worked to keep our churches a safe place for our children and youth through active implementation of our Safe Sanctuaries program. Many churches have worked to review and improve their policies this year. Churches are strongly encouraged to review their policies and train their workers yearly. If you need assistance with Safe Sanctuaries, contact the Connectional Ministries office.

~ Elizabeth Rudesill, Chair, Children's Ministry Team

~ Gaye King, Associate Director of Connectional Ministries

Children, Family, and Advocacy Ministries

c.3 Conference Council on Youth Ministries (CCYM)

Holston Conference Youth Ministry is working to help encourage vital congregations by providing opportunities for conference youth ministry and local church youth ministry to strengthen one another. Programs for youth at the conference level are intended to support the important ministry provided for youth at the local church level.

Our Conference Council on Youth Ministries (CCYM) takes leadership and is a voice for

the over 10,000 youth of Holston. During our meetings this year, CCYM has looked at ways to encourage local churches to be involved in missions, ways to connect to youth via Facebook and Twitter, written devotions to be shared around the conference, and worked on the planning of youth events including Youth in Mission, Junior and Senior High Assemblies, and Discovery. CCYM is developing principled Christian leaders to lead not only at the Conference level, but also in the members' local churches.

Resurrection is a time when many youth groups experience renewal and bring a great excitement back to their churches. The experiences of over 12,000 people over 2 weekends in January continue year round through the youth and adults who attended. This year's speaker, Reggie Dabbs, spoke to the great hurt that many teenagers feel and offered hope through Christ. Many stories have been shared of how those words of hope changed the lives of youth who attended, those who were watching Rez TV streaming online, and those who the words were shared with at home.

Through Youth in Missions and Mission Madness, youth learn the importance of reaching out and helping others. Youth around the conference participate in Mission Madness during the month of April, doing mission work in their local areas including helping elderly church members with yard work, volunteering at a food pantry, and participating world hunger awareness programs. Last summer, 32 youth and adults from around Holston traveled to Charleston, SC, to participate in Youth in Mission. There, we did home repairs, worked with Habitat for Humanity, led worship for our host church, and several other projects. After we returned home, the youth and leaders organized a YIM reunion and helped with the tornado clean up in Greene County!

Junior and Senior High Assemblies continue to be exciting weeks in our summers! Through the interest groups offered throughout the week, youth learn about worship arts and about various topics about which they wish to learn. One youth was a part of the dance worship arts group and was so inspired that she went home and started a liturgical dance group in her own church. It is exciting to see the ways that conference and local church ministries work together!

Finally, Discovery is our weekend retreat for youth who feel called to ministry. It is a great chance for youth to discuss their calling with others who are experiencing the same calling. During the retreat, youth hear from people in lay and ordained ministry and spend time in workshops and small groups. Through Facebook, last year's Discovery group has continued to support one another long after the weekend ended. This year at Resurrection, we had a record number of people fill out Call to Ministry cards, and we are looking forward to seeing how each of those people makes a difference in the Kingdom!

Youth ministry is an important part of vital congregations. In the coming year, we will continue with our current ministry offerings so that local church ministry and conference youth ministry can work together to encourage vitality throughout Holston!

~ Taylor Downey, CCYM President

~ Laura Lambert

Associate Director of Connectional Ministries for Youth and Young Adults

c.4 Marriage Ministries

Because the well-being of our families, our communities, and our nation are profoundly affected by the success or failure of marriages, we must make every congregation a place where couples can find their marriages strengthened. With the divorce rate in our society

hovering around 50%, and with the marriage success rate of church members being similar to that of the general population, we must take seriously our responsibility to assist couples in building healthy marriages. No institutions have a better opportunity to nurture strong marriages than local churches do, and the resources are available. The Vital Congregations emphasis understands the need for effective pastoral leadership, and providing support for our clergy and their spouses is one way to enhance effectiveness as their marriages are strengthened and they are then able to support married couples in their local congregations.

Pastoral leadership is crucial in creating the setting in which marriages are strengthened. Therefore, Holston Conference is sponsoring an annual “Marriage Enrichment Retreat for Couples in Ministry in Holston Conference.” During the six years this event has been held, a total of 60 couples have attended. The 2012 Retreat will be at Buffalo Mountain Retreat Center on April 13-15. “Issues unique to clergy marriages” is one of the topics discussed. The event is jointly funded by the Nurture Team and the Board of Ordained Ministry.

Training is available for those couples who would be interested in providing marriage education and enrichment in their church and community. Contact Anne Travis (annetravis@holson.org) or me (bee.rowlett@gmail.com) if you are interested in exploring this opportunity.

~ Peyton Rowlett, Chair

c.5 Older Adult Ministries

It’s a fact. The United Methodist Church is an aging church with 76% of our attendees being age 45 or older and those numbers continue to grow. But that does not mean our congregations are not vital. Healthy congregations find creative ways to invite older adults to remain a vital part of the church by making significant contributions to its ministry. Aging isn’t a time to retire from discipleship. Instead, it is a time to grow in service and ministry to others.

Now in its twelfth year, Jubilation 2012 continues to provide ministries for older adults, aged 50 and over, that nurtures spiritual growth, provides educational opportunities and ways to cope with life issues, promotes involvement in missions, and enhances Christian fellowship. A generous grant from Asbury, Inc., continues to make it possible to provide excellent leadership in a comfortable resort and conference setting at a reasonable cost to those attending.

Holston Conference’s older adult ministry also supports the local church by offering opportunities to grow, learn, and serve together in our districts. Most districts have regular gatherings and district programming. As we look to the coming year, we will be exploring ways to help strengthen existing ministries and develop new ministries in districts not currently active by identifying ways to provide opportunities for Christian mission and service in those areas.

After many years of faithful service and devotion to the churches of Holston Conference, the Rev. Frank M. (Bob) Bostick retired as Coordinator of Older Adult Ministries at the end of 2011. We thank Bob for his endless hours of devotion to this important ministry and for the excellent leadership he has provided to Jubilation and Older Adult Ministries in Holston Conference.

~ Gaye King, Associate Director of Connectional Ministries

c.6 Young Adult Ministry Team

We are very excited about what God is doing in Holston Conference in the area of young adult ministries, particularly because we envision vital congregations that are filled with spiritually engaged young persons who are engaged in missional outreach, as well as congregations served by effective young adult clergy persons. Two young adults, Rev. Wil Cantrell (clergy) and Megan Watson (laity), were elected to General Conference. It is wonderful that the people of Holston Conference see the need and trust young adults to be in positions of leadership. The team knows these young adults will represent all of us to the best of their abilities.

The Young Adult Team is continuing to work in the districts of Holston. Each of the 12 districts has a Young Adult representative. These representatives are there to promote young adult issues at the district level and work with individual churches interested in finding ways to connect to young adults. We are continuing to bring a young adult information presentation to district ministers' meetings. The team is still offering grants to churches creating new young adult ministries or enhancing existing ministries.

It is our prayer for Holston Annual Conference that we continue to move forward in the area of young adult ministry. We are committed to helping at all levels. On behalf of the Young Adult Ministry Team, I thank you for the opportunity to serve you and look forward to doing more in the future.

~ Todd R. Adams, Chair

d. Outreach/Advocacy Ministry Team

Our mission is to examine and raise awareness about issues of justice, mercy, and kindness in the midst of our complex and constantly changing world and to help connect people in Holston Conference with the challenges of the world we live in. For the past few years, the economy has had an impact on our budget, but we are still striving to develop and encourage ministry opportunities for members of Holston Conference as we promote engaging congregations and individuals in missional outreach in their communities and around the world.

In September 2011, the third annual Poverty Conference was held at First Broad Street UMC in Kingsport, TN. The theme was "Breaking the Chains of Poverty," and one of the goals was to help participants understand and experience the problems of material need. Worship and plenary sessions featured Bishop Paul Leland of the Alabama/West Florida Conference, Rev. Beth Templeton Love, John Hill of GBCS, and Rev. Jim Sessions. Attendees participated in a hands-on poverty simulation exercise, which is now available for use in each local church in the conference after a training session. If your church is interested in participating in a poverty simulation, please contact the Office of Connectional Ministries.

In the spirit of our connection, two clergy from Holston, Chris Brown and Asa Hendrickson, attended the Young Clergy event in January 2012 at the General Board of Church and Society (GBCS) in Washington, DC. They received an overview of the work of GBCS and plans for the future. In October 2011, Susan Montgomery attended a RIMcor (Refugee and Immigrant Ministries) training in Los Angeles offered by UMCOR and GBCS. These training events are especially noteworthy as means by which Outreach Advocacy supports the key drivers of effective pastoral leadership and spiritually equipped and engaged laity.

Our Creation Care team has been revitalized under the leadership of Brenda Haymore, and her report which follows details their activities in the past year and great plans for the year to come.

In an effort to spread a vital ministry and missional outreach, with the Virginia Conference

and the United Methodist Men, we are bringing the Disciple Bible Study program into the Virginia State prisons, a number of which are located in the Holston Conference portion of Virginia. It will also be offered in prisons in Tennessee and north Georgia. If persons are interested in participating in this program, please contact the Office of Connectional Ministries to learn how you can obtain the required training.

Our ministry team has offered support to Neighborhood Reconciliation Services in Johnson City, the Virginia Chaplaincy Service, the Peace with Justice Luncheon at Annual Conference, the Virginia Interfaith Center for Public Policy, and grants to address issues around HIV/AIDS. Through the Committee on Status and Role of Women (COSROW) and Religion and Race, monitoring of inclusive participation at Annual Conference is surveyed and reported for 2011 and again this year.

We encourage members to be involved in the Caring for God's Creation event at Lake Junaluska in the spring 2013 and the Peace Conference in November 2012 which will focus on nonviolence and feature Nobel Peace laureate Leymah Gbowee, Rev. Bernard Lafayette, and Michael Nagler.

We also encourage every pastor to share God's Renewed Creation: Call for Hope and Action from the Council of Bishops with his or her congregation.

~ Susan Montgomery, chair

e. Stewardship Ministry Team

The Holston Conference Stewardship Team continues its three-fold focus on equipping pastors to lead the church in generosity and financial stewardship, creating opportunities for laity to learn a theology of giving and practical ways they can help their churches become more generous, and providing stewardship resources to the local churches. One of the indicators of congregational vitality for which each church in Holston has set a goal is disciples sharing their resources for mission (amount of money given to mission), and the Stewardship Ministry Team is available to resource congregations to achieve established goals.

Over 90 pastors have now attended to the "Texas Intensive Stewardship Training" seminar with Rev. Michael Reeves during the last 5 years. Two "reunions" of these groups have been held, and we continue to receive reports of exciting results from those who have received the training. Pastors who have received the intensive training are being utilized by District Superintendents to share what they have learned with other clergy in their districts. Many pastors also consistently report increased giving in their congregations as a result of how the seminar has shaped their leadership.

In the fall of 2011, the Stewardship Team and the Holston Conference Foundation sponsored a second annual stewardship conference within the bounds of Holston titled Changing the Culture of Stewardship and Generosity led by Dr. Clif Christopher. The conference, which was held both at Concord UMC (Knoxville, TN) and Pleasant View UMC (Abingdon, VA), attracted over 200 clergy and laity to hear Dr. Christopher share a vision for communicating the spiritual imperative of stewardship in a changing culture.

The Holston Conference Stewardship Team continues to provide weekly "Offertory Moments" email messages composed by Rev. Bill Kilday. These emails provide pastors with 30- to 60-second stewardship messages to introduce the offering in worship each week. You can subscribe to the "Offertory Moments" weekly email and view "Offertory Moments" archives at www.stewardship.holston.org.

In 2012 and 2013, the Stewardship Team plans to continue and improve upon these efforts to help the people of Holston Conference change lives and experience the joy of generosity through faithful stewardship.

~ Wil Cantrell, Chair

f. Witness Ministry Team

The Witness Team has had another busy year as we have sought to engage local churches in Holston in the ministry of making disciples of Jesus Christ for the transformation of the world. The work of the Witness Ministry Team is crucial as we resource local churches to foster an ongoing effort to increase the numbers of professions of faith.

In June 2011, we awarded Denman Evangelism Awards at the 2011 Annual Conference to a clergy recipient (Reverend Robert Hayes), a lay person (Wilma Sue Davis Foreman), and to a youth member (Benjamin Horton).

In the Fall 2011 we awarded \$27,482 in Church Program Grants to local churches that are creating new ministries to reach new people. These grants are specifically designed for churches that are beginning a ministry designed to bring new persons into a relationship with Jesus Christ. We encourage each local church in Holston to consider how you might do the same and apply for a grant in Fall 2012.

In March we held our third Holston Evangelism Conference at Cokesbury Center in Knoxville with an attendance that doubled over 2011. Reverend Dave Hood and Rusty Eschelman of Ft. McKinley UMC in Dayton, Ohio, shared with teams of persons interested in evangelism from local churches in Holston about how they led the Ft. McKinley congregation toward revitalization.

The Witness Ministry Team works cooperatively with the Hispanic Ministry Team to oversee the work with Hispanic congregations in Holston. We are very pleased with the health of these ministries. With tremendous support from the Maryville District, La Casa del Alfarero church building is now complete and being utilized for ministry in the Philadelphia area. A new Hispanic outreach offered through St. John UMC in Maryville is reaching children and adults in the neighborhood surrounding St. John. We celebrate the cooperative ministry at First UMC Sevierville, where the Hispanic congregation that worships there is one of the fastest growing new church starts in The United Methodist Church right now! We have witnessed a new congregation born in Greenville, TN, this year, and we are exploring possibilities of starting another ministry in the Johnson City area very soon.

The Small Membership Congregational Team is another ministry group affiliated with the Witness Ministry Team. They have seen renewed activity during this conference year, as evidenced in their report (included after this report).

We celebrate those churches being recognized this year for Church of Excellence in Evangelism Awards (included after the Small Membership Congregation Team report).

This Conference year has been a very good year. With the guidance provided to each congregation through the goal setting in the Call to Action and the structure provided to assist congregations in becoming vital, we anticipate another strong year in Holston as we seek to increase the number of vital congregations and to win more persons to a transforming relationship with Jesus Christ. Please contact the Office of Connectional Ministries if you desire any assistance from the Witness Ministry Team.

~ Ronnie Collins, chair

f.1 Small Membership Congregation Team

The Small Membership Congregation Team's mission is to "Give help to small membership and rural congregations so they will be even more vital in mission and ministry and bear fruit within their local communities." Our approach to realizing our mission is to:

- Partner with districts and provide mutually agreed upon help through the district superintendent and lay leadership of the local small membership congregations;
- Conduct equipping events for small membership and rural congregations;
- Respond to requests for help;
- Celebrate small membership and rural congregation mission and ministry (Living Stone recognition).

Living Stone Recognition

During 2011 the districts nominated seven small membership congregations for the Living Stone recognition. They included:

- Abingdon – Brumley Gap, Pastor Larry Linkous
- Big Stone Gap – Mt. Vernon, Pastor Vickie Fulkerson, and Rye Cove, Pastor Ray Dockery
- Knoxville – Piney Grove, Pastor Larry Anderson
- Maryville – Sevierville Circuit (Roberts, Murphy's Chapel, and Luretta), Pastor Janet Edwards
- Morristown – Bybee, Pastor Eddie Noe (deceased), Stephanie Widmann, Lay Leader
- Oak Ridge – Bradbury, Pastor Thomas Markwood

On Monday morning of Annual Conference a breakfast was held in honor of these congregations. Each congregation was recognized as a Living Stone in their community. Representatives of Piney Grove led by Pastor Larry Anderson were recognized as the 2011 Living Stone Award for the Conference.

During 2011 the Small Membership Congregation Team (SMCT) co-sponsored the following events with the districts:

- Big Stone Gap – During August and September Victor Dingus and Archer Coppedge trained approximately 30 congregational teams in how to respond to the Call to Action. The training answered four basic questions including: Who are you? What is your purpose? Who is your neighbor? What is your next right step in mission and ministry? Three different sessions were held over a period of six weeks to create SMART Goals and SMART Actions. Approximately 300 people attended these three events.
- Kingsport – With the help and support of District Superintendent David Graves, Victor Dingus trained two "Rethink Teams" in how to respond to the Call to Action. These teams guided the congregational leadership team through dialogue, assessment, and the proper response to the Call to Action goal setting and action planning activities. Approximately 30 team and congregational members participated over a period of 6 months.
- Maryville – Dr. Lew Parks, Professor of Theology, Ministry, and Congregational Development and Director of the Doctor of Ministry Program at Wesley Theological Seminary conducted two workshops for congregational ministry teams that provided tools for the Call to Action. Approximately 125 attended the event.

- Tazewell and Wytheville – Dr. Drew Dyson, Professor of the James C. Logan Chair in Evangelism at Wesley Theological Seminary and also an ordained Elder in the Greater New Jersey Annual Conference of The United Methodist Church, and Julia Kuhn Wallace, nationally recognized consultant and former staff person of The General Board of Discipleship, Small and Rural Congregations, led a two-day workshop for cluster groups in these districts. Approximately 250 people were in attendance at Pearisburg UMC and left the workshop with a draft Call to Action Ministry plan.

During 2012 the Small Membership Congregation Team (SMCT) is participating in and co-sponsoring the following events with districts:

- Call to Action Training – Victor Dingus will train the SMCT and other district resource persons in tools for supporting the Call to Action.
- Living Stone Nominees – 2012 Annual Conference – Five congregations have been nominated for the 2012 Living Stone Award. They are:
 - Maryville – Ironsburg, Pastor William Clark
 - Wytheville – Woodlawn/Shiloh, Pastor Gloria Rhudy
 - Wytheville – Fairview/Rural Retreat, Pastor Ruthanne Henley
 - Morristown – Wesley's Chapel, Pastor Sherry Seay
 - Morristown – Hardin's Chapel, Pastor Lew Kizer

The Living Stone Award will be presented to Ironsburg, Pastor William Clark, at Annual Conference.

- Facebook page – Layne Pennington is working to create a Facebook page for the SMCT team. This technology will assist us in our collaboration with small membership congregations.

~ Victor Dingus, Chair

CHURCHES OF EXCELLENCE IN EVANGELISM

Abingdon District

<u>GOLD</u>	Wharf Hill	South Bristol	Byars Cobbs
First, Marion	<u>BRONZE</u>	St. Luke	Greenwood
St. John	Abingdon	State Street	Lebanon, Glade Spring
	Aldersgate	Weaver	Mahanaim
<u>SILVER</u>	Beech Grove	<u>HONORABLE</u>	Paperville
Brumley Gap	Blackwell's Chapel	<u>MENTION</u>	Reynolds Memorial
John Wesley	Charles Wesley	Addilynn Memorial	Roberts Chapel
Lebanon Memorial	Elizabeth	Anderson Street	Trinity
Madam Russell	First, Bristol	Bethany	
Three Springs	Grace		

Big Ston □ G □ □ District

<u>GOLD</u>	Horton's Chapel	Legion Memorial	Ingles Chapel
Hiltons Memorial	Nickelsville	Midway Memorial	McClure
Holston View	Norton	Morgan Memorial	New Hope
Rye Cove	South Coeburn	Trinity, Big Stone Gap	Prospect
Three Bells	St. Paul	<u>HONORABLE</u>	Trinity, Wise
		<u>MENTION</u>	
<u>SILVER</u>	<u>BRONZE</u>	Appalachia	
Derby	Coeburn	Dungannon	
East Stone Gap	Fort Blackmore	Fort Gibson	
First, Pennington Gap	Jonesville		

□ □ □ tt □ noog □ District

<u>GOLD</u>	Burks	Harrison	Fairview
Christ	Chapel Hill	Pleasant Grove	Grace
East Ridge	Dunlap	Randolph	Looney's Creek Chapel
Eastdale Village	First Centenary	Sardis	Lou's Chapel
Community	Jones Memorial	St. John	Mount Crest
Hixson	McFarland	St. Elmo	New Salem
Pikeville	McKendree	Wells Chapel	Rising Fawn
Signal Crest	Red Bank	White Oak	Sand Mountain
Signal Mountain	St. Luke	Wildwood	Stephen's Chapel
Wauhatchie	Stanley	<u>HONORABLE</u>	Sulphur Springs
Welch's Chapel	Trenton	<u>MENTION</u>	Washington Hills
<u>SILVER</u>	<u>BRONZE</u>	Brooks Memorial	Wesley

□ □ □ □ □ nd District

<u>GOLD</u>	Wesley Memorial,	Asbury	<u>HONORABLE</u>
Decatur	Cleveland	Benton	<u>MENTION</u>
First, Cleveland	<u>SILVER</u>	Burkett Chapel	Allen Memorial
First, Dayton	Daisy	Calhoun	Big Spring
Mt. Carmel	Graysville	First, Copperhill	Broad Street
Ooltewah	Keith Memorial	Jones Chapel	Mars Hill
Soddy	New Bethel	Pleasant Grove,	Mt. Olive
Spring City		Cleveland	Wesleyanna
St. Paul's	<u>BRONZE</u>	Pleasant Hill	
Tasso	Apison	Trinity, Athens	

Johnson City District**GOLD**

Boones Creek
Jonesborough
Sulphur Springs

SILVER

Austin Springs
Centenary
Edgefield
First, Elizabethton
Limestone
Marvins Chapel

Munsey Memorial
Piney Flats
Pleasant Grove
Slagles
Taylor Memorial
Valley Forge
Watauga
Wesley Memorial,
Johnson City
BRONZE
Bethesda, Jonesborough

Cherokee
First, Johnson City
Gethsemane
Grace
Greenwood
Hunter
Liberty Hill
McCarty
Milburnton
Mt. Carmel
Roan Mountain
Seviers

St. Paul, Elizabethton
Telford
Valley View

**HONORABLE
MENTION**

Chuckey
Embreeville
Mt. Tabor
Pleasant Hill

Kingsport District**GOLD**

Cassidy
Crossroads
First, Church Hill
Kendricks Creek
Mafair
Mt. Carmel
Pactolus

SILVER

Adams Chapel

Arcadia
First Broad Street
First, Rogersville
McFerrin
Old Union
Persia
Salem
St. Luke
St. Matthew

BRONZE

Emory
Fudges Chapel
Holly Springs
Kingsley
Logan's Chapel
Otes
St. Mark
Vermont
Wheeler

**HONORABLE
MENTION**

Community
Depews Chapel
Glen Alpine
First, Surgoinsville
Hulls Chapel
Okolona

Knoxville District**GOLD**

Christ
Cokesbury
Emerald Avenue
Faith
Kodak
Lincoln Park
Middlebrook Pike

SILVER

Beulah
Bookwalter

Church Street
Ebenezer
Fountain City
Norwood
Piney Grove
Powell
St. Mark
Trinity
Washington Pike

BRONZE

Bearden

Central
Fairview
Lonsdale
Pleasant Hill
Second
St. Andrews
Trentville
Zion

**HONORABLE
MENTION**

Asbury

Colonial Heights
Inskip
Lynnwood
Mascot
New Life

Maryville District**GOLD**

Carpenters
Fairview
First, Alcoa
First, Pigeon Forge
Irontsburg
Sycamore Tree
Wears Valley

SILVER

Axley's Chapel
Binfield

Buckner Memorial
Cedar Bluff
First, Maryville
First, Sevierville
First, Tellico Plains
Loudon
Seymour
St. John
St. Mark's
Williamson Chapel

BRONZE

Broadway
Burnett Memorial
Friendsville
Immanuel
Middlesettlements
Mountain View
Peck's Memorial
Shults Grove
Tuckaleechee
Walland
Webb's Creek

**HONORABLE
MENTION**

Bungalow
Eden
First, Madisonville
Fox
Meadow
Middle Creek
New Salem
Roberts

Morristown District**GOLD**

Asbury
Bogart's Chapel
First, Morristown
Hunt's Chapel
Love's Memorial
Mary's Chapel
Mosheim Central
New Market
Oakland
Ottway
Parrottsville
Pruitt Chapel
Seahorn's Chapel
Sulphur Springs
Tate Chapel
Wesley's Chapel,
Dandridge

SILVER

Baileyton
First, Newport
Harmon's Valley
Hartman's Chapel
Hills Union
Mt. Zion, Afton
Mt. Zion, Dandridge
Noe's Chapel
Panther Springs
Romeo
Shady Grove

BRONZE

Antioch
Bales Chapel
Bybee
Cedar Grove, New
Market

First, Dandridge
Grant
Hardin's Chapel
Harned's Chapel
Liberty Hill
McC Campbell
Mt. Hebron
Mt. Hope
Mt. Pisgah
Mulberry Gap
Pine Grove
Whittenburg
Zion

**HONORABLE
MENTION**

Beth Car
Bethel
Bewley's Chapel

Boyd Chapel
Bruner's Grove
Burchfield Memorial
Chestnut Hill
George Street
Lawson's Chapel
Midway
Mt. Carmel, Mosheim
Mt. Pleasant, Talbott
Mt. Vernon
Pleasant Hill
Shiloh, Rutledge
Strawberry Plains
Trinity, Morristown
Weems Chapel

Oak Ridge District**GOLD**

Concord
First, Oneida
Haven Chapel

SILVER

Central
Sunbright
Trinity
Well Spring

BRONZE

Andersonville
Asbury
Bradbury
Jacksboro
Martel
Midtown Valley
New Tazewell
Oakdale
Oliver Springs

Pleasant Grove
Rockwood
Rugby Road
St. Mark
Valley View

**HONORABLE
MENTION**

Beaver Ridge
Bell's Campground

Cawood
Fincastle
First Farragut
Harriman
Jonesville
Memorial
Mt. Pleasant
Thompson Chapel

Tazewell District**GOLD**

First, Rich Creek

SILVER

Ebenezer
First, Bluefield
Riverside
Rocky Gap
Salem, Bland
Shady Grove, Bland

Steelesburg
Wesendonck

BRONZE

Alexander Memorial
Bethany
Cedar Bluff
Coleman's Chapel
Main Street

**HONORABLE
MENTION**

Byrnes Chapel
Christ First
Dailey's Chapel
Falls Mills
First, Narrows
First, Pearisburg
First, Richlands
Garden

Mt. Hermon
Mt. Zion, Bland
Pocahontas
Red Oak
Shiloh
Tip Top
Zion

Wytheville District**GOLD**

Central
Door of Heaven
Dublin
Fairlawn
Fairview, Rural Retreat
First, Hillsville
First, Independence
Fulton
Glenwood, Barren
Springs
Providence
St. Paul

SILVER

Auburn
Bethel, Radford
Cecil's Chapel
First, Pulaski
Franklin Street
Jerusalem
Locust Hill
Max Meadows
Morgan's Chapel

BRONZE

Bridle Creek
Draper
Fort Chiswell
Fries

Gladeville
Glenwood, Galax
Grahams Forge
Grove
Mt. Vale
Sidney
Woodlawn

HONORABLE**MENTION**

Belspring
Bethany, Independence
Bethel, Wytheville
Brick
Crockett's Chapel
Fairview, Riner

Fairview, Wytheville
Huddle Memorial
Mt. Mitchell
Mt. Olivet, Galax
Mt. Olivet, Pulaski
New Mt. Olive
Oak Grove
Rockford
Savannah
Shiloh
Summerfield
Thornsprings
West End

2012 Board of Ordained Ministry Report

According to the January, 2012, edition of the "Colleague," a publication of the General Board of Higher Education and Ministry, Holston is among the top ten conferences across the denomination with a higher percentage of young commissioned and ordained elders. Across the national church, 5.61 percent of the total number of elders is under 35 years of age. That is the highest percentage of elders under 35 in more than a decade. Concerning local pastors, the 35 under age range comprises 6.2 percent.

The percentages were given in a report by Dr. Lovett Weems, who heads the Lewis Center for Church Leadership of Wesley Theological Seminary in Washington, D.C. The Lewis Center, as part of its study, tracks the age demographics of clergy. In his report Dr. Weems indicates that there is a correlation between these percentages and conferences that have youth focused events that include a call to ministry component. He noted that Holston's annual Resurrection event draws thousands of youth and there is a call to ministry component in the program. We can also include our Holston Conference camping ministries as venues which provide faith-oriented experiences that plant early seeds of dedication and formation.

The Board of Ordained Ministry encourages us as a conference to strengthen our support for these formational experiences in the lives of our children and youth as a way of planting seeds for the future of the church. In the meantime we also are called to support those persons who in our local churches are currently answering the call to preparation for ministry. These are the daughters and sons of Holston who are raised up from within our congregations by God to answer the call to ministry as local pastors, deacons, and elders. Send your kids to camp! Send your youth to Resurrection and to Youth Assembly!

Aren't we the kind of people in Holston who want to support our own? Of course, we are! Support can come from the generosity of the tithe from each local church, which helps to ensure that the Holston Conference will receive its portion of the Ministerial Education Funds. It can also come from a local church that desires to aid a person from within its congregation to bear some of the increased costs of preparing for service to the church. As we look to the future, it is a hope of many in this conference that a separate education fund can be established through the generosity of donors with a

vision and a heartfelt desire to support those who answer God's call as local pastors, deacons, and elders.

I am indebted to the lay and clergy members of the Board of Ordained Ministry who work diligently on behalf of the people called Methodist in Holston. I wish to thank Bishop Swanson for his service in relation to the Board during his tenure. He has been a faithful servant of Christ's church in Holston through his leadership and advocacy of ministry for both lay and clergy. I am grateful for the Cabinet and Conference staff; Dan Taylor, Don Nation, and Marci Villanueva, whose collaboration with the Board is crucial.

Reed Shell, Chair

**STEERING COMMITTEE OF THE ORDERS OF ELDERS AND DEACONS AND FELLOWSHIP
OF LOCAL PASTORS AND ASSOCIATE MEMBERS**

The Committee once again sponsored the 2011 Clergy Gathering, which saw a change in both location and format. We had meetings in the north and south of the Conference. On October 10 we met at First Farragut and on October 11 the meeting was held at First Broad Street, Kingsport. Both meetings were held from 1:00pm to 4:00pm. We want to thank Rev. John Brewster and Rev. Mickey Rainwater, their staffs and volunteers for a warm welcome and great hospitality.

Our program was led by Bishop Swanson and Neil Alexander and, centered on the Call to Action. We want to thank the Bishop for his insight concerning this new emphasis on the revitalization of the church.

We also want to express our appreciation to Bishop Swanson for his passionate ministry during his eight years in the Holston Conference. We wish him and Delphine God's grace as they move to another episcopal area.

Lynn Hutton resigned as chair of the order of deacons due to work commitments. We want to thank Lynn for her leadership and dedication during her tenure. Rebekah Fetzner was elected by the deacons to complete Lynn's term. We welcome Rebekah and look forward to her input and leadership on the steering committee.

The fall gathering will be held on October 16th. Further information will be available at the clergy session.

As is our custom, the Committee will once again provide gifts for those entering various stages of ministry. This will be during the clergy session of Annual Conference.

Many thanks go to Don Nation, Steward of Clergy Concerns, for his work in assisting the Committee.

At Jurisdictional Conference five bishops will be elected and three current bishops will be reassigned. We anticipate the coming of a new episcopal leader to Holston.

Dennie D. Humphreys, Chair

WESLEY LEADERSHIP INSTITUTE
Report for 2012 Annual Conference

The Wesley Leadership Institute (WLI) coordinates the continuing education and lifelong leadership development endeavors of the Board of Ordained Ministry for our conference clergy. Our work directly relates to one of the “Four Areas of Focus” endorsed by the 2008 General Conference - the development of principled Christian leaders - as well as one of the four drivers of congregational vitality indicated in the Call to Action report – effective, equipped and inspired clergy leadership. Our work also seeks to further the realization of the gifts of the Holy Spirit “to equip the saints for the work of ministry, for building up the body of Christ” (Ephesians 4:12).

Among the “equipment” that we offer our clergy annually is the Convocation at Lake Junaluska. This year’s convocation was held February 6-9. Kent Millard, who recently retired from St. Luke’s United Methodist Church in Indianapolis, Indiana, and is the author of *A Passion Driven Congregation* (among other books), was our keynote speaker. His sessions dealt with cultivating the pastor’s own “passion driven” spiritual life, servant leadership, the characteristics of vital and inspiring worship, and “the vision driven congregation” – each of which related to aspects of the Call to Action emphasis. We were welcomed at nearby Long’s Chapel UMC for worship, and several of Holston’s own clergy provided the leadership of a variety of workshops that also related to the Call to Action report on such topics as small group ministries, worship leadership, relating to young adults, managing conflict, using demographic information, and engaging in missions. The clergy also provided some “warm words” of love and appreciation for Bishop Swanson, for whom this is his last Convocation among us here in Holston. He closed our convocation in his customary style, by preaching for our closing worship service with Holy Communion. The evaluations of this event were resoundingly positive. The WLI would like to thank all of those who were involved in helping to make this year’s Convocation happen, but especially Ann Robins for serving as our dean this year and Will Shelton for leading our daily morning devotions.

Next year’s Convocation is scheduled for February 18-21, 2013. The theme will be “Adaptive Leadership,” and Joey Manis will serve as our dean.

One of the goals of the WLI is to draw more deeply upon the wealth of experience and expertise that is already present among our own conference clergy and laypersons in providing workshops and leading presentations that will foster our clergy’s lifelong growth and development. This is happening already at events like Convocation, but it can also happen more frequently throughout the year and more locally throughout the bounds of the Annual Conference. If you have a particular area of interest or experience that may be of value to your colleagues in ministry, or if you know of someone who does, please contact us and let us know. We want to build and maintain a database of speakers, workshop leaders and workshop topics, especially as they relate to the Call to Action emphasis. Maybe you have picked up on some pointers for leading the nominations process in the local church, or maybe you have learned some lessons about leading a congregation through a building project, or maybe you have uncovered some research in a Doctor of Ministry project or other such program that you think would be beneficial to other clergy. There is so much we can learn from one another as we all seek to grow as faithful and effective clergy, and sharing what we have learned with others is one of the ways we express our covenant commitments to one another as clergy colleagues. Please contact Don Nation, the Director of the WLI, at donnation@holston.org if you have certain programs, presentations, or presenters in mind.

We also continue to offer educational opportunities on behalf of the Board of Ordained Ministry for pastors who are starting out in their very first pastoral appointment as well as for those who are in transition to new appointments. We continue to partner with local churches, other conference groups and agencies outside of the Annual Conference, such as the General Board of Discipleship, the Society for Biblical Studies, the Intentional Growth Center at Lake Junaluska and the Alban Institute, by promoting events that they sponsor and offering continuing education credit in accordance with our CEU guidelines. Please let us know if you have any such programs coming up so that we can publicize those on our website.

We continue to be grateful for the leadership that Don Nation and Sue Weber provide through the conference office. They maintain regular contact with our pastors and are always eager to address any of your questions or concerns. Please visit our website (<http://www.holston.org/ministries/wesley-leadership-institute/>) for more information on upcoming events, to check on the availability of grant funding for continuing educational pursuits or to log or to track your continuing education record activities online. And please keep in touch with us and let us know how we can equip you more fully for the work of ministry to which you have been called, for building up the body of Christ and for making disciples of Christ for the transformation of the world.

David Graybeal, Chair
Wesley Leadership Institute of the Board of Ordained Ministry

THE PASTORAL COUNSELING CENTER

The Pastoral Counseling Center Director (PCC) and the Supervisory Committee are pleased to offer a reflection on the ministry of the Pastoral Counseling Center in Holston, whose purpose is to support the wellbeing of our clergy, our churches, and clergy families. In this important time in the life of the United Methodist Church it is necessary to consider thoughtfully and prayerfully every congregation and every ministry in light of the United Methodist Call to Action and the identified traits that are related to Vital Congregations. This report will be given to that reflection.

One of the four areas of congregational vitality to which this ministry relates directly is “effective equipped inspired clergy.” The ministry of Pastoral Counseling in Holston has served directly 229 clergy and laity during the past year for well over 1000 clinical contact hours, which includes individual, couple and family confidential counseling and confidential clergy groups. This enumeration, however, does not tell the whole story. It is impossible to assume how many persons have been impacted by the vital work of this center.

The Pastoral Counseling Center sponsors confidential clergy groups in three areas of the Conference. In these groups, clergy read and discuss books related to spiritual growth, leadership through the family systems perspective and other meaningful topics related to ministry. Additionally, the group is a model of the small Wesleyan-type group in which participants are held accountable for their own growth. The groups provide support for participants through confidential colleague relationships.

Pastors and their families and other beneficiaries who are clients of the Pastoral Counseling Center are supported in such a way that they are able to move toward improved relationships with others, more sound leadership skills useful in the mentoring and development of lay leadership in the churches, enlivened spiritual life, and more

positive physical and emotional wellbeing. Such results are goals of the efforts made in this counseling ministry. It is well documented that leaders who devote time and energy to the development of their personal spirituality and emotional maturity will be more grounded and able to sustain themselves in ministry through difficulties of congregations, including perceived obstacles to growth. It is also known through research that having a more positive, hopeful outlook about one's life enables resilience and sustainability. Such outlooks are gained when a person intentionally is responsible for his or her wellbeing. Therefore, a positive outlook will enable a pastor to help others overcome fears and negative habits that may stand in the way of congregational vitality.

Sometimes the greatest impact of a ministry cannot be quantified in numbers. The ministry offered through the work of Pastoral Counseling is broad and deeply rewarding. One of these important ways is an availability to churches for seminars and retreats on wellness topics, fill-in preaching, and spiritual retreats. Also, I frequently am invited to share with clergy at District Ministers Meeting which provides opportunity for clergy support, encouragement and teaching about self-care. This contact often results in a clergy taking advantage of the varied services I am able to provide.

This ministry supports the Board of Ordained Ministry through seminars and retreats for Clergy including Provisional members. As well, I teach a full day of pastoral self care, boundaries and clergy ethics to our valuable local pastors as they begin their ministry. The Local Pastor School has been on my agenda each February since 2005. I am honored to participate in the training and support of all our clergy.

Also, other Conference groups focused on emotional and spiritual wellness are related to the ministry of the PCC including CWARD (Conference Wellness Advocacy Response Team) and Partners in Crisis. I participate with CWARD both as a member of the team on occasion and supervisor. The sensitive nature of the work is vital to the wellbeing of the churches of Holston. This capable, devoted, trained team of clergy and laity needs support, debriefing, and ongoing education. These have all been provided through the ministry of Pastoral Counseling as well as through outside training groups. I am also available to Partners in Crisis clients and team members for support of individuals or the group.

Additionally, through the work of Pastoral Counseling, a Spiritual and Emotional Care Team for Disaster Response has been facilitated and trained. Thirty-three clergy and laity have been trained and many are ready to deploy when needed. Readiness is key to being able to serve in a crisis. The ministry of Pastoral Counseling here in Holston has facilitated this readiness on behalf of every Holston United Methodist clergy and congregational member and also all the people who live within the Holston Area.

~ Laura A. Shearer, Director

~Don Ferguson, Chair, Supervisory Committee

CWARD

The Congregational Wellness Advocacy Response Team (CWARD) seeks to serve the congregations and pastors of the Holston Annual Conference in two ways. We serve as the response team who works with congregations immediately following a situation of clergy misconduct as well as work with congregations who are experiencing ongoing turmoil or conflict. We consist of lay persons and clergy from throughout the conference. Our work as a response team is a short-term, immediate response in order to provide safe and active listening to church members and staff. Our goal is to allow the congregations

to be heard, to grieve, and to heal so that they can move forward and grow as a vital congregation.

In working with churches who are experiencing conflict, our process is more detailed. We receive referrals or requests from District Superintendents as well as pastors. After talking with the lead pastor and Staff-Parish chairperson, we meet with the whole SPR Committee to plan how best to address the needs of the specific congregation.

The goal of both approaches is to promote healthy communication within members of the congregation while empowering the laity to help lead the congregation as they move toward healing and wholeness. In our “Suggestions” portion of our final report we offer suggestions for ways in which to empower the laity, foster strong communication throughout the congregation and encourage the pastors in their work and calling. Our goal is to help congregations to be healthy, vital and growing congregations that reach out to make disciples for Christ.

All of our work is confidential.

This year our team received training from the Reverend Darryl Stephens from COSROW on issues such as clergy misconduct and the effects on a congregation, a greater study of the theological framing of our work, and shared in discussion regarding our role as promoters of healing, wholeness, trust and confidentiality.

We appreciate the opportunities to serve the churches in our conference.

Respectfully submitted,
Lauri Jo Cranford, Chairperson

PARTNERS IN CRISIS

Partners in Crisis (PIC) is a volunteer support network for clergy spouses. Founded in 1995 upon the vision of a clergy spouse, Mrs. Charles Hurlock, PIC seeks to provide spiritual and relational support as well as financial and legal assistance to clergy spouses who suddenly find themselves without a home, a church family, or pastoral care. Mrs. Dot Lee, wife of our former bishop, Clay F. Lee, joined Mrs. Hurlock and many other clergy spouses in the formative years of PIC.

In the years since its founding, PIC has given support to a significant number of both male and female clergy spouses.

PIC meets twice a year at the Holston Conference Center in Alcoa to review their work and to assess needs of clergy spouses and to develop ways of helping those in the midst of a crisis. Over the years since its formation, PIC has added the capability of providing for temporary housing for spouses in distressing circumstances.

The leadership of PIC maintains the highest degree of confidentiality in all its dealings with clergy spouses. The group functions with two co-directors, a secretary, and a treasurer, along with ten to twelve representative clergy spouses. The Steward of Clergy Concerns also meets with PIC, offering support and guidance. However, any clergy spouse who wishes to join the group is welcome to do so.

Gifts from those wishing to support PIC should be made out to the Holston Conference Foundation and earmarked for “Partners in Crisis.”

- Nancy Ridenour, Secretary

COMMISSION ON EQUITABLE COMPENSATION

Call to Action

One of the drivers of a vital congregation is “effective, equipped and inspired clergy leadership.” The Commission on Equitable Compensation views its work as one way to help make this “driver” possible in some of our local churches.

Some examples of this are:

- Virginia Avenue in Knoxville. This is one of the mission aid congregations, located in one of the poorest areas of the city. These funds allow us to have a congregational and pastoral presence where otherwise there would be none;
- In other sites, the funds help provide full-time pastoral leadership. The Tazewell District charges of Staffordsville Circuit and Pisgah/Pleasant Hill are growing into assuming their full pastoral support and are benefitting from the pastoral leadership that is presently there.

The 2008 Book of Discipline, paragraph 625, assigns the Commission on Equitable Compensation with the responsibility of directing the disbursement of the Equitable Compensation Fund.

The primary responsibility for pastoral compensation is with the individual congregation and we strongly encourage each pastoral charge to move toward full support of its pastor. We ask the cabinet to consider charge realignments, mergers or matching ministerial leadership to the category of salary paid by the charge in order to reduce the demand for supplementation of clergy salaries.

The purpose of equitable compensation is to support full-time clergy serving as pastors in the charges of the annual conference. This will be accomplished by:

- a) Recommending conference standards for pastoral support;
- b) Administering funds to be used in base compensation supplementation;
- c) Providing counsel and advisory material on clergy support to district superintendents and committees on staff/pastor/parish relations.

The Commission on Equitable Compensation will accomplish these objectives by:

- a) Performing an annual review and recommendations of minimum salary levels.
- b) Submitting an annual budget request adequate to fund equitable salary needs.
- c) Providing direction and oversight in the disbursement of this fund.
- d) Providing counsel and advisory support to the Cabinet and SPPR committees.

Following are the seven (7) guidelines normally required for Equitable Compensation Support. Following the eligibility guidelines is a section pertaining to Application and Distribution Procedures.

Eligibility Guidelines for Equitable Compensation Support

To be eligible for Equitable Compensation support, a charge should comply with the guidelines regarding fiscal responsibility and other policies of the Conference

Commission on Equitable Compensation. These guidelines are as follows:

1. There shall be a Committee on Finance for the charge or for each congregation of the charge making application.
2. There shall be an educational program (approved by the District Superintendent) emphasizing specific stewardship goals of regular proportionate giving and tithing.
3. There shall be at least a simple income projection and spending plan for the congregation making application for a grant. A copy of that plan is to be attached to the application. No application will be considered complete until that plan is received.
4. The church/charge will have worked with the District Superintendent in reaching agreed upon goals related to its district and conference giving.
5. Requests shall be for a specific length of time, not to exceed four years. A specific written plan for getting off Equitable Compensation Support shall be submitted as a part of the application. The plan should be reviewed and updated at least annually to determine that adequate progress toward the ultimate goal is being achieved and celebrated. The total amount that the charge can expect over the four-year period would be determined up front. (Example: Total amount = \$25,000; year one - \$10,000; year two - \$7,500; year three - \$5,000; year four - \$2,500; year five - \$0.) The charge must annually pick up the 25% decrease from the previous year plus any increase in the minimum salary for its pastor as set by the conference for the coming year.
6. There shall be an annual audit, and a copy of the most recent audit shall accompany the application. No application shall be considered complete without the most recent annual audit being provided.
7. If, due to unusual circumstances, a church requests to be granted funds under the "mission situation" classification, it must substantiate its request by clearly defining its distinctive mission ministry and convince the Cabinet and the Commission on Equitable Compensation that the situation is as deserving of mission support as are other critical mission needs.

Application and Disbursement Procedures

The district superintendent must submit an application for each pastor to receive funds. These forms are available from the Office on Administrative Services. The application must be presented at the Charge Conference, approved and signed by the charge conference secretary, the pastor, and the district superintendent. This requirement is waived on mid-year pastoral changes; however, the district superintendent must sign the application and process it accordingly.

Step 1: The district superintendent is responsible for the recommendation of pastors who are eligible for equitable compensation within his/her respective district. To determine eligibility the following items must be reported on the application form:

- Total compensation from the charge including salary, travel allowance, parsonage utilities, social security payment, pastor's share of medical insurance premiums (including salary reduction, if applicable.)
- Contributions from all other sources at the national, conference, district and local church levels.

- All other income from church sources.

Step 2: The district superintendent will submit applications to the cabinet representative to the Commission on Equitable Compensation for review by the entire cabinet. Once approved, the applications will be forwarded to the Conference Administrative Services Office for disbursement.

Step 3: The decision of eligibility for and distribution of equitable compensation funds is delegated to the cabinet, which will, insofar as possible, seek to follow the conference guidelines on equitable compensation. The Commission on Equitable Compensation and the Conference Council on Finance and Administration encourage judicious stewardship in the allocation of these funds.

Step 4: The district superintendent shall diligently guide those charges and pastors who receive support in his/her district toward self-sufficiency.

Categories to be Funded and Schedule of Minimum Salary Levels for 2013

The Commission on Equitable Compensation recommends a 4% increase in minimum salary levels for the year 2013. This is the first increase in minimum salary levels since January 1, 2009. The maximum paid for salary supplement shall not exceed 50% of the minimum salary level.

For full-time service by Conference Members:

Full Member (M.Div.) or equivalent degree	\$ 38,624
Provisional Member (M.Div.) or equivalent degree	\$ 36,422
Associate Member	\$ 34,973

For Service as full-time Pastors:

M.Div.	\$ 33,770
Completed Studies	\$ 32,875
Beginning Studies	\$ 28,500

For Service as Student Pastors:

Seminary Students	\$ 26,565
College Students	\$ 23,087

Annual Supplements for Student Pastors with Dependent Children:

Each Dependent Child	\$ 662
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The Commission on Equitable Compensation requests a budget of \$136,000 for Cabinet use.

Equitable Compensation will be based on the Pastor's Support Worksheet. The office of Administrative Services will send payments directly to the church treasurers rather than to the pastors. The treasurers are to include the funds in the pastor's paychecks and account for them on the pastor's W-2 forms. Equitable compensation supplements shall not be included in the pastor's compensation line item on end-of-year reports.

Charge Categories

Equitable Compensation Charge: A charge in which the proposed equitable salary schedule is not fully paid by the charge, but which possesses the potential to become self-sustaining. Amount of funding will be reduced by 25% per year with the church becoming self-sufficient within four years. Funding beyond four years will be subject to a review by a joint committee of the Cabinet and the Commission on Equitable Compensation.

Mission Aid Ministry: A ministry, rural or urban, where the minimum salary level cannot be paid for by the ministry, either in full or in part; and where there is no realistic expectation of financial independence. It is the responsibility of the district, the pastor serving the ministry and a representative of the related charge conference to justify the designation of such a ministry and why it qualifies for aid. The designation is to be reviewed annually.

Cooperative Parish: A cooperative parish is a group ministry made up of two or more charges for the purpose of enhancing ministry among churches in a specific geographical area. It is expected that any request for equitable salary funds in a cooperative parish shall meet the approved guidelines and standards for equitable compensation.

Qualifications and Requirements

For a pastor to receive Equitable Compensation Supplement, he or she must be under Episcopal appointment as an *approved full-time pastor*.

A **student pastor** is a clergy person under Episcopal appointment to serve a pastoral charge while a full-time student in pursuit of a degree and residing within the geographical bounds of the charge. A full-time student is one who is so classified by the school in which the student is enrolled.

A **seminary or college student** may be appointed full- or part-time as a local pastor to a charge and will receive at least the appropriate minimum salary of the Annual Conference in accordance with **paragraph 318.3** of the *2008 Book of Discipline*.

The student pastor receiving equitable compensation will be expected to:

- a) Work at least 2 ½ days per week on site.
- b) Work full-time each week the student is not in school.
- c) Be absent from Sunday worship no more than three Sundays per year.

The charge/church receiving salary supplementation must pay at least 50% of the minimum salary, provide housing or a housing allowance for the pastor and offer Sunday school and other local church programs in addition to weekly worship services. A charge not meeting this standard is not eligible for salary supplementation even if served by a student. Students serving a charge in this category will be classified as part-time local pastors and receive only the salary level paid by the charge.

Utility costs should be considered when making appointments. If the utilities are paid by the charge, this should be considered as part of the salary. The utilities should always be in the name of the charge/church and not the pastor. Each charge should provide for its pastor's travel expenses in its budget and provide reimbursement at the standard IRS approved mileage rate for all properly documented travel expenses related to the performance of ministry within the charge.

Steps in Becoming a Self-Supporting Charge/Church

The Cabinet is responsible for the conserving of conference funds by ongoing efforts to move charges to a self-supporting status. *It is recommended that each charge receiving supplemental salary establish the goal of reducing the equitable compensation supplement by 25% per year over a four-year period.* The district superintendent will work with the charge to develop a plan and to monitor the implementation of the plan so that the goal of reducing equitable compensation by 25% per year over a four-year period will be realized. The Annual Conference should recognize those charges that succeed and move to a self-supporting status for their achievement.

The District Superintendent will establish and maintain communication with the appropriate charge leaders (i.e. the pastor, the SPPR chairperson, the treasurer, the lay leader, etc...) reminding them of the charge's progress in reducing equitable compensation. This ongoing communication is intended to keep the goal before the charge and to help encourage and enable the charge to reach its goal.

In those situations where this is not possible, it is the responsibility of the Cabinet to consider regrouping of charges, mergers, or the matching of ministerial leadership to the category of salary paid by the charge in order to provide service at minimum expense to the Annual Conference.

~ Danny C. Hensley, Chair

Equitable Compensation Funds
Annualized Figures
Effective Jan 1, 2012

Name	Charge	DI	Salary Supp	Mission Aid	Coop. Parish
Donnie Bailey	Broadford Circuit	AB	\$2,403		
Robert Nyaga Kariuki	Jn Wes/Ch Wes	AB	\$2,563		
Charles L. Leonard	Elizabeth	AB	\$3,821		
Billy Rines	Damascus Circuit	AB	\$7,500		
Scott Wilks	Keyword Circuit	AB	\$7,200		
Emmit Wilson	Smyth Co Parish	AB			\$600
Bobby Black	Washington Hills	CH	\$3,080		
Barbara Doyle	Randolph Wells	CH		\$10,487	
Reece Fauscett	Trenton Coop Par	CH			\$600
Janice Keebler	Holston Gap Parish	CH			\$600
Elston McLain	Mt. Moriah Parish	CH			\$600
Jeremy McMillan	First, Whitwell	CH	\$6,000		
Greg Smart	Sequatchie Cluster	CH			\$600
Regina Shelton	McFerrin	KI	\$9,840		
Jim Bailes	Emerald Ave	KN			\$600
Van Sanks	Emerald Ave	KN		\$27,000	
Joe Phillips	Oakdale/Woods Chap	OA	\$9,475		
Elaine Ruth	Lake City/Dutch Valley	OA	\$5,000		
John Slater	Sunbright	OA	\$9,477		
Michael Ward	Wellsprings/Cawood	OA	\$2,631		
Amy Beth Bartee	Staffordsville Ct.	TA	\$3,000	\$8,000	
Danielle Jenkins	Pisgah/Pleasant Hill	TA	\$3,000		
Rosa Slavik	Max Meadows	WY	\$7,000		
Totals			\$81,990	\$45,487	\$3,600

CONFERENCE BOARD OF PENSIONS AND HEALTH BENEFITS REPORT

Highlights for 2013

- There are no changes to our existing guidelines for health insurance. You can find a full listing of these guidelines listed in the 2011 Journal or on the Holston Conference website.
- Each plan was increased a maximum of 5% for 2013 as attached with our 2013 rate sheet.
- The Conference Board of Pensions and Health Benefits is in the process of implementing "Healthy Holston," a health and wellness program for our current active health participants. Plans currently include a biometric screening at the 2012 Annual Conference. Please look for our information that publicizes and provides more details for this event.
- As a part of our report, we have included a copy of our Pension Funding Plan as approved by the General Board of Pensions. This information lists all of the future pension promises made and our plans to fund these costs.

The United Methodist Church acknowledges that pensions are "deferred compensation" earned at the same time and in the same manner as salary. Of the total compensation package, including salary, housing, utilities, health insurance, death/disability benefits, and other cash or non-cash allowances, the purpose of a pension is to assure retirement with dignity in an often unpredictable future.

To implement our Pension and Benefits Program for 2013, the Conference Board of Pensions and Health Benefits (Board of Pensions) submits the following guidance:

1. The Board of Pensions recommends a past service retirement rate of \$540 per year of approved Pre-1982 ministerial service in Holston Annual Conference.
2. The total budget amount to provide for the Ministerial Pension Plan (MPP), the Comprehensive Protection Plan (CPP), and the Health Insurance shall be determined each year. Churches should remit 1/12th of their direct invoice to the conference treasurer each month.
3. The pension rate for the surviving spouse of a ministerial conference member eligible to receive pension benefits for service rendered before January 1, 1982, shall be 70% of the 2013 pension rate.
4. The Contribution Base shall be the active Participant's Plan Compensation as reported on line 12 of their appropriate pastor's support worksheet.
5. The 2013 Plan Compensation shall include cash salary, plus tax-deferred contributions, plus 25% for housing where the minister lives in a parsonage or the cash housing allowance where such is provided.
6. An active participant in Clergy Retirement Security Program (CRSP) should contribute a minimum 3% of the Plan Compensation as a personal contribution to the Personal Investment Plan (UMPIP). These contributions may be made on a before-tax or after-tax basis. The salary-paying unit must issue the checks. The participant and the salary-paying unit must complete a Before-tax and After-tax Contribution Agreement.
7. The cost of the Comprehensive Protection Plan (CPP) under the new plan will be 3.0 % of the Participant's Plan Compensation for all active full-time ministerial

members and full-time local pastors.

8. Continue retirement moving expense, in accordance with our adopted policy which allows for one-time funds up to \$1,500 to be received for associated expenses. See our full policy that was included in the 2011 Book of Reports and Journal.

9. The Holston Conference Board of Pensions recommends the conference health insurance continue, for active participants with the Blue-Preferred Network with Blue Cross and Blue Shield of Tennessee, which began on January 1, 1999. This program continues to be a cost savings to the subscribers and the churches.

10. The maximum premium rates for 2013 are listed on the Rate Sheet included in this report. These rates may be revised downward if the Board of Pensions and Health Benefits receive favorable claim data and information related to the health programs. Any changes in costs or benefit levels will be mailed as a part of the health statement billings, for active pastors or in a separate mailing for retirees covered by the retiree program. These mailings will be distributed in the fourth quarter of 2012, if necessary.

11. The Holston Conference will utilize the internet to provide participants with relevant information related to their rates and plan data.

12. If participants are interested in changing their health plan they must notify the Conference Pension and Health Administrator in writing of any changes to their plan. The change from the high, middle, or H.S.A. plan must be completed by November 1, 2012, in order to take effect on January 1, 2013. The Conference will anticipate no changes in health coverage if a written request is not received from the Conference.

13. The Conference has implemented a plan for accepting payment for coverages as an ACH check. Churches that initiate a payment through VANCO will receive a discount on their billing for health insurance for paying their bills electronically.

RESERVE BALANCES AND HEALTH INSURANCE

Like most investments around the country our reserve funds have been reduced as a result of the recent economic downturn. As a result, we will continue to monitor our asset allocations to ensure that future benefits can be provided to the participants in the various programs. Also as a result of new accounting principles, the Holston Conference has booked a charge of approximately \$28 million for post-employment health care benefits. The Board of Pensions is currently taking steps to manage this liability and ensure that the benefit programs can be sustained for today and the future. As of December 31, 2011, our reserve balances are \$17,493,182 to pay future pension obligations and \$11,430,965 for paying health insurance claims.

INCAPACITY LEAVE 2012-2013

In accordance with ¶ 357, *2008 Book of Discipline*, the Conference Board of Pensions recommends the following active ministers and local pastors be continued subject to the renewal of their eligibility for disability benefits from the Comprehensive Protection Plan for the conference year 2012-2013: Bobby Barton, Janice A. Cate, Thomas A. Conley, Raymond C. Deese, Jr., Gary Franklin Hill, Charles R. McKinney, Mathilda S. Merker, Alfred Newman, Lawrence Nuckolls, William Ogle Sr., James Darrell Ray, Helen Esther Shaw, John L. Sheldon, David R. Vaughn, H. Malcolm Wansley, Nancy J. Wilhite, Benny Jon Bishop, David W. Olinger, Alonzo Jenkins, Paula Dell Campbell, April Milligan (pending).

SPECIAL GRANTS 2012-2013 CONFERENCE YEAR

“Conference Board of Pensions may make special grants to clergy members or former clergy members and to local pastors or former local pastors of an Annual Conference who have served under appointment in that conference; or to their spouses, former spouses, surviving former spouses, or surviving dependent children (including adult dependent children). A report of such special grants shall be made annually to the Annual Conference”.

¶ 1506.14, *The 2008 Book of Discipline*

The Holston Conference will continue to provide loans for pastors that have requested incapacity leave, after receiving approval from the joint committee on incapacity until they are approved or denied by the General Board of Pensions. These loans will require the participant to sign a promissory note and the participant can only receive an advance for a maximum of 3 months or until approved for CPP, whichever is earlier.

MINISTERS

None for 2013

DEPENDENT ADULT CHILDREN

Mr. Thomas E. Byrd, birth date 9/25/44, dependent adult son of the Reverend Howard G. Byrd, deceased minister. Based on 13.00 years of service times 25% of the current pension rate.

Mr. Wendell R. Stock, birth date 12/4/58, dependent adult son of the Reverend Shirl F. Stock, deceased local pastor. Based on 5.50 years of service times 25% of the current pension rate.

HOLSTON CONFERENCE PENSION FUNDING PLAN

Currently, the Holston Conference funds its pension costs by billing each church 16.3% of line 12 of the Pastor’s Support Worksheet. This amount covers all pension costs associated with CRSP-DC, CRSP-DB, and CPP. The Conference also uses proceeds from a capital campaign and other sources of funds to fund the costs and liabilities associated with the Pre-82 plan. These assets are used to fund Pre-82 contributions and smooth any dramatic increases in the CRSP benefit plans. As a part of our long-term plan, it is anticipated that we will bill 16.3% of covered payroll for the duration of our plan unless investment income returns are less than or greater than 7%, payroll grows at a faster or slower rate than 2.5%, fewer or more participants qualify to participate in the CRSP program, or other factors occur that could have a significant impact on our future costs being increased or decreased. Currently, the General Conference is considering dramatic changes to the existing pension program which could have a significant impact on our future retirement costs.

In 2011, the Holston Conference began billing churches directly for the costs of their pension benefits. It is anticipated that we will have significant changes in the number of participants in the pension program. As a part of this our Conference total compensation total will be decreased, which may have an impact on our future direct invoice bills and our amount of payroll used to determine our costs and liabilities. We will be monitoring these changes as we constantly evaluate our funding plan.

Pre-82

The Holston Conference plans to increase Pre-82 contribution rates at 2% going forward

to implement the assumptions included in our funding plan. Historically, this amount has been greater than the 2% increase proposed, but we recognize that additional increases will impact our ability to retire our liability by 2021 while funding our other retirement costs going forward.

CRSP

The General Conference is considering additional changes to the existing CRSP pension plan which are estimated to reduce our pension costs by approximately 15% in future periods. While we have not built this reduction into our funding plan, we are anticipating that any decisions made at the 2012 General Conference will impact our existing funding plan and it may be altered going forward.

ASSUMPTIONS

As a part of the funding plan for pension costs from 2012 through 2034, the Holston Conference has made the following assumptions:

Collection Rate for Direct Invoicing	98%
Direct Invoice Rate 2012-2034 (assumes no change to CRSP at 2012 General Conference)	16.3%
Increases in Pre-82 past service rate	2%
Increases in Conference Compensation	2.5%
Increases in Denominational Compensation	3%
Mortality Table Used	RP -2000

COMPARISON OF REVENUES AND EXPENSES

	Pension Costs	Apportionments (Direct Billing)*	Endowment Transfers	Interest Income	Endowment Deductions	End Bal in Endowment Fund
2012	\$5,348,392	\$4,303,200	\$1,045,192	\$1,224,523	\$1,045,192	\$17,672,513
2013	\$6,194,001	\$4,410,780	\$1,783,221	\$1,237,076	\$1,783,221	\$17,126,368
2014	\$6,333,901	\$4,521,050	\$1,812,852	\$1,198,846	\$1,812,852	\$16,512,362
2015	\$6,477,897	\$4,634,076	\$1,843,822	\$1,155,865	\$1,843,822	\$15,824,406
2016	\$6,626,110	\$4,749,928	\$1,876,182	\$1,107,708	\$1,876,182	\$15,055,932
2017	\$6,778,661	\$4,868,676	\$1,909,986	\$1,053,915	\$1,909,986	\$14,199,862
2018	\$6,935,681	\$4,990,393	\$1,945,288	\$993,990	\$1,945,288	\$13,248,564
2019	\$7,097,298	\$5,115,153	\$1,982,146	\$927,400	\$1,982,146	\$12,193,818
2020	\$7,263,650	\$5,243,031	\$2,020,618	\$853,567	\$2,020,618	\$11,026,767
2021	\$7,434,874	\$5,374,107	\$2,060,767	\$771,874	\$2,060,767	\$9,737,874
2022	\$6,215,770	\$5,508,460	\$707,311	\$681,651	\$707,311	\$9,712,214
2023	\$6,397,174	\$5,646,171	\$751,003	\$679,855	\$751,003	\$9,641,066
2024	\$6,583,894	\$5,787,326	\$796,568	\$674,875	\$796,568	\$9,519,373
2025	\$6,776,085	\$5,932,009	\$844,076	\$666,356	\$844,076	\$9,341,653
2026	\$6,973,908	\$6,080,309	\$893,600	\$653,916	\$893,600	\$9,101,969
2027	\$7,177,530	\$6,232,317	\$945,214	\$637,138	\$945,214	\$8,793,893
2028	\$7,387,121	\$6,388,125	\$998,996	\$615,573	\$998,996	\$8,410,469
2029	\$7,602,856	\$6,547,828	\$1,055,028	\$588,733	\$1,055,028	\$7,944,174
2030	\$7,824,916	\$6,711,523	\$1,113,393	\$556,092	\$1,113,393	\$7,386,873
2031	\$8,053,487	\$6,879,311	\$1,174,176	\$517,081	\$1,174,176	\$6,729,779
2032	\$8,288,761	\$7,051,294	\$157,460	\$471,084	\$157,460	\$7,043,403
2033	\$8,530,935	\$7,227,577	\$1,303,359	\$493,038	\$1,303,359	\$6,233,083
2034	\$8,780,212	\$7,408,266	\$1,371,946	\$436,316	\$1,371,946	\$5,297,452

Projected Expenses by Plan

	Estimated						Totals	Estimated	
	CRSP-DB**	CPP***	CRSP-DC**	MPP	Pre-82*	CRSP-DC Wages		CRSP	
2012	\$3,161,048	\$0	\$792,000	\$0	\$1,395,344	\$5,348,392	\$26,400,000	\$3,953,048	
2013	\$3,255,879	\$730,977	\$811,800	\$0	\$1,395,344	\$6,194,001	\$27,060,000	\$4,067,679	
2014	\$3,353,556	\$752,906	\$832,095	\$0	\$1,395,344	\$6,333,901	\$27,736,500	\$4,185,651	
2015	\$3,454,162	\$775,494	\$852,897	\$0	\$1,395,344	\$6,477,897	\$28,429,913	\$4,307,060	
2016	\$3,557,787	\$798,758	\$874,220	\$0	\$1,395,344	\$6,626,110	\$29,140,660	\$4,432,007	
2017	\$3,664,521	\$822,721	\$896,075	\$0	\$1,395,344	\$6,778,661	\$29,869,177	\$4,560,596	
2018	\$3,774,457	\$847,403	\$918,477	\$0	\$1,395,344	\$6,935,681	\$30,615,906	\$4,692,934	
2019	\$3,887,690	\$872,825	\$941,439	\$0	\$1,395,344	\$7,097,298	\$31,381,304	\$4,829,129	
2020	\$4,004,321	\$899,010	\$964,975	\$0	\$1,395,344	\$7,263,650	\$32,165,836	\$4,969,296	
2021	\$4,124,451	\$925,980	\$989,099	\$0	\$1,395,344	\$7,434,874	\$32,969,982	\$5,113,550	
2022	\$4,248,184	\$953,759	\$1,013,827	\$0	\$0	\$6,215,770	\$33,794,232	\$5,262,011	
2023	\$4,375,630	\$982,372	\$1,039,173	\$0	\$0	\$6,397,174	\$34,639,088	\$5,414,802	
2024	\$4,506,899	\$1,011,843	\$1,065,152	\$0	\$0	\$6,583,894	\$35,505,065	\$5,572,051	
2025	\$4,642,106	\$1,042,199	\$1,091,781	\$0	\$0	\$6,776,085	\$36,392,692	\$5,733,886	
2026	\$4,781,369	\$1,073,464	\$1,119,075	\$0	\$0	\$6,973,908	\$37,302,509	\$5,900,444	
2027	\$4,924,810	\$1,105,668	\$1,147,052	\$0	\$0	\$7,177,530	\$38,235,072	\$6,071,862	
2028	\$5,072,554	\$1,138,838	\$1,175,728	\$0	\$0	\$7,387,121	\$39,190,948	\$6,248,283	
2029	\$5,224,731	\$1,173,004	\$1,205,122	\$0	\$0	\$7,602,856	\$40,170,722	\$6,429,852	
2030	\$5,381,473	\$1,208,194	\$1,235,250	\$0	\$0	\$7,824,916	\$41,174,990	\$6,616,722	
2031	\$5,542,917	\$1,244,440	\$1,266,131	\$0	\$0	\$8,053,487	\$42,204,365	\$6,809,048	
2032	\$5,709,204	\$1,281,773	\$1,297,784	\$0	\$0	\$8,288,761	\$43,259,474	\$7,006,989	
2033	\$5,880,480	\$1,320,226	\$1,330,229	\$0	\$0	\$8,530,935	\$44,340,961	\$7,210,709	
2034	\$6,056,895	\$1,359,833	\$1,363,485	\$0	\$0	\$8,780,212	\$45,449,485	\$7,420,379	

Holston Conference

Maximum 2013 Rates

HIGH PLAN MINISTERS			
	Individual Coverage	Employee + Spouse	Family Coverage
Direct Invoice	\$685	\$685	\$685
Minister	\$230	\$510	\$725
Total	\$915	\$1,195	\$1,410
VANCO Discount	(\$14)	(\$14)	(\$14)

MIDDLE PLAN MINISTERS			
	Individual Coverage	Employee + Spouse	Family Coverage
Direct Invoice	\$685	\$685	\$685
Minister	\$160	\$350	\$485
Total	\$845	\$1,035	\$1,170
VANCO Discount	(\$14)	(\$14)	(\$14)

4000

H.S.A. MINISTERS			
	Individual Coverage*	Employee + Spouse**	Family Coverage***
Direct Invoice	\$685	\$685	\$685
Minister	\$90	\$95	\$130
Total	\$775	\$780	\$815
	<small>*\$600/year contributed to H.S.A. account</small>	<small>**\$1,200/ year deposited to H.S.A account</small>	<small>***\$1,200/ year deposited to H.S.A account</small>
VANCO Discount	(\$14)	(\$14)	(\$14)

HIGH PLAN LAY EMPLOYEES			
	Individual Coverage	Employee + Spouse	Family Coverage
Employer	\$350	\$765	\$1,085
Claimant	\$230	\$510	\$725
Total	\$580	\$1,275	\$1,810
VANCO Discount	(\$7)	(\$14)	(\$14)

MIDDLE PLAN LAY EMPLOYEES			
	Individual Coverage	Employee + Spouse	Family Coverage
Employer	\$340	\$750	\$1,065
Claimant	\$160	\$350	\$485
Total	\$500	\$1,100	\$1,550
VANCO Discount	(\$7)	(\$14)	(\$14)

H.S.A. LAY EMPLOYEES			
	Individual Coverage*	Employee + Spouse**	Family Coverage**
Employer	\$340	\$750	\$1,065
Claimant	\$90	\$95	\$130
Total	\$430	\$845	\$1,195
	<small>*\$600/year contributed to H.S.A. account</small>	<small>**\$1,200/ year deposited to H.S.A account</small>	<small>***\$1,200/ year deposited to H.S.A account</small>
VANCO Discount	(\$7)	(\$14)	(\$14)

HIGH PLAN EARLY RETIREES-Minister			
	Individual Coverage	Employee + Spouse**	Family Coverage
Premium	\$630	\$1,385	\$1,960
Conference Subsidy 2% times years of service for Holston Conference service (60% max.)			
VANCO Discount	(\$7)	(\$14)	(\$14)

MIDDLE PLAN EARLY RETIREES-Minister			
	Individual Coverage	Employee + Spouse**	Family Coverage
Premium	\$515	\$1,120	\$1,580
Conference Subsidy 2% times years of service for Holston Conference service (60% max)			
VANCO Discount	(\$7)	(\$14)	(\$14)

Holston Conference

Maximum 2013 Rates

RETIREE MINISTERS & SPOUSE/DISABLED MINISTER & SPOUSE Not Eligible for Medicare Under 65			
With Medicare A & B Primary Individual Coverage	Per Month		
Adopted Premium	\$285		
*Conference subsidy is 2.5% for each year of service to the Holston Conference with a maximum subsidy of 75%			
Some Examples of the computations of cost are as follows:			
30+ years of service	Conference Subsidy	Participant	Total Premium
25 years of service	\$213.75	\$71.25	\$285
20 years of service	\$178.13	\$106.88	\$285
15 years of service	\$142.50	\$142.50	\$285
10 years of service	\$106.88	\$178.13	\$285
	\$70.00	\$215.00	\$285
<p>These participants will follow the schedule for early retirees and will receive a subsidy based upon the years of service with the Holston Conference.</p> <p>To be an early retiree, a participant must be able to begin drawing pension benefits immediately from the General Board of Pensions. Otherwise, the clergy participant and their spouse or dependents must participate under the continuation of coverage program.</p> <p>Not eligible for Medicare Over 65 These participants will be enrolled in the continuation coverage program and their associated rates if they do not have at least 10 years of participation in the Holston Conference Health Insurance program while in active service.</p> <p>If the participant participated for more than 10 years, they would receive a subsidy in accordance with the schedule adopted for those participants that are participating in the medical supplement program. The rates charged would be 102% of the highest adopted rates for participants in their participating program.</p>			
SURVIVING SPOUSE OF DECEASED MINISTER*			
With Medicare A & B Primary Individual Coverage	Per Month		
Adopted Premium	\$285.00		
*Conference subsidy is 3.3% for each year of service to the Holston Conference with a maximum subsidy of 90%			
30+ years of service	Conference Subsidy	Participant	Total Premium
25 years of service	\$256.50	\$28.50	\$285.00
20 years of service	\$235.13	\$49.88	\$285.00
15 years of service	\$188.10	\$96.90	\$285.00
10 years of service	\$141.08	\$143.93	\$285.00
	\$94.05	\$190.95	\$285.00
<p>These participants will follow the schedule for early retirees and will receive a subsidy based upon the years of service with the Holston Conference.</p> <p>To be an early retiree, a participant must be able to begin drawing pension benefits immediately from the General Board of Pensions. Otherwise, the clergy participant and their spouse or dependents must participate under the continuation of coverage program.</p> <p>Not eligible for Medicare Over 65 These participants will be enrolled in the continuation coverage program and their associated rates if they do not have at least 10 years of participation in the Holston Conference Health Insurance program while in active service.</p> <p>If the participant participated for more than 10 years, they would receive a subsidy in accordance with the schedule adopted for those participants that are participating in the medical supplement program. The rates charged would be 102% of the highest adopted rates for participants in their participating program.</p>			

PERSONNEL RESOURCES COMMITTEE
2012 Holston Annual Conference

The Personnel Resources Committee acts to serve the dedicated lay and clergy of Holston Conference who carry out the ministry of the Gospel of Jesus Christ through their gifts of leadership and administration of the various ministries of Holston Conference.

The task of carrying out the ministries of Holston Conference is borne among many servants: the local church, clergy and lay leadership at the local church and the boards and agencies of Holston Conference. The specialized role for some lay and clergy to help guide, plan and administer the connectional ministries that help vitalize local congregations is to serve as Holston Conference Staff and Personnel.

One dimension to the work of the Personnel Resources Committee is to ensure that the Conference staff is equipped with the resources and support they need to fulfill their call to ministry through administration. In evaluating the needs of Holston Conference staff, the Personnel Resources Committee takes into consideration benefits, compensation, administrative support and the resources necessary to perform their work.

Another dimension to the work of the Personnel Resources Committee is to oversee the fair and appropriate treatment of Conference employees through the establishment and clarification of employment policies and guidelines. In the event of conflict or misunderstanding between or among Conference employees, the Personnel Resources Committee provides an independent and unbiased forum for grievances to be thoughtfully and carefully considered for resolution.

Yet another dimension to the work of the Personnel Resources Committee is to provide guidance to the Conference Executive Team in matters of staffing. The Committee's role here is to evaluate requests for personnel staffing decisions in light of Conference needs, resources and available personnel.

During the 2011 Conference year, the Personnel Resources Committee was called upon to serve the Conference in each of these dimensions. In addition to evaluating future employee compensation and benefits, it oversaw the modification of various Conference positions and the hiring of new Conference personnel. It also served as arbiter in the dispute resolution procedures and is now in the process of updating the Conference Employee Handbook to ensure that the needs and concerns of Holston Conference personnel continue to be met.

An efficient and productive team of Conference personnel is the ministry that supports and enhances our collective call to transform and create vital congregations throughout Holston Conference.

Michael A. Eastridge, Chair

BOARD OF TRUSTEES

2012 Annual Conference

During the 2011-2012 Conference Year, the Board of Trustees of the Holston Conference has been very active managing properties and investments on behalf of the Holston Annual Conference. In addition, the Board has provided extensive technical assistance to District Superintendents in matters related to church owned properties. During this past year, the Board, through the efforts of the staff and Board Members, has continued to provide training to District and local Church Boards of Trustees. In the coming year, the Board of Trustees intends to further its efforts in the development of “Standard Operating Procedures” for all areas of property and fiscal management, asset management, and loss prevention and control.

Real Property Management and Disposition of Surplus Property

The Board of Trustees continues to work towards fully implementing the Conference Policy on the Discontinuance of Local Churches that was adopted at the 2011 Annual Conference and is proactively working with the District Superintendents to assist in the management of this process.

Some milestones reached in the area of property management in the past twelve months include the following:

- Site visits to every identified discontinued or abandoned site throughout the Conference.
- Site visits to every Conference-held Historic Designated Site and completion of a “condition survey.”
- Inclusion of all Conference-held sites on the Conference General Liability Insurance.
- Documentation of a step-by-step procedure for the consideration and eventual sale of Church/Charge owned Parsonages
- Development and dissemination of standard “Trust Clause” language for all Church, District and Conference-held property.

During the past year \$1,025,000 of surplus property has been sold for the benefit of Districts and new church development and revitalization. As part of these sales, special trust funds have been established within the affected Districts and Conference to utilize these funds for new church development and revitalization as required by the Discipline and to fulfill the various actions of the Annual Conference.

In an effort to effectively hold, manage and dispose of surplus property and as approved by the 2011 Annual Conference, the Board of Trustees established the Holston Conference Holding Company, Inc. (an IRS Approved 501(c)3 Tax Exempt Corporation). This newly formed company will receive, manage, hold and dispose of the properties of the Holston Conference.

Below is an inventory of properties that are held by or in the process of being transferred to the Holston Conference Holding Company, Inc. The planned disposition of these properties is noted:

Property Name	District	Planned Disposition
Bellamy's Chapel	BSG	Private Negotiated Sale
Cumbo	BSG	Pending Action Sale
Marble City	KNOX	Leased Pending Sale
Middle Valley Parsonage	CHA	Held Pending Renovation
Middle Valley Church	CHA	Held Pending Cong. Dev.
Oak Grove	AB	Leased Pending Sale
Robinette	BSG	Pending Action Sale
Russell Chapel	BSG	Marketing for Sale
Trinity Lead Mine	WY	Leased Pending Sale
Trinity Dayton	CL	Leased by District
Washington Chapel	KI	Held by District

Conference Center Maintenance, Improvements and 1st Floor Leasing

The Board of Trustees continues to maintain the Conference Center to the highest standard as a “state of the art” professional office complex. During the past year, the HVAC System for the third floor of the complex has been upgraded and balanced to provide a more balanced climate. The Trustees have completed a study of the complete HVAC Systems for the Complex and are now planning the implementation of its recommendations.

The 1st floor tenants of the complex exercised an early buy-out of their lease due to corporate downsizing. This area has been vacant since July of 2011. Initially the Trustees listed the available space with a commercial real estate company. However the six-month listing yielded no credible leads. The Trustees have now begun a direct marketing plan of the space and hope to locate an acceptable tenant in the near future.

Episcopal Residence

The 2011 Annual Conference authorized the Board of Trustees to begin the process of purchasing a new episcopal residence and selling the current residence. The Board has planned to locate and purchase the new residence prior to the arrival of the anticipated new Resident Bishop in August of 2012. Once the current Resident Bishop has relocated to his new assignment the current residence would be prepared and placed on the market. In embarking on this task, the Trustees stated objective has been to purchase a new residence at or below the proceeds gained from the sale of the current residence.

In the late fall of 2011, the Chair of the Trustees appointed a committee of representatives from the Board of Trustees and the standing Episcopal Residence Committee to begin the search for a new residence. After determining that there were no specific guidelines for an episcopal residence, the Committee established an 18 point listing of the desired features of the residence. Using this information the Committee did an initial review of the available market, had staff visit nine building sites in the Alcoa/Maryville area, and determined that it was in the best interest of the Conference to purchase an existing

residence rather than construct a new residence. Over a two and half month period the Committee visited 30 available properties. In-depth home inspections were completed on three potential residences.

The Trustees purchased an existing residence in Blount County, just outside of the City of Maryville for \$355,000, based upon the recommendation of the study group assigned to locate a new episcopal residence. The purchased home has a tax appraised value of \$405,000, and an independent appraisal value of \$385,000 to \$400,000. This home, built in 2007, does offer all of the features established by the Committee and is within a 10 minute commute to the Conference Center and the airport.

The Trustees, through its staff, is beginning to develop detailed plans for the marketing and sale of the current episcopal residence. A current appraisal was completed in the fall of 2011 and is valued from \$385,000 to \$410,000 in its current condition. Consideration is being given to minor renovations and upgrades that may yield the highest net value for the Conference.

The Board of Trustees looks forward to offering a final report of activities related to the episcopal residence at the 2013 Annual Conference.

Real Property Tax Status

Over the past several months the Trustees have become aware of the fact that several local Church Owned and District Owned properties both in the State of Tennessee and the Commonwealth of Virginia have been subject to property tax assessments. While this may be appropriate in isolated incidents, it is not correct in a majority of cases.

The Board of Trustees has directed staff to work with the State Boards of Tax Equalization, Local Churches and Districts and Local Tax Assessors to remove qualified Church owned property from active tax rolls. It is expected that this may involve one hundred or more properties and thousands of dollars of annual costs. Churches that have ANY property that is currently being taxed are encouraged to contact their District Office or the Office of the Conference Treasurer so that we may assist in removing this undue burden from the local church.

Procedure for the Sale of Church/Charge Held Parsonages

Over the past years, a number of questions have been raised related to the possible sale of church/charge owned parsonages. In an effort to answer the questions raised, fully comply with the Discipline, and maintain consistency in operations, the Trustees have developed a step by step guideline for the sale of Church/Charge Owned Parsonages. This procedure has been provided to each of the Districts and is available through the District Superintendent.

Church Owned and Operated Cemeteries

Working directly with the Appointment Cabinet and the District Superintendents, the Trustees have been actively working with select churches to resolve complex issues of local cemetery ownership, operations, oversight, loss control and general operations. Staff, on behalf of the Trustees, have logged hundreds of hours working through individual issues and questions of legal obligation and liability.

The Trustees have developed and are continuing to refine a standard set of operating guidelines for local cemetery operations. These guidelines are expected to be available for dissemination by the end of this calendar year.

Building and Location Oversight for Wesley Foundations

During the past year, at the request of the Appointment Cabinet, the Board of Trustees has taken on the role of the “Buildings and Locations Committee” for the five Wesley Foundations within the Conference. The Board is working with two of the five Foundations on active building proposals and looks forward to providing valuable technical assistance to all five in the coming year.

Matters of Insurance

Conference Wide Workers Compensation Policy

The Board of Trustees is in the process of evaluating the Conference Wide Workers Compensation Program and is looking at modifications that will make the program more effective, offer better loss control assistance and be less costly. The Board will continue to update the Annual Conference of this effort as information becomes available.

Conference Wide Property and General Liability Insurance Survey

The Trustees have been working with and will continue to work with the Appointment Cabinet to obtain data on the current insured status of conference churches and related ministries. This survey is being completed to ensure that churches and related entities have the proper amount of insurance to adequately protect the interests of all related parties.

Conference Historic Sites

The Board of Trustees continues to work closely with the “caretakers” and “stewards” of the Conference-held historic sites. During the past year, the Trustees have offered “Matching Fund Grants” to these sites and have assisted them in maintaining these sites.

In the coming year the Board plans to complete a comprehensive evaluation of all of the sites and provide the Conference with a long range plan for each location.

District Office Handicap Access Survey and Improvements

The Board of Trustees has recognized its responsibility to provide facilities that are fully accessible to individuals with physical handicaps. Further, the Board understands that it should be the goal of the Districts and the Churches within the Conference to also be fully accessible. To that end, during the coming year, the Trustees will complete Handicapped Accessibility Surveys of the District Offices and provide each District with a written report of its findings. Working with the Holston Conference Foundation, the Trustees will attempt to identify and offer matching grant-type funding for improvements to accessibility of these offices.

Working directly with Connectional Ministries, it is hoped that this program might act as a pilot for a Conference-wide Handicapped Accessibility Program.

Real Property Assets (Other Than Discontinued Church Holdings)

• Holston Conference Center	\$2,800,000
• Current Episcopal Residence (Knoxville)	\$ 385,000
• New Episcopal Residence (Blount County)	\$ 400,000 (Note 1)
• The ETSU Wesley Foundation	\$ 780,000 (Note 2)
• The Radford Wesley Foundation	\$ 450,000 (Note 2)

- Acuff's Chapel Shrine \$ 110,000
- Cox House \$ 100,000 (Note 3)
- Page's Meeting House \$ 50,000 (Note 3)

Note 1: Corrected Value based on Current Market Appraisal completed during 2011

Note 2: Properties to be transferred to individual Foundations with appropriate Trust Clause language

Note 3: Adjusted value based on current condition and market

Financial Accounts On Deposit in the Holston Conference Foundation

Holston Assembly Property #1172	\$316,910
HC Ext-Gatlinburg Property #1220	\$449,871

~Jim Wheeler, Chairman

COMMISSION ON ARCHIVES AND HISTORY

Every clergy member of Holston Conference has a story. Every lay person has a story. Every local church has a story. Every institution and ministry of the conference has a story. Every mission project has a story. Every doctrine we preach, every social issue we face, every practice we engage and every song we sing has a story. The work of the Commission on Archives and History is to assist the church in its ministry of memory, the telling of its story. Without a sense of our history, we do not know who we are, from whence we have come, or what we are about. A vital congregation is surrounded by a cloud of witnesses whose faith has gone before and whose story must not be lost. Their stories are our history, our identity. Our present stories become our history tomorrow.

The Commission has worked with the Conference Secretary on improving the instructions in the letter which goes out to families of deceased clergy and spouses concerning the guidelines for written memoirs.

The Commission has plans underway to interview older conference members about their memories of ministry and mission in Holston.

The Commission celebrates the gift of a framed portrait of Rev. Thomas Stringfield (1796-1858) by Anne Stringfield of Greensboro, NC. This extraordinary portrait of the Presiding Elder of the Knoxville District when Holston Conference was formed in 1824 has been placed in the Holston Archives.

The Commission continues to encourage the Trustees in the development of a strategic plan for the funding and maintenance of our three Heritage Landmarks: Acuff's Chapel, Cox House, and Keywood Marker.

The Commission is working on a team and strategy which will provide opportunities for training and resources for local church historians and history committees.

The Commission celebrates the Holston leaders who shared in the beginnings of Lake Junaluska in 1913. We look forward to the Centennial Celebration in 2013.

--Grady C. Winegar, Chair

**CONFERENCE COUNCIL ON FINANCE AND ADMINISTRATION
PRESIDENT'S REPORT 2012**

Thank you for your continued generosity and support of our shared ministry!

2011 was a year of transition in which we were learning how to implement three new processes: the direct invoice for health insurance, direct invoice for pensions, and the tithe formula for supporting our conference and general church ministries. The direct invoice for pensions and health insurance generated a collection rate of 98% for accounts billed which allowed us to fully fund our pensions and health plan. We are deeply grateful to the dedicated efforts given to support our clergy benefits.

Our \$10.9 million ministry budget was in anticipation of \$10.4 million in receipts through the tithe. This estimate was based on the past congregational income levels as indicated on year-end reports. For this first year of living with the tithe, our actual receipts for 2011 were \$9.3 million. Our actual expenditures were \$10.8 million. We rejoice that we were able to fulfill our commitment to support our General Church and Southeastern Jurisdictional ministries at 100%. While we recognize that it is not sustainable to meet our obligations by drawing from our reserve funds every year, we were grateful to have our net assets available to assist in funding our continued operations for 2011.

Based on this first year's experience of funding our ministries through the tithe, we amended our 2012 budget as we began the year to more closely match our anticipated revenue for 2012. This amended budget was approved by the Extended Cabinet operating as the Annual Conference between sessions.

As we move through 2012, we continue our commitment to fund our General and Jurisdictional Ministries at 100%. We have reduced several line items in the 2012 budget and are drawing on reserves (net assets) to assist us as we continue to live into this new way of funding our shared ministries.

The 2012 budget has been adjusted to \$9,902,517 in projected income and \$9,946,926 in projected expenditures. These totals reflect the following adjustments:

- \$500,000 from the pension/insurance reserves to use toward retiree health insurance
- \$167,000 of the administrative costs for pension/insurance allocated for the processing and collection of pension and health costs
- \$250,000 reduction from congregational development (possible because of a recent sale of property and return of funds by a local congregation)
- \$67,000 to cover communications and IT expenses out of communications funds generated across the years primarily from sales of communication items
- \$60,000 reduction from ministry teams
- \$10,500 grant revenue for stewardship ministries
- \$82,000 in additional revenue from local churches in response to continued growth in the tithe practice, right-sizing of congregations and pastoral support, and intentional development of local church plans to grow into the tithe

During 2011, which was the first year of direct invoicing and a tithe approach to conference giving, we have recognized several things.

1. Some churches are unable to afford the request of the Annual Conference to send 10% of their undesignated income and fund the benefit costs for their assigned pastor billed through direct invoicing. We will be working with the District Superintendents to develop plans for the churches that cannot afford the amounts agreed upon by the Annual Conference.
2. Previous statistical information reported did not match the actual congregational giving to the conference by the local churches. Therefore, the 2012 budget has been amended to more accurately reflect the income that can be generated from 10% of undesignated income. In the early parts of 2012, the budget was amended to \$9,946,926 which we believe will be within the amount our congregations will give to conference ministries during 2012.

As a part of our work amending the 2012 budget, we have divided the Conference budget into 6 areas to match the drivers of congregational vitality that were identified as a part of the Call to Action. As amended, the breakdown of the \$9,946,926 is allocated between these areas in the following ways:

Effective Pastoral Leadership	\$4,388,192	44.12%
Multiple Small Groups and Ministry with Youth and Children	\$309,653	3.11%
Authentic Worship	\$316,767	3.18%
Spiritually Engaged Laity	\$1,364,901	13.72%
Living the United Methodist Way	\$2,608,269	26.22%
Congregational Vitality and Missional Outreach	\$959,150	9.64%
Totals	\$9,946,926	100.00%

3. We need to focus our collective resources to assist local churches in becoming vital congregations. While we are blessed to have many churches that are making a significant impact on their local community, it is our hope that all churches within the Holston Conference will be vital congregations that can make an impact for Jesus Christ within their areas of influence.

2013 Recommended Budget

This year CCFA is recommending a 2013 budget total of \$9,558,660 for total expenditures that will be aligned with the six areas of congregational vitality. As a part of this recommendation from CCFA, we are not submitting line-item accounts, and the specific amount for each category, since representatives of the Connectional Table will be having several conversations, with various groups, that will shape the specific line-item totals in order to have a detailed plan to go forward in 2013. At the conclusion of these conversations, CCFA will adopt a line-item total budget prior to January 1, 2013, and publish a copy of this report on our website while also providing this information to the members in the Book of Reports for the 2013 Annual Conference. We do remain committed to funding our General Church apportionments at 100%, even though they will not be determined until May 2012 and 100% of our jurisdictional apportionments which will be decided in July 2012.

The goal of our budgeting approach is to allow the ministry programming conversations to occur separately from the budget process so that the budget represents our conference priorities instead of drives our conference priorities. We are expecting these conversations

to assure our commitment to the principles of the Call to Action while also exploring the best funding routes for the following ministry areas—all of which express our core commitments and are important in the life of the annual conference:

For the Wesley Foundations and Conference Colleges and our Conference Board of Higher Education and Ministry: How do we best provide campus ministries in the Holston Conference?

For the Pastoral Counseling Center: How do we best provide support for our clergy and their families and our conference staff through an arrangement that allows us to share costs and provide services that are in-line with our ability to afford these benefits?

For the Board of Pensions: How do we provide retiree health insurance that is cost effective for our early retirees, retirees with various years of service to the Church, their spouses, and for the annual conference?

For the Extended Cabinet and District Lay Leadership: How do we define the role of the district superintendent to support congregational vitality and structure the districts geographically to best support these efforts?

For the Annual Conference Planning Committee, Extended Cabinet, and Wesley Leadership Institute: How do we interpret and implement a fee for annual conference and explore the possibility of offering CEU credits for clergy and participation in leadership development credits for local congregations at annual conference?

For the Annual Conference staff: How do we best staff to fulfill our commitment to fostering vital congregations in the Holston Conference?

While these conversations will not be completed by the time of the 2012 annual conference, they can begin immediately with the appropriate bodies and progress reported at the annual conference session.

As of the writing of this report, the Board of Pensions has formed a task force on retiree health insurance and various other groups are beginning to be engaged in this dialogue. We will provide an update on the status of these conversations at the 2012 Annual Conference.

Continued Recommendations

Our current data continues to show that most churches in the Holston Conference are not completing an annual stewardship campaign. As evidenced by my own life, faithful giving is a spiritual discipline and is a way for me to express my gratitude to God for the things that He has done in my life. I hope that every church in 2012 and beyond will begin a year-round stewardship plan to allow for this joy to be experienced by everyone in every church throughout our Conference. We, along with the Conference Stewardship Team and the Conference Foundation, are committed to assisting every church in developing a year-round stewardship plan.

Please read the full CCFA report to understand the impact of all of these changes and the plans for ministry during 2013.

Respectfully submitted,
Charles Stewart, President
Holston Conference Council on Finance and Administration

COUNCIL ON FINANCE AND ADMINISTRATION

Recommendations and Guidelines

2013 Apportionments

The Conference Council on Finance and Administration (CCFA) is recommending the continuation of an income-based approach for funding the Conference budget for 2013. The Holston Conference currently has an apportionment formula that requires churches to submit 10% of their undesignated income to the Holston Conference to pay for non-benefit related ministries that assist us in Offering Christ to our area and to the world. There are four exclusions to the amount that is included in determining the amount subject to the tithe:

1. Tuition-based income (day care, mother's day out, etc.)
2. Pass-through donations sent to unrelated organizations (The Advance, 5th Sunday offerings, UMCOR, etc.). The amount received matches the amount sent directly to the unrelated organization.
3. Endowment gifts (principal only unless earnings are also donor designated and actually used for such purpose).
4. Designated funds from donor designated gifts or capital related gifts. The balance sheet should contain any remaining amounts on hand at the end of the fiscal year.

A copy of the church tithe and remittance worksheet should be included with each church's monthly remittance by the 10th of the subsequent month for the collections received from the prior month.

Causes Beyond Those Included in Conference Budget

A. Fifty cents per member is the minimum amount that each district is asked to provide from each church for the purpose of supplementing the funds directly to the Wesley Foundation.

B. It is recommended that the Annual Conference continue recognition of local churches that give to the five-star program of payments. To qualify we would expect churches to send 10% of their income in compliance with the church tithe and remittance worksheet and at least one Advance in each of the four designated lanes with a minimum payment of \$25.00 to each lane.

District Superintendents

A. The salary of the district superintendents for 2013 will be \$91,322 which is the same amount paid in 2012, 2011, 2010, 2009, and 2008.

B. The itemized cost of travel for district superintendents in the performance of their duties shall be reimbursed upon requisition to the Office of Financial Services at the IRS recommended rate.

C. Actual moving expenses for incoming district superintendents shall be paid from the Cabinet Fund upon requisition to the Conference Treasurer.

D. Direct invoicing costs for the Cabinet shall be paid by the Cabinet budget and the District Superintendent shall be responsible for funding the pastor's share of the insurance.

E. Adequate funding shall be provided by the districts for the office expense of superintendents.

F. The conference designates an amount annually of a cabinet staff person's salary as allowance for parsonage expense excludable for income tax purposes. This amount is to be set after receipt of the Housing Allowance Resolution by the Conference Treasurer.

Office of Financial Services

A. The Office of Financial Services shall carry a fidelity bond of no less than \$1,000,000.

B. The conference treasurer shall provide quarterly reports to each church during the period covered by the report as directed by CCFA.

C. The conference treasurer shall be responsible for accounting for all conference receipts and disbursements in a timely manner. The treasurer's books shall be closed within guidelines of generally accepted accounting principles, with reports provided promptly.

D. The Holston Conference Treasurer shall pay General Church and Southeastern Jurisdictional apportionments at 100%.

E. The Holston Conference shall maintain a cash flow reserve policy equal to 90 days of estimated expenditures.

Policies for Boards, Commissions, and Agencies

A. At the close of each monthly period, the conference treasurer shall deposit to the account of each advance or other designated givings as they shall receive.

B. All requisitions for any funds shall be submitted on approved vouchers and shall bear the signature of the properly authorized representative of the board, commission, team, agency or staff.

C. The standard travel rate for attendance at meetings of conference boards, teams, commissions and agencies shall be the recommended IRS rate for charitable travel (currently 14 cents per mile) and an additional two cents per person per mile for others traveling in the same vehicle for the same board or agency. The travel rate for paid staff employed by the conference shall be the IRS recommended rate per mile per car or actual cost of public transportation, for travel related to the performance of duties of their office(s).

D. Every district office shall annually submit to Holston Conference Council on Finance and Administration a complete financial report for the previous year showing sources of funding, uses of such funding, and balances in all cash and investment accounts. Such financial reports shall have been reviewed or audited by an independent person prior to submission to Holston Conference Council on Finance and Administration.

Recommendations to the Local Churches

A. It is the policy of the Holston Conference that administrative boards or charge

conferences designate annually, in an official resolution, an amount of the pastor's salary as allowance for housing expense (housing exclusion) or for parsonage expenses that are excludable for income tax purposes. This amount is to be set after dialogue between the pastor and the pastor (staff) parish relations committee.

B. Charges of the conference shall pay the moving expenses for incoming pastors.

C. Local churches are urged to pay the expenses for members of the Annual Conference, both lay and clergy, inasmuch as such persons from the church are official members of the conference.

D. Church treasurers are reminded that the *2008 Book of Discipline* ¶624 requires payment of Ministerial Support items, including minimum salary, in the same proportion as the pastor's salary is paid. The primary responsibility rests upon the pastor to ensure full payment of the tithe apportionment.

E. Since both past service and current pension obligations are remitted to the General Board of Pensions each month, and since other conference expenses must be met monthly, it is important that contributions from local churches be sent to the conference treasurer on a monthly basis.

F. We applaud the work of the Holston Conference Foundation in their efforts to promote, attract and manage special gifts, bequests, and endowments for our local churches and our Conference institutions and agencies. The Conference Council on Finance and Administration recommends the Foundation as trustworthy, efficient, and effective stewards of investment funds for all churches and institutions. We encourage all to utilize the materials and the expertise the Foundation provides as part of their mission to serve the church and the Holston Conference.

G. CCFA expects each local church to conduct an annual stewardship campaign and to provide year-round awareness and teaching opportunities to share information about giving and tithing as part of our Wesleyan heritage. CCFA has partnered with the Conference Stewardship Team and the Conference Foundation to provide information, materials and speakers to assist the local church in performing an annual stewardship campaign and to support stewardship education. We believe that it is vitally important to the spiritual health of our local churches that they have dialogue around the importance of giving and generosity as part of our overall faith development. CCFA is prepared to assist them in this matter.

H. CCFA further encourages the local churches to support all of our conference related institutions, including Emory & Henry, Hiwassee, and Tennessee Wesleyan Colleges, Holston Home for Children and Asbury Centers by promoting gifts, grants and bequests from our members.

I. CCFA additionally encourages the local churches to promote "Fifth Sunday Offerings" in support of Holston Home and the annual "Mother's Day Offering" in support of the Circle of Friends Endowment for Asbury Centers.

Miscellaneous Recommendations

A. The Holston Annual Conference shall reimburse the church or institution in which this annual conference session is held for reasonable expenses incurred by that body in the entertainment of the conference, in addition to payments from other sources, upon itemized statements.

B. The publishing of the 2012 Conference Journal has been contracted with United Graphics, Inc., of Knoxville Tennessee. The price of the 2012 Journal will be determined at a later date.

C. The conference will continue the policy by which any church's administrative board or council wishing to withhold its proportionate share of the National and/or World Council of Churches payment may do so by communicating this action in writing to the conference treasurer. The treasurer will then notify the church of the amount designated for this cause in the local church tithe and will direct all receipts proportionately to the other causes.

D. The conference will reimburse the members-at-large for a per diem amount of \$55 per day, with a maximum of 3 days and mileage, for the 2013 Annual Conference. We believe serving as an at-large delegate to Annual Conference is another way for lay members to serve their church. At-large members of the annual conference are elected to equalize the number of lay members with those clergy who are not serving in the local church or are retired (See ¶ 32. Article I, in the *2008 Book of Discipline*).

E. The Holston Conference Council on Finance and Administration reminds all churches and agencies of the annual conference that the IRS requires a FORM 1099-MISC for every person receiving non-employee compensation of \$600 or more per year. IRS Form W-9 is used to obtain the information for filing the Form 1099-MISC. Also, all churches should be issuing W-2 statements for all employees that are employed by the church. Each church should take great care to ensure that they are meeting all of the requirements as outlined by the Internal Revenue Service to maintain the tax-exempt status

~ Charles Stewart, President
Laurence Hesser, Vice President
Kate Bledsoe, Secretary
John Tate, Treasurer

Financial Statements

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH,
INCORPORATED

Year Ended December 31, 2011

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MEH MITCHELL EMERT & HILL, P.C.
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

INDEPENDENT ACCOUNTANTS' AUDIT REPORT

Council on Finance and Administration
Holston Annual Conference of the
United Methodist Church, Incorporated
Alcoa, Tennessee

We have audited the accompanying statement of financial position of Holston Annual Conference of the United Methodist Church, Incorporated as of December 31, 2011, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Holston Annual Conference of the United Methodist Church, Incorporated as of December 31, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Mitchell Emert & Hill

July 13, 2012

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

STATEMENT OF FINANCIAL POSITION

December 31, 2011

ASSETS

Cash		\$ 2,242,583
Investments:		
Money market accounts	\$ 192,229	
Pooled mutual funds	34,852,778	
Notes receivable	<u>1,592,865</u>	36,637,872
Apportionments receivable		1,121,559
Accounts receivable		51,273
Prepaid expenses		228,215
Property and equipment, net of accumulated depreciation		<u>4,022,411</u>
		<u>\$ 44,303,913</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	\$ 516,215
Due to affiliated organizations	1,048,399
Amounts held for others	112,834
Accrued liabilities	7,264
Note payable	1,523,211
Postretirement benefit obligation	<u>21,684,157</u>
	24,892,080

NET ASSETS

Unrestricted	\$ 15,424,914	
Temporarily restricted	3,879,209	
Permanently restricted	<u>107,710</u>	19,411,834
		<u>\$ 44,303,913</u>

See the accompanying notes to the financial statements.

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

STATEMENT OF ACTIVITIES

Year Ended December 31, 2011

	<u>Unrestricted</u>
SUPPORT AND REVENUE	
Apportionments from member churches	\$ 9,116,638
Contributions	2,153,941
Registration and fees	2,455,351
Pension and insurance payments	12,568,992
Investment income	10,798
Miscellaneous income	<u>367,499</u>
	26,673,219
Net assets released from restrictions	<u>440,920</u>
	27,114,139
EXPENSES	
General and jurisdictional apportionments	3,942,149
Appointment cabinet	1,763,304
Ministry teams	857,214
Conference missions	746,595
Youth council	549,234
Camping and retreat ministries	3,322,761
Board of Higher Learning	678,325
Outreach advocacy	616,398
Board of Ordained Ministry	145,206
Wesley Institute	22,828
Conference administration	1,048,755
Health insurance	11,989,368
Pension	6,503,570
Other	<u>850,318</u>
	33,036,025
CHANGE IN NET ASSETS	(5,921,886)
NET ASSETS AT THE BEGINNING OF THE YEAR	<u>21,346,800</u>
NET ASSETS AT THE END OF THE YEAR	<u><u>\$ 15,424,914</u></u>

See the accompanying notes to the financial statements.

Temporarily Restricted	Permanently Restricted	Totals
\$ 0	\$ 0	\$ 9,116,638
473,264	0	2,627,205
0	0	2,455,351
0	0	12,568,992
48,804	0	59,602
0	0	367,499
522,068	0	27,195,287
(440,920)	0	0
81,148	0	27,195,287
0	0	3,942,149
0	0	1,763,304
0	0	857,214
0	0	746,595
0	0	549,234
0	0	3,322,761
0	0	678,325
0	0	616,398
0	0	145,206
0	0	22,828
0	0	1,048,755
0	0	11,989,368
0	0	6,503,570
0	0	850,318
0	0	33,036,025
81,148	0	(5,840,738)
3,798,061	107,710	25,252,571
<u>\$ 3,879,209</u>	<u>\$ 107,710</u>	<u>\$ 19,411,834</u>

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

STATEMENT OF CASH FLOWS

Year Ended December 31, 2011

CASH PROVIDED(USED) BY OPERATING ACTIVITIES

Change in net assets		\$ (5,840,738)
Adjustments to reconcile change in net assets to		
net cash (used) by operating activities:		
Depreciation	\$ 83,109	
Donated property	(87,000)	
Unrealized loss on investments	25,110	
(Increase)decrease in:		
Apportionments receivable	73,587	
Accounts receivable	(42,195)	
Prepaid expenses	(228,215)	
Increase(decrease) in:		
Accounts payable	(106,154)	
Due to affiliated organizations	577,279	
Amounts held for others	20,787	
Accrued liabilities	4,573	
Postretirement benefit obligation	1,300,422	1,621,304

NET CASH (USED) BY OPERATING ACTIVITIES

(4,219,434)

CASH PROVIDED(USED) BY INVESTING ACTIVITIES

Decrease in investments	2,568,232
Decrease in notes receivable	32,820
Proceeds from sale of property	1,055,000

NET CASH PROVIDED BY INVESTING ACTIVITIES

3,656,052

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

STATEMENT OF CASH FLOWS
(continued)

Year Ended December 31, 2011

CASH PROVIDED(USED) BY FINANCING ACTIVITIES	
Principal payments on long-term debt	<u>(54,665)</u>
NET (DECREASE) IN CASH	(618,048)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>3,052,860</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u><u>\$ 2,434,812</u></u>

See the accompanying notes to the financial statements.

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2011

NOTE A - DESCRIPTION OF ORGANIZATION

Holston Annual Conference of the United Methodist Church, Incorporated (the Conference) is one of the basic organizational bodies in the global United Methodist Church. The Conference consists of 12 districts in Tennessee, Georgia, and Virginia and includes approximately 899 United Methodist Churches. The Conference provides administrative and program services to churches, clergy and laypeople within its geographic boundaries. Primary among these services are ordination and assignment of ministers, volunteer training, new church development and the collection and remittance of funds for local, regional and international ministries.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions they may undertake in the future, actual results could differ from those estimates. Estimates are used when accounting for fair value of pledges, allowances for uncollectible receivables, depreciation, pension plan assets and liabilities, allocation of expenses, and contingencies, among others.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and interest-bearing deposits. For purposes of the statement of cash flows, the Conference considers cash on deposit with financial institutions and all cash investments with original maturities of three months or less to be cash and cash equivalents.

At December 31, 2011, cash and cash equivalents consisted of the following:

Cash	\$ 2,242,583
Investments: Money market accounts	<u>192,229</u>
	<u>\$ 2,434,812</u>

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

(continued)

December 31, 2011

Property and Equipment

Property and equipment are recorded at cost or estimated cost if actual cost is not available. Donated property and equipment are recorded at the estimated fair value at the date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which range from five to forty years. Depreciation expense for the year ended December 31, 2011 was \$83,109.

The Conference's policy is to capitalize all acquisitions of land, buildings and equipment costing \$2,500 or more.

As required by the United Methodist Church's policy, the Conference receives the church property when a church closes. The Conference holds the church property with the intention of selling it and using the funds for Conference operations. When the property is received, the Conference records the fair market value of the property as a contribution. Total contributions from church property held for sale for the year ended December 31, 2011 was \$87,000.

At December 31, 2011, property and equipment consisted of the following:

Land	\$ 526,629
Buildings	3,611,087
Property held for sale	472,000
Equipment	<u>106,412</u>
	4,716,127
Less accumulated depreciation	<u>(693,716)</u>
	<u>\$ 4,022,411</u>

Support and Revenue

Contributions are recorded as support when cash or other assets are received. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Gifts of cash and other assets that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restricted grants and contributions whose restrictions are met in the same reporting period as they are received are reported as unrestricted. Revenue from services is recognized when the service is rendered.

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

(continued)

December 31, 2011

Contributions of property and equipment and other long-lived assets with explicit restrictions that specify how the assets are to be used, including cash contributed to acquire such assets, are recorded as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the expiration of donor restrictions is reported when the donated or acquired assets are placed in service.

Notes receivable

Notes receivable represent funds advanced to churches within the Conference. Notes receivable are stated at unpaid principal balance. Interest on notes receivable is recognized over the term of the loan.

NOTE C - INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported in the accompanying financial statements at fair value. Fair value is determined based on quoted prices in active markets for identical assets (considered level 1 in the fair value hierarchy). Other investments are reported at cost or, in the case of donated securities, at their estimated fair value on the date of receipt. Investments at December 31, 2011 consisted of the following:

Money market accounts		\$	192,229
Pooled mutual funds			34,852,778
Notes receivable from member churches:			
Current	\$	52,753	
Long-term		1,097,081	
Other note receivable:			
Current		24,171	
Long-term		<u>418,860</u>	<u>1,592,865</u>
			<u>\$ 36,637,872</u>

Of the total investments, \$12,626,805 was held at the Holston Conference Foundation and \$24,011,067 was held at the General Board of Pensions.

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

December 31, 2011

Realized and unrealized gains and losses are determined on the basis of specific identification.
Investment income for the year ended December 31, 2011 consisted of the following:

Interest and dividends	\$ 252,067
Realized loss	(25,110)
Unrealized loss	(159,518)
Expenses	<u>(10,837)</u>
	<u>\$ 59,602</u>

NOTE D - LONG-TERM DEBT

Note payable to a bank, due in monthly installments of
\$12,413, including interest of 5.95% per annum,
through February 2018, remaining principal due February 19,
2018, secured by real property and pledge of rental revenue \$ 1,523,211

Future maturities of long-term debt are as follows:

<u>Year ended</u> <u>December 31,</u>	
2012	\$ 60,059
2013	63,731
2014	67,628
2015	71,764
2016	76,152
Thereafter	<u>1,183,878</u>
	<u>\$ 1,523,211</u>

Interest paid during the year was \$94,298, none of which was capitalized.

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

(continued)

December 31, 2011

NOTE E - INCOME TAX STATUS

The Conference is exempt from federal income taxes under section 501(c)(3) of the U.S. Internal Revenue Code, except on unrelated business income.

NOTE F - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Conference to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. Cash and cash equivalents are maintained in demand deposit accounts which, at times, may exceed federally insured limits. The Conference has not experienced any losses and does not believe it is exposed to any significant credit risk on such accounts. By their nature, all such financial instruments involve risk, including the credit risk of nonperformance by counterparties. Exposure to credit risk is managed through various monitoring procedures. At December 31, 2011, the Conference had no major concentrations of credit risk except for uninsured bank deposits, including its investments at the General Board of Pensions and the Holston Conference Foundation.

NOTE G - NET ASSETS

Permanently restricted net assets consist of the following:

Superannuate Endowment (clergy retirement supplement)	<u>\$ 107,710</u>
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Temporarily restricted net assets are available for the following purposes:

Builders Club loans	\$ 2,469,206
Builders Club grants	69,137
College Scholarship	1,104,491
Annual Conference Offering-Sudan	116,409
Annual Conference Offering-India	30,635
Annual Conference Offering-Alaska	3,289
Camping Endowment	<u>86,041</u>
	<u>\$ 3,879,209</u>

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

(continued)

December 31, 2011

Unrestricted net assets are designated by the Conference for the following purposes:

Pension	\$ 16,877,703
Camping endowment	504,170
Superannuate endowment	87,946
Camping	584,446
Christian Education Day	3,798
Emergency aid	1,528
Communications	94,161
Aids fund scholarships	77,490
Audio visual	6,050
March Forth for Children	2,099
Volunteer labor	30,211
Sudan Mission Trip	202,840
Disaster relief	62,403
Hispanic Ministries	18,767
Shipping kits	46,768
Youth in Mission	31,202
Great Small Churches	3,477
India Mission Trip	1,034
Resurrection	70,195
Older Adult Ministries	6,035
Jubilation	34,019
Peace with Justice	7,012
Hardin Valley Road project	27,019
Lovett Weems Event	7,249
Divine Rhythm	23,122
Wesley Institute	62,732
Ministerial Education Fund	202,119
Employee benefits (AFLAC)	6,174
Episcopal Office	29,377
Cabinet Courtesy Fund	3,339
Change for Children	70,507
New churches	40,142

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

December 31, 2011

Witness Ministries Future Programs	12,130
Conference Journals	5,977
Clergy Gathering	6,454
Abolishing Poverty Conference	1,721
Local Pastor Licensing School	2,428
Pastor transition	6,081
Junior High Assembly	8,870
Other	<u>5282</u>
	19,274,077
Undesignated(deficit)	<u>(3,849,164)</u>
	<u>\$ 15,424,914</u>

NOTE H - NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes:

Builders Club loans	\$ 3,757
Builders Club grants	20,000
College Scholarship	35,054
Annual Conference Offering-Sudan	378,241
Camping	<u>3,869</u>
	<u>\$ 440,920</u>

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

December 31, 2011

NOTE 1 - PENSION PLAN

The Conference and its local churches have three pension plans covering substantially all clergy and lay employees in the Conference. Conference clergy entering service prior to December 31, 1981 are covered by a defined benefit multi-employer pension plan (Pre-82). Conference clergy that have creditable service between January 1, 1982 and December 31, 2006 participate in a pension plan that is a multi-employer defined contribution plan (MPP), but could have unamortized liabilities based upon the annuity rates that have been granted to retirees. Clergy that serve from January 1, 2007 through the present are currently receiving pensionable wages as a part of the Clergy Security Retirement Program (CRSP) which is a defined benefit and defined contribution plan. Each of these three plans is administered by the General Board of Pensions and are rated and required to be funded on an actuarial basis each year. A participant may be enrolled in all three pension plans based upon their years of service.

As a part of the connectional system, and since the pension plans are multi-employer plans, any unfunded liability is not a legal obligation of the Conference, but is an obligation of the United Methodist Church. While the unfunded liability is computed for each conference, the pension plan does not require a conference to fund its liability and the plan does not provide recourse against a conference that fails to fund its liability. However, each conference is required to complete an annual financial plan that determines the funding sources available to retire any deficits and meet current year obligations.

The defined contribution plan is based on the service rendered by the clergy since December 31, 1981. The benefits are funded by the local church or church agency where the clergy is appointed. The plan also provides for voluntary contributions by the clergy. The local church or church agency currently contributes 11% of the clergy's base compensation (up to the denominational average compensation of all clergy in all conferences of the United Methodist Church) to the plan.

Contributions to the various plans in 2011 were as follows:

CRSP-Defined Benefit	\$ 3,356,303
CRSP-Defined Contribution	942,807
Pre-82	1,997,433
MPP	<u>678,510</u>
Total	<u>\$ 6,975,053</u>

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

(continued)

December 31, 2011

NOTE J - POSTRETIREMENT BENEFITS

The Conference provides medical and dental benefits to eligible retired employees, their spouses and dependents. To be eligible a retiree must have attained the age of 55 and must have participated in the Conference health insurance program for the 10 years immediately preceding retirement, and be covered by the Conference insurance program at the time of retirement. Pastors and their dependents who qualify under these conditions must contribute to the cost of this benefit. Currently the Conference contributes between 0% and 75% of the estimated cost of this benefit dependent upon the years served by the pastor and contributes between 50% and 87.5% for surviving spouses (also based on years of service). At December 31, 2011, the unfunded postretirement benefit obligation liability amount was \$21,684,157.

The change in accumulated postretirement benefit obligation for the year ended December 31, 2011 was:

Active employees not fully eligible to retire		\$ 4,973,399
Active employees fully eligible to retire		5,929,498
Retirees		<u>10,068,384</u>
Unfunded postretirement benefit obligation at January 1, 2011		20,971,281
Current year activity:		
Service cost	\$ 617,744	
Interest cost	1,287,219	
Benefits paid	<u>(1,192,087)</u>	<u>712,876</u>
Unfunded postretirement benefit obligation at December 31, 2011		<u>\$ 21,684,157</u>
The unfunded post retirement benefit obligation consists of:		
Active employees not fully eligible to retire		\$ 5,142,459
Active employees fully eligible to retire		6,131,059
Retirees		<u>10,410,638</u>
		<u>\$ 21,684,157</u>

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

(continued)

December 31, 2011

The unfunded postretirement benefit obligation at December 31, 2011 is \$21,684,157 of which, \$1,159,246 is a current liability and \$20,524,911 is a noncurrent liability. Unrecognized amounts and amortization amounts in the following year consist of prior service cost. A medical trend rate of 8.5% is anticipated during the year ended December 31, 2011 and an ultimate trend rate of 5% is anticipated to be achieved by the year ending December 31, 2016. The discount rate used to value the end of year accumulated postretirement benefit obligation is 6%.

Estimated future benefit payments, net of employee contributions, are:

<u>Year ended December 31,</u>	<u>Estimated net payment</u>
2012	\$ 1,159,246
2013	867,617
2014	845,712
2015	907,798
2016	957,727
2017 to 2020	5,744,020

For nonfunded plans, employer contributions equal benefit payments for the next fiscal year.

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

(continued)

December 31, 2011

NOTE K - EPISCOPAL OFFICE FUNDS

Effective January 1, 2006, the Conference administered the financial affairs for the Episcopal Office of the Holston Conference. Prior to that date, revenue and expenses were accounted for by that office and reported independently of the Conference. The following is a summary of activity for the Episcopal Office for the years ended December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Net assets at the beginning of the year	\$ 26,629	\$ 24,335
Received from General Council	76,000	74,800
Expenses:		
Salaries and related expenses	\$ 36,552	\$ 59,370
Office expenses	32,025	10,930
Other	<u>4,674</u>	<u>2,206</u>
	<u>73,251</u>	<u>72,506</u>
Net assets at the end of the year	<u>\$ 29,377</u>	<u>\$ 26,629</u>

NOTE L - ENDOWMENT

The Conference maintains ten individual funds that have been established for the benefit of various ministries of the Conference. Its endowment includes both donor-restricted funds and funds designated by the Conference Council on Finance and Administration (CCFA) to function as endowments. Net assets associated with endowment funds, including funds designated by the CCFA to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS

(continued)

December 31, 2011

Interpretation of Relevant Law

CCFA, with the assistance of the Holston Conference Foundation, has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Conference classifies as permanently restricted net assets: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily net assets until those amounts are appropriated for expenditure by CCFA in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, CCFA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Conference, and (8) the Conference's investment policies.

Spending Policy

CCFA has a policy of appropriating for distribution each year 0% to 5% of its endowment fund's average fair value of the prior 3 years through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, CCFA considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor restrictions, and the possible effects of inflation. CCFA expects the current spending policy to allow its endowment funds to grow at a nominal average rate of 3% annually, which is consistent with CCFA's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

December 31, 2011

Investment Return Objective, Risk Parameters and Strategies

The Conference has adopted investment and spending policies approved by CCFA, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 0% to 5% of a three year market value average, while growing the funds if possible. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Conference relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Conference targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Conference has a policy of appropriating for distribution each year 0 to 5% of its average endowment fund's average fair value of the prior 3 years through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Conference considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, (many of which must be maintained in perpetuity because of donor restrictions), and the possible effects of inflation. The Conference expects the current spending policy to allow its endowment funds to grow at an average rate of 3% annually, which is consistent with the Conference's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

HOLSTON ANNUAL CONFERENCE OF
THE UNITED METHODIST CHURCH, INCORPORATED

NOTES TO THE FINANCIAL STATEMENTS
(continued)

December 31, 2011

Changes in endowment net assets for the year ended December 31, 2011 were as follows:

	<u>Donor-Restricted Endowments</u>		<u>Board- Designated Endowments</u>	
	<u>Permanently Restricted</u>	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Totals</u>
Endowment net assets at the beginning of the year	\$ 107,710	\$ 90,055	\$ 18,771,610	\$ 18,969,376
Contributions	0	0	6,080	6,080
Investment return:				
Investment income	0	1,623	56,954	58,577
Net depreciation (realized and unrealized)	0	(1,768)	(242,922)	(244,689)
Other changes:				
Transfers out	<u>0</u>	<u>(3,869)</u>	<u>(3,560,047)</u>	<u>(3,563,916)</u>
Endowment net assets at the end of the year	<u>\$ 107,710</u>	<u>\$ 86,041</u>	<u>\$ 15,031,675</u>	<u>\$ 15,225,427</u>

Endowment net assets are presented in the accompanying financial statements as investments.

NOTE N - SUBSEQUENT EVENTS

Subsequent events have been evaluated through July 13, 2012, the date which the financial statements were available to be issued.



Our United Methodist Church is currently engaged in an exciting time! Based on results of a study commissioned by the Connectional Table of the General Church, we have focus and direction for our future. We are Called to Action – to create vital congregations that are driven by inspiring and inviting worship, effective pastoral leadership, gifted and equipped lay leadership, and significant ministries with small groups and children and youth programs. These key drivers lead to churches reaching out in their communities and the world through significant missional ministries of compassion and justice.

In Holston Conference, we are also Called to Action in new and exciting ways. As we live into being a Conference where churches tithe their income to the Annual Conference, we are looking at our funding for ministry through the lens of the Call to Action and Vital Congregations. On this basis, the ministry funding for 2013 was prepared in six categories that represent the Call to Action at the Annual Conference level:

**In Holston Conference, we are
Called to Action ~ to create
vital congregations.**

- ☞ **Authentic Worship**
- ☞ **Effective Small Groups and Children's and Youth Programs**
- ☞ **Effective Pastoral Leadership**
- ☞ **Spiritually Engaged Laity**
- ☞ **Living the United Methodist Way**
- ☞ **Congregational Vitality and Missional Outreach**

Join us in supporting the significant ministries of Holston Conference in 2013 as we resource local churches in making disciples of Jesus Christ for the transformation of the world. God is calling us to do all that we can to advance the Kingdom of God.

Traditionally the Council on Finance and Administration has provided a line item budget projection for the following year. For 2013, the budget information presented in this narrative shows our best projections at this time. With unknown expenses at the time the budget had to be prepared (for example, General and Jurisdictional Conference apportionments) and with discussions currently being held in Holston Conference in answer to questions raised by our Connectional Table, the CFA approved a total budget for 2013 of \$9,558,660, with specific line items to be determined by the end of 2012 calendar year.

Effective Pastoral Leadership ~ 48% of our missional giving

This area of ministry funding represents any item that enhances the intellectual growth, emotional health, overall skills and support of our pastors and the pastoral role. Spiritual formation, personal and professional wholeness, providing resources, supervision and care, and assisting the clergy in connecting to and understanding the congregational mission field are all a part of effective pastoral leadership in our local churches.

This ministry funding represents any item that enhances ... pastoral leadership in our local churches.

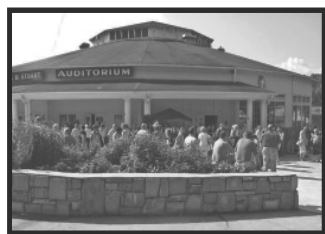
Holston Conference supports effective pastoral leadership through funding for Leadership Holston, African American Ministry Team, Wesley Leadership Institute, Pastoral Counseling Center, Orders and Fellowship, conference staff who support ordained ministry and orders, mission intern team, Clergy Spouse retreat, GBCS Young



Pastor training, Texas stewardship training, Virginia Chaplaincy Service, MissionInSite demographic support, small membership church events, evangelism conference, the work of the District Superintendents, retiree health insurance, and General Church funds such as Ministerial Education Fund, Black College Fund, Africa University, and Episcopal Fund.

Living the United Methodist Way ~ 25% of our missional giving

This area represents the ministries that maintain the supportive framework for our connectional commitments and the fulfillment of our shared missional responsibilities, including the Four Areas of Focus – creating new places for new people, developing principled



Christian leaders, being in ministry with the poor, and improving health globally. In the Great Commission, Jesus calls us to go into all the world to reach persons for Jesus Christ, and we respond to this commission when we Live the United Methodist Way.

In the Great Commission, Jesus calls us to go into all the world to reach persons for Jesus Christ.

Ministries funded by Living the United Methodist Way include quadrennial training for Conference leaders, Annual Conference session, support for Appalachian Ministry Network, Virginia Interfaith Council, World Service Fund, Interdenominational Cooperation Fund, salary support for clergy in special ministries, new church strategy support, Jurisdictional Conference, Partners in Crisis, General and Jurisdictional Delegation expenses, Religion and Race, retiree health insurance, communications and IT support, and general administration fund.

Spiritually Engaged Laity ~ 13% of our missional giving

This area of our ministry funding represents spiritual activity and experiences for laity, both as individuals and congregations, which lead to a deeper walk of faith and provide opportunities to engage in ministry outside the walls of the church building. We are engaged in making disciples who can then make more disciples for the transformation of the world. But beyond making disciples, we then seek to transform lives that can be engaged in ministry in the name of Christ.

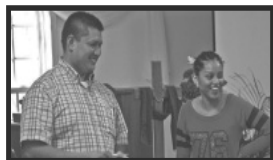
Ministries funded in the area of Spiritually Engaged Laity include Discipleship Team grants, African American Ministry Team events, volunteer labor teams, our Holston Conference mission emphasis and mission cultivation, a portion of our Church and Community Workers, Native American ministries, Leadership Holston, older adult and young adult ministries (Jubilant and Divine Rhythm), Camp and Retreat Ministries, Disciple Bible Outreach prison ministry, Creation Care, Poverty Conference, stewardship training, small membership congregation training events, Hispanic ministries, church program grants, Conference colleges, and Wesley Foundations.



Beyond making disciples, we seek to transform lives that can be engaged in ministry in the name of Christ.

Congregational Vitality and Missional Outreach *~ 8% of our missional giving*

This area represents specific efforts to strengthen the local church by equipping and encouraging relevance and fruitfulness in the overall life of the congregation. Ministry funding includes resourcing and support for local churches as well as mission outreach. We are Called to Action in developing existing churches and creating new



vital congregations for new persons to worship. We are also Called to Action to invite local congregations to engage in missional outreach to be the hands and feet of Christ to a hurting world.

**We are Called to Action
in developing existing
churches and ... inviting
local congregations to engage
in missional outreach.**

Areas of ministry funded include the evangelism conference, strategic revitalization fund, NCD coaching, sustentation and transitional funds, a portion of District Superintendent salaries, congregational development grants, United Methodist Volunteers in Mission, mission scholarships, March Forth for Children, young adult missions, ethnic local church grants, prison ministry, Creation Care, stewardship training, local church program grants, and Hispanic ministries.

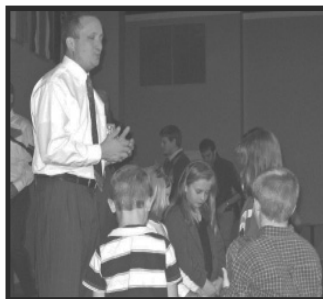
Authentic Worship *~ 3% of our missional giving*

This area of ministry funding represents ministries offered by Holston Conference to support our congregations in providing worship that is appropriate to the particular setting and welcoming to all. Inspiring, transformative worship is at the heart of our United Methodist roots and is core to the ministry of each local church.

Funding includes improvements of physical facilities as well as training for worship leadership. Ministries in the area of Authentic Worship would include Congregational Development grants for building upgrades or audio/video equipment, training for workers with children in appropriate worship resources, a

**This area represents
ministries to support our
congregations in worship.**

young adult leadership retreat, worship in our Camp and Retreat Ministries, a portion of our camp staff salaries, handicap accessibility grants to make worship accessible



for all persons, church program grants for evangelism, Minister's Convocation, worship leadership training, and worship through our Wesley Foundations and campus ministries. These ministries represent 3% of our total budget.

Effective Small Groups and Children's and Youth Programs *~ 3% of our missional giving*



This area of ministry funding represents anything that creates or supports small group activity and children's and youth ministry programs, both at the local church and conference level. The funding includes both experiences in

these areas of ministry and training to support these ministries in the local church. Jesus calls us to welcome and love the children, and a part of Holston's history of ranking high in The United Methodist Church in percentage of young adult clergy is because of our significant commitment to reaching youth for Christ.

Included in this area are all age level ministries such as Jubilation for older adults and Jr. and Sr. High Assemblies for youth; a portion of funding for Church and Community Workers; Conference staff who work with children, youth, and young adults; the work of Children's Ministry Team and Conference Council on Youth Ministries; Camp and Retreat Ministries program and staff; camp scholarships for ethnic populations and the impoverished; church program grants through the Witness Team; Congregational Development grants; bi-annual March Forth for Children training event for adults working with children; staff support for Resurrection youth event; and congregational resourcing provided by conference staff.

**Holston Conference creates and
supports children's and youth
ministry programs, both at the
local church and conference level.**

2013 Called to Action Ministry Funding in Holston Conference

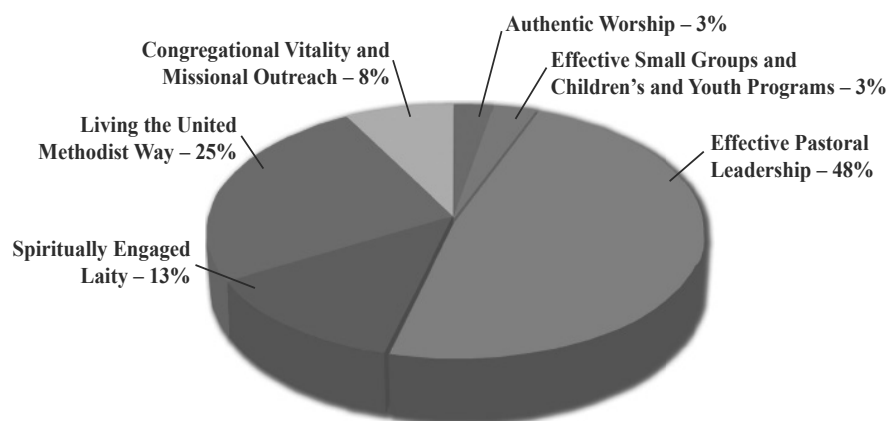
“Remain in me, as I also remain in you. No branch can bear fruit by itself; it must remain in the vine. Neither can you bear fruit unless you remain in me. I am the vine; you are the branches. If you remain in me and I in you, you will bear much fruit; apart from me you can do nothing. This is to my Father’s glory, that you bear much fruit, showing yourselves to be my disciples.”

JOHN 15: 4-5, 8 (NIV)

2013 Budget Total: \$9,558,660

For illustration purposes, percentages are rounded to the nearest whole number.

Note: A detailed line item budget will be completed by the end of 2012.



The graphic above shows the projected allocation of the 2013 Budget.

This reflects our historical budget distribution, and it is expected that the 2013 Budget will be similar in allocation.

You may download a PDF of this 2013 Narrative Budget at: <http://www.budget.holston.org>

2011 FIVE STAR CHURCHES

To qualify for the Five Star Award, churches must pay the Fair Share in full and support at least one project in each of the four Advance Special categories.

Abingdon District

410204 AB Abingdon	410807 AB First Marion	421036 AB Roberts Chapel
416702 AB Aldersgate Bristol	410922 AB First Mtn. City	410545 AB Seven Mile Ford
410306 AB Anderson Street	411048 AB Laurel Springs	411004 AB Sinking Springs
410135 AB Brumley Gap	410762 AB Lebanon Memorial	410215 AB St John Mtn City
410044 AB Byars Cobbs	410534 AB Lebanon Chilhowie	410328 AB St Luke
410124 AB Carvosso	410022 AB Lebanon Glade	410408 AB State Street
410088 AB Cedar Bluff	410988 AB Madam Russell	410272 AB Three Springs
	410795 AB Mtn. View	410421 AB Trinity Bristol
410523 AB Chilhowie	411015 AB Paperville	410671 AB Wallace
965893 AB Ebenezer	410226 AB Pleasant View	410933 AB Wesley Mtn City
422224 AB Elizabeth	411152 AB Quarry	410113 AB Wright's Chapel
410625 AB Emory	410363 AB Reynolds Memorial	410237 AB Wyndale
410341 AB First Bristol	410498 AB Ridgedale	

Big Stone Gap District

411653 BS Alley's Chapel	411607 BS Gate City	412010 BS Pleasant Hill
411287 BS Appalachia	965687 BS Hales Chapel	411824 BS Pound
411380 BS Clintwood	411642 BS Hiltons Memorial	412145 BS Prospect
411403 BS Coeburn	411551 BS Legion Memorial	411835 BS Robbins Chapel
411436 BS Crab Orchard	411686 BS Mendota	411425 BS South Coeburn
412214 BS Culbertson's Chapel	412191 BS Midway Memorial	411961 BS St Paul
411505 BS Dryden	411777 BS Miller's Chapel	411447 BS Tacoma
411458 BS Exeter	412156 BS Mt Vernon	411323 BS Trinity Big Stone Gap
411802 BS 1st Pennington Gap	411744 BS Nickelsville	
412282 BS Flatwoods	411766 BS Norton	
410410 BS Fort Gibson	411345 BS Nottingham	

Chattanooga District

413047 CH Brooks Memorial	413242 CH Holly Avenue	413184 CH Sand Mountain
413721 CH Burks	412544 CH Jones Memorial	412794 CH Signal Crest
412943 CH Chapel Hill	412602 CH McFarland	413220 CH Signal Mountain
412681 CH Christ	414372 CH Mount Crest	413300 CH Sulphur Springs
412965 CH Dunlap	413060 CH New Salem	413322 CH Trenton
414144 CH Fairview	413127 CH Pikeville	414428 CH Tyner
412464 CH First Centenary	412646 CH Red Bank	413344 CH Wauhatchie
412987 CH Hixson	413162 CH Rising Fawn	412497 CH Whiteside

Cleveland District

413628 CL Allen Memorial	414166 CL Goodfield	414496 CL Savannah
413606 CL Apison	413641 CL Keith Memorial	414304 CL Soddy
413787 CL Big Spring	414064 CL Mars Hill	414361 CL Spring City
413743 CL Calhoun	413878 CL McDonald	414554 CL St Clair
413798 CL Chilcutt	413960 CL Mountain View	414406 CL Tasso
414190 CL Concord	414268 CL Mt Carmel	414177 CL Ten Mile
414007 CL Decatur	414474 CL Mt Zion	413663 CL Trinity Athens
414042 CL Englewood	414508 CL Oak Grove	413674 CL Union Chapel
414122 CL Evensville	414224 CL Ooltewah	414417 CL Wesley Memorial
413823 CL First Cleveland	414350 CL Pleasant Hill	414075 CL Wesleyanna
413880 CL First Copperhill	413936 CL Red Hill	

FIVE STAR CHURCHES (Continued)**Johnson City District**

416096 JO Bethesda	415981 JO First Elizabethton	416052 JO Pleasant Grove
415902 JO Cedar Grove	395734 JO Jearoldstown	415855 JO Rockhold
416085 JO Centenary Erwin	416360 JO Jonesborough	416451 JO Seviars
415924 JO Chuckey	415992 JO Liberty Hill	416520 JO Taylor Memorial
416518 JO Edgefield	416165 JO Limestone Cove	416542 JO Telford
416438 JO Embreeville	416382 JO Limestone	416564 JO Unicoi
416473 JO Enterprise	416405 JO Marvins Chapel	416176 JO Valley View
416347 JO Fairhaven	416416 JO Mt Wesley	416358 JO Wesley Memorial
416187 JO Fairview	416303 JO Munsey Memorial	

Kingsport District

416815 KI Arcadia	416861 KI Elm Springs	416850 KI McFerrin
416713 KI Bethel	416906 KI Emory Kingsport	417205 KI Morrison Chapel
416770 KI Blountville	416928 KI Fall Branch	417262 KI Mountain View
416930 KI Cameron	417067 KI First Broad Street	417353 KI Okolona
416826 KI Cassidy	416848 KI First Church Hill	416746 KI Old Union
411881 KI Chalybeate Springs	417422 KI First Rogersville	417581 KI Otes
416883 KI Clouds Bend	417488 KI First Surgoinsville	417375 KI Pactolus
417240 KI Colonial Heights	416974 KI Hermon	417400 KI Rock Springs
417284 KI Community	416804 KI Hulls Chapel	416792 KI Salem
416837 KI Cross	417001 KI Kendricks Creek	966000 KI St Mark
417034 KI Crossroads	417524 KI Kincaid	417320 KI Vermont
417012 KI Depews Chapel	417023 KI Kingsley	417513 KI Wheeler
417318 KI Ebbing & Flowing Springs	417331 KI Logan's Chapel	
	417182 KI Mafair	

Knoxville District

417706 KN Asbury Knoxville	418164 KN Fountain City	418701 KN Rutherford Mem.
417945 KN Bearden	418734 KN Hopewell	418370 KN St Mark Knoxville
417865 KN Bethel French Broad	418222 KN Inskip	418723 KN Zion Knoxville
418005 KN Central Knoxville	966410 KN Lennon-Seney	
418038 KN Christ Knoxville	418266 KN Lonsdale	
418027 KN Church Street	418288 KN Macedonia	
417683 KN Cokesbury	418608 KN Middlebrook Pike	
417171 KN Faith	396033 KN Piney Grove	
	418665 KN Powell	

Maryville District

418940 MA Bethel Seymour	419705 MA First Sevierville	419682 MA Pleasant Hill
418905 MA Binfield	419011 MA Fox	Sevierville
419363 MA Broadway	419022 MA Friendsville	419578 MA Roberts
419328 MA Buckner Memorial	419204 MA Green Meadow	419738 MA Seymour
419385 MA Bungalow	419283 MA Immanuel	419501 MA St John
419625 MA Burnett Memorial	419181 MA Loudon	419807 MA Tuckaleechee
419762 MA Camp Ground	419523 MA Meadow	419454 MA Union Grove
419033 MA Cedar Bluff	419534 MA Middle Creek	419820 MA Vonore
419055 MA Eden	419352 MA Middlesettlements	419773 MA Walden's Creek
418927 MA First Alcoa	419647 MA Mountain View	419751 MA Wears Valley
419066 MA First Gatlinburg	419000 MA Murphy's Chapel	419716 MA Webb's Creek
419124 MA First Madisonville	419545 MA New Salem	419113 MA Williamson
419443 MA First Maryville	419567 MA Oakland	Chapel
419603 MA First Pigeon Forge	419465 MA Peck's Memorial	
	419580 MA Philadelphia	

FIVE STAR CHURCHES (Continued)**Morristown District**

420225 MO Asbury	420407 MO First Morristown	419317 MO Oakland
420271 MO Bales Chapel	420544 MO First Newport	420475 MO Ottway
966022 MO Bethel	420761 MO First White Pine	420588 MO Panther Springs
420076 MO Bogart's Chapel	441262 MO Glendale	420602 MO Parrottsville
420566 MO Bybee	420293 MO Hardin's Chapel	420646 MO Pine Grove
420486 MO Carter's Chapel	419922 MO Harmon's Valley	420577 MO Pleasant Valley
420145 MO Caton's Grove	419294 MO Harned's Chapel	419944 MO Romeo
420522 MO Cedar Grove New Market	420282 MO Hills Union	420180 MO Shady Grove
420670 MO Cedar Grove Rutledge	420737 MO Lawson's Chapel	418951 MO Shiloh Rutledge
420384 MO Centenary	420420 MO Liberty Hill	420704 MO Sneedville
419900 MO Central Bean Station	419911 MO Mary's Chapel	420828 MO Talley's Chapel
420123 MO Chestnut Hill	396090 MO McCampbell	965973 MO Tate Chapel
420247 MO Christ	420340 MO Mooresburg	395277 MO Trinity Greenville
420214 MO Economy	420500 MO Mt Airy	420373 MO Weems Chapel
396135 MO Edward's Chapel	395858 MO Mt Hebron	420590 MO Wesley's Chapel Dandridge
420065 MO First Bulls Gap	414838 MO Mt Pleasant Thorn Hill	
	419977 MO New Market	
	420236 MO Noe's Chapel	

Oak Ridge District

415434 OA Asbury Chapel	414714 OA Heiskell	414736 OA Rugby Road
414680 OA Beaver Ridge	415150 OA Irwin's Chapel	415480 OA Sinking Springs
414703 OA Bradbury	415002 OA Jacksboro	415503 OA Solway
415558 OA Cawood	415343 OA Kern Memorial	414840 OA St Mark Clinton
415104 OA Central Lenoir City	415013 OA LaFollette	415525 OA Sunbright
414884 OA Concord Knox	415172 OA Miller's Chapel Union	415398 OA Thompson Chapel
415321 OA First Oak Ridge	415206 OA Moore's Gap	415126 OA Trinity Lenoir City
415148 OA Good Shepherd		414895 OA Valley View

Tazewell District

421138 TA Alexander Mem.	422918 TA Goshen	421606 TA North Tazewell
421207 TA Bailey	421710 TA Green Valley Bastian	421721 TA Pine Grove Bastian
421231 TA Bear Springs	421218 TA Green Valley Eggleston	417796 TA Pisgah
965530 TA Bethel Bluefield	421300 TA Grundy	421765 TA Pleasant Hill Pearisburg
420908 TA Boyd's Chapel	421390 TA Hales Chapel Narrows	420885 TA Riverside
420965 TA Brown's Chapel	421333 TA Keen Mountain	421526 TA Rocky Gap
422304 TA Byrnes Chapel	421377 TA Macedonia	417912 TA Shady Grove Bland
421685 TA Clearview	421583 TA Main Street	421776 TA Shady Grove Pearisburg
420932 TA Dennison	421413 TA Midway	421548 TA Sheffey Memorial
421754 TA Eatons Chapel	420954 TA Midway Cedar Bluff	421696 TA Steelesburg
421264 TA Ebenezer Bluefield	420910 TA Mt Hermon Tazewell	421787 TA Thessalia
421162 TA Eggleston	417832 TA Mt Zion Bland	421435 TA Tip Top
421184 TA Elk Garden	421572 TA New Hope Union	421936 TA Trinity Bland
421047 TA First Bluefield		421355 TA Wesley's Chapel Eggleston
421322 TA First Honaker		421457 TA Wrights Valley
421366 TA First Narrows		
421481 TA First Rich Creek		
421242 TA Garden		

FIVE STAR CHURCHES (Continued)**Wytheville District**

422383 WY Aldersgate	422122 WY First Hillsville	418255 WY Marvin
422587 WY Atkins Memorial	422144 WY First Independence	422281 WY Max Meadows
421823 WY Auburn	422406 WY First Pulaski	418095 WY Morgan's Chapel
422361 WY Belspring	422053 WY Floyd	422873 WY Mountain Plains
421856 WY Bethel	423002 WY Fort Chiswell	422326 WY Mt Pleasant
422018 WY Bethel	422895 WY Foster Falls	422177 WY Mt Zion
417956 WY Bethel	422042 WY Fries	965621 WY New Hope
422953 WY Brick	418211 WY Fulton	965665 WY New Mt Olive
422714 WY Camp Bethel	418530 WY Gladeville	421878 WY Oakland
422485 WY Carter Street	422656 WY Glenwood	422598 WY Olive Branch
422508 WY Central Radford	422964 WY Grahams Forge	418118 WY Parrott
422064 WY Cold Springs	422350 WY Groseclose	418131 WY Rockford
422496 WY Crockett's Chapel	418450 WY Jordan's Chapel	422554 WY Rural Retreat
421982 WY Dublin	422190 WY Lebanon	422372 WY Speedwell
418313 WY Ebenezer	422793 WY Leonard Memorial	422645 WY St Paul
422521 WY Fairlawn	422758 WY Liberty Hill	422782 WY Stevens Creek
421801 WY Fairview	422816 WY Little Wilson	418437 WY Summerfield
422565 WY Fairview	422975 WY Locust Hill	422601 WY Thornspring
422075 WY Falling Branch	422155 WY Longview	422736 WY Willis
422086 WY First Galax		422623 WY Woodlawn

** With all of the changes to apportionments, direct invoicing, and other changes associated with the 5 star certificates, we have intentionally looked for opportunities to be gracious in the granting of the 5 star status award to those churches that appeared to attempt to meet the requirements to become a 5 star church for 2011. In 2013, each church must fulfill all of the requirements as laid out in the CCFA report to meet the 5 star status. We apologize in advance if we have overlooked any church that made a faithful effort to reach the 5 star status and we have omitted your church's name from this report.*

Have you
visited the displays
in the Harrell Center
Auditorium today?



BOARD OF LAY MINISTRY

This has been a year of transition for the Board of Lay Ministry (BOLM). During the year, seven out of our 12 districts have elected new District Lay Leaders (DLL). We give thanks and celebrate the faithful service of the past seven DLL and welcome the new leaders to the Board. There have also been new District Superintendents during the last 2 years. These are transitioning opportunities that include the partnership between the Lay Leaders and the Superintendents. Holston Conference will have a change in our Episcopal leadership after Annual Conference. Bishop Swanson will be leaving our Conference and appointed to another Conference. I along with the other leaders of the BOLM am indeed thankful to Bishop Swanson for his open demonstration of support for the laity and a willingness to partner with us as we carry out God's mission for Holston. This Annual Conference will be my last as your Conference Lay Leader. I give thanks to our Lord for the opportunity to represent the laity of this conference and to work beside the Bishop and the Extended Cabinet. The greatest joys have been witnessing the many ministries of the local churches and seeing the desire to serve by so many of the laity.

By now, we have all heard of and participated in the Call to Action at some level, particularly the local church level. Some key "drivers" of vital churches involve laity leadership. It is VITAL that we as leaders are effective and we understand and carry out our roles. Most importantly, we as leaders must demonstrate our personal faith through regular worship, intentional spiritual growth, our own personal devotional life, and give of our financial resources. There are many opportunities within our local churches, districts, and conference for spiritual growth and leadership training. We have to be willing to respond to God's leading and commit to our own personal spiritual growth. No one can do this for us.

Lay Speaking Ministries: The Lay Speaking Ministries program is extremely effective in training laypersons for many forms of ministry, not solely for a ministry of speaking. These training events are great tools for persons in leadership roles and laity are encouraged to participate in this vital program.

Lay Members of Annual Conference: The lay member to annual conference should be informed of the actions to take place at annual conference and understand information shared during annual conference. The Board of Lay Ministries has worked with the Conference to provide training, available on the internet at Holston.org. We also provide a Laity Orientation Session at the beginning of Annual Conference as well as the Orientation guides found in the Book of Reports. A Reporting Guide is distributed for lay members to use throughout the Annual Conference gathering to record actions and events, and their thought and reactions to those actions and events. This can help in preparing the report that Lay Members are responsible for giving to the local church upon their return from Annual Conference. This responsibility is stated in our Book of Discipline: "The lay member of the annual conference, along with the pastor, shall serve as an interpreter of the actions of the annual conference session."

Closing

God is with us during our changing times. There is an element of excitement as well as concern as we continue to change to meet the needs of communities around our local churches and the global church. We are to remain faithful to what God is calling us to do. In doing so, God can use us in His Kingdom building. For me personally, God is calling me to focus my time more at the local church level and the district level. I have experienced first-hand both the joys and challenges of serving at the Conference level and beyond; the district level; the local church level. Regardless of where God is calling you and me, we should serve with our whole heart and with God's agenda. My prayers are with the people of the Holston Conference and those we serve.

Blessings and Peace,
Mary Ruth Richards, Holston Conference Lay Leader

COMMITTEE ON EPISCOPACY

The purpose of the Committee on Episcopacy is outlined in Paragraph 637 of the UM Discipline. We function much like a Pastor-Parish Relations Committee but on a much broader scale! Words in the Discipline which describe the committee's work are engage, support, interpret, and report. We are the liaison between the bishop and conference agencies and act as a sounding board, as interpreters, and as prayer warriors. At each year's meeting, it has been a joy to hear Bishop Swanson's hopes and dreams for our conference, what has moved him, what concerns him, and what sparks his passion. Our bishop has a gift for bringing large and global concerns to us and seeing how they are really our local concerns.

This is a year of mixed emotions for the committee as we prepare to say farewell to our bishop of eight years and prepare to welcome a new bishop in September, 2012. One of the roles of the committee during this transition is to provide information about our conference to the Southeastern Jurisdictional Committee on Episcopacy. An Episcopal Area Profile was submitted which included demographic and statistical information along with specific traits that make Holston unique. Just as a conference cabinet strives to match the gifts and graces of a pastor with a church, the jurisdictional committee strives to match the strengths and gifts of a bishop with the needs and passions of a Conference. Because Rev. Eddie Fox and Bob Lockaby were elected to lead the delegation at the 2008 General Conference, they are currently Holston's representatives on the SEJ Committee on Episcopacy (Paragraph 524). Our entire delegation will elect bishops; the SEJ Committee on Episcopacy will assign bishops to the particular areas.

Pursuant to the recommendation of the 2011 Annual Conference, the Episcopacy Committee has supported the Conference Trustees in their search for a new episcopal residence. Mary Frances Tucker chaired the group who spent many hours driving through Maryville and Alcoa looking for 'just the right house.' Defining words like "Bishopry" and "Holstony" were part of the committee's work! After being shown several houses and after three inspections, the committee recommended to the trustees the purchase of a house in Blount County. For more details on the residence, please see the Report of the Trustees.

God has richly blessed us during the past eight years. The Committee on Episcopacy asks that you pray for Bishop Swanson as he prepares to lead a new area and to pray for "his Mrs. Swanson" and their children as they move into another home. May prayer undergird the whole episcopal leadership process.

Catherine Clark Nance, Chairperson

UNITED METHODIST MEN

Since our 2010 Annual Conference, Holston Conference United Methodist Men have not only heard the following: Call to Action! Rethink Church! Vital Church! They have started believing these ideas and understanding that they are a vital part of their local church. We have seen this throughout all our districts. We believe that every church is a vital church. Here are some examples of what has taken place in the local churches, districts and conference levels since last year's annual report.

Our former Holston Conference Scouting Coordinator (Keith Smith) has been appointed as the Southeastern Jurisdictional Scouting Coordinator. He has been instrumental in overseeing and leading the eight (8) District Scouting Coordinators. Keith and his wife (Jane) both have become "Scouting Specialist." Keith's enthusiasm has gotten more men involved in his local church. Keith's efforts and hard work have not gone unnoticed and this is one of the main reasons for his newest appointment.

Our Holston Conference Prayer Advocate, Tom Mitoraj continues to work with our five (5) District Prayer Advocates. Tom sets the example of what a Prayer Advocate is, by striving to broaden the communication basis of what a Prayer Advocates job is. He and his local men's ministry answered The Upper Room Prayer Line as volunteers over eight (8) different occasions last year. Twice they answered the line for a 24 hour period. He is a true Prayer Warrior. I am also proud to say that our conference UMM again made their \$1000 annual contribution to The Upper Room Prayer Line and will continue to do so.

Another example of vital church, we had over 90 groups chartered last year. This includes several groups that have incorporated their entire circuit or even their county. This has gotten more men involved in and working towards our goal of: "bringing men to Christ and helping make disciples of them for Him." Our men are seeing that if you get the man/father in church then 93% of the time you will get the rest of the family. This is happening in the local church.

I am extremely proud of the efforts in the area of outreach missions. We have started new "gleaning" projects with The Society of St. Andrew and we now have "gleaning" coordinators in at least five (5) of the districts and even some in the local churches. We are helping to provide fresh produce to families locally that are in need. The men have gotten the families in their local churches involved. We have had folks from age 5 to age 85 help in these projects. We also fulfilled our pledge of \$200 per Conference to "Stop Hunger Now." This past year, we helped salvage at over 200,000 pounds of fresh produce in local areas. Several examples are:

- A 40,000 pound truck load of cabbage that was bagged and distributed in a day and a half to four (4) local food pantries and local families in the area.
- A farmer/processor was found that gave us 20,000 pounds of green beans that resulted in 2400 bags given away in a day. The only cost was \$500 in transportation for \$24,000 worth of beans that went to 5 area food pantries and 20 local churches.
- As a result of that bean drop at least five (5) other churches in our conference have received different amounts of beans and given them away locally.

- We helped establish a “gleaning” process in at least one of the major cities “Farmer’s Market” and averaged about 200 pounds twice a week which was given to a local area volunteer ministry.
- One district has for the third year in a row “gleaned” a turnip farmer’s field of approximately 50,000 pounds of turnips each year for local food pantry distribution.
- For the first time, Society of St. Andrew found a farmer that was willing to allow us to “glean” his pumpkin patch of 1000 to 1500 pumpkins. This not only involved UMM, but also involved college students for a local college.

These are a few of the “gleaning” projects that I have heard about, but I am sure there were many more. We have had many “volunteer” teams that have not only been on national and international mission projects this past year, but have helped their brothers and sisters within our own conference after all the devastating storms last year. There is and will continue to be needs for these teams for months to come and we will continue to promote and provide manpower where it is needed. We have had several men’s groups set up wheelchair ramp building groups and small repairs for needy families.

Bishop Swanson signed our affiliate agreement with Disciple Bible Outreach Ministries (DBOM) National for both VA and TN last year during Annual Conference. There was a training session in VA and all the Chaplains have been trained. We did not get a training date set up the TN part of Holston last year, but have it in process for early Spring 2012 with the help of Anne Travis our Conference Director of Connectional Ministries, Mark Hicks, National President of DBOM and myself.

We have learned how to communicate much better in getting the word out for the needs of all kinds in the local church, district and conference. We are working on a new website so we can promote local church missions along with district and conference. We started developing a communication team within each district. We have over the past four (4) years also seen our “Day with the Bishop” attendance go from 85 to averaging 160 men. Last year we continued to refine our Calling All Men gathering and had two (2) locations and two (2) dates to better accommodate men throughout the conference. Not only did this help get men to attend that had not been before, but we also paid off the previous year’s debt and made a small profit this past year. We continued to hear of men going back to their local churches and “rededicating their lives for Christ” or “accepting Christ for the first time.” We held 2 new successful workshops this year, one for our female clergy and one on addiction. We had 14 female clergy total attend between both gatherings and they were hosted by Bishop Swanson. The addiction workshops had a total of 16 men attend between the two (2). We will include both of these workshops again next year.

Finally, I am excited about what has/is happening in Holston Conference UMM and how men are “stepping up” and becoming more involved in their local church. They are seeing and understanding that every church is a vital church. I know that with God’s help we will continue to strive to get men more involved. I look forward to helping our next president to continue moving Holston forward.

~ Mike Smith, President

UNITED METHODIST WOMEN

Since the 2011 Annual Conference, Holston Conference United Methodist Women are busy doing the work of living out our Purpose. The women of Holston more than met our Pledge To Mission of \$345,734.12, which undergirds the Global Ministries of the United Methodist Church universal.

When we assembled in July at our Conference School of Christian Mission, Colonial Heights United Methodist Church in Kingsport, TN., we studied subjects chosen several years in advance by the United Methodist Women's Division. Study topics were "For the Love of God: John's Letters"; "Mission and Evangelism"; "The Beauty and Courage of Sudan." Leaders for these studies were: Tom Binford and Joel Campbell; Mike and Lori Sluder; Nancy Hobbs and Randy Frye; and Marsheine McClurg. John Powers and Margie Ballard were the musicians. Those attending were 146 adults, 7 children, and 1 baby.

In August, we met at Church Street United Methodist Church in Knoxville, TN, for our third Social Action Workshop on "Immigration." Rev. James Dougherty, Rev. Tony Collins, and David Jennings were program participants.

We were honored to have Bishop Swanson speak at the Conference UMW Annual Meeting in September. He also installed the Conference Officers and was the Communion Celebrant. Three Mission Directors, Richard Gibson, Wesley House Community Center in Knoxville; Lurone Jennings, Bethlehem Center of Chattanooga; and Randy Hildebrand of Jubilee Project, Sneedville, TN, were guest speakers. John Powers and Margie Ballard were our musicians.

Holston's UMW special mission project for 2010 was Jubilee Project in Sneedville, TN. Total Mission Giving was \$25,590.91.

The Theme for 2011 and 2012, "Faith • Hope • Love in Action" began our series of events in May at Lake Junaluska, NC. The Spiritual Enrichment Experience (SEE) was held on Friday and Saturday May 13 and 14. Rev. Sandra Johnson was the keynote speaker. Brenda Haymore and Amy Lane provided the music.

The Young Women's Event followed SEE on Saturday and Sunday, May 14 and 15. Kristen Burkhart was the keynote speaker and Terri Winkle led the music.

Our goal for 2012 as it is every year is to help MISSION COME ALIVE for the women of Holston Conference. We strive to live according to Jesus' command to us, "Whatever you do for one of the least of these children of mine, you do for me."

~ Georgia Lister, President

Holston Annual Conference Mission Offering

Victims of Agent Orange Project in Vietnam



Goal \$150,000

It has been almost 40 years since the last soldiers, sailors, pilots, and other military personnel from the United States left Vietnam. The United States went there believing that our presence would make a difference and somehow our efforts would make the world a better place.

Because of the war, scars remain, even after 40 years, upon the landscape and people of Vietnam. Agent Orange continues to debilitate much of that population. Countless numbers have died over the past four decades, and others still struggle with the effects of their illness. Future generations

may also have to face the orange pain.

But God is a healing God, and that is why this year our 2012 Annual Conference Missions Offering is directed toward the General Board of Global Ministries "Victims of Agent Orange Project." Under the direction of The Reverend Dr. Ut Van To, this project helps victims of Agent Orange with housing, medicine, and job skills training. Our gifts will help ensure that this ministry continues to touch victimized lives with healing grace.

The goal for our 2012 missions offering is \$150,000 from the churches of the Holston Conference. Bishop Swanson has made a special appeal to fellow veterans to ask their help through personal contributions. We also ask local churches to take a special Annual Conference missions offering on Sunday, May 20 (or another Sunday in May), to support this appeal to aid Victims of Agent Orange. Holston Conference has a real opportunity to make a difference for these persons through the work of Dr. Ut To.

Holston Conference can return to Vietnam as instruments of peace, battling against the brokenness that leaves so many without hope. Today, we go as healing instruments, knowing that God can make life whole again for all who have been victimized. Today, we go to bring reconciliation and new beginnings. Please join all of Holston Conference on this journey.

"True devotion, the kind that is pure and faultless before God the Father, is this: to care for orphans and widows in their difficulties and to keep the world from contaminating us."

JAMES 1:27 (COMMON ENGLISH BIBLE)

Please give.

For information on this Mission, contact connectionalministries@holston.org.

For information about Holston Conference, visit holston.org.



Holston Conference of The United Methodist Church
P.O. Box 850 • Alcoa, TN 37701-0850 • (866) 690-4080

HOLSTON CONFERENCE FOUNDATION

After a great start to 2011, the third quarter was one most investors would like to forget. Then came October. The market was up 10.8% for the month and erased most of all the declines of the previous five months. Since the official start of the S&P 500 Index in 1957, there have only been 11 instances (including October) where a calendar month gained +10%. In fact, October ranked as the 8th best calendar month EVER! The roller coaster continued down and then up in November and December. At the end of 2011 the **BALANCED GROWTH FUND** was up .91% YTD, the **INTERMEDIATE INCOME FUND** was up 5.74% and the **EQUITY GROWTH FUND** was down 2.24%. The **SHORT-TERM INCOME FUND**, which is extremely popular for churches seeking safety and income, was up 1.91% YTD (in contrast the one-year treasury note is paying one-tenth of one percent).

As 2012 gets started we anticipate another great year. The **BALANCED GROWTH FUND** was up nearly 4% in January and churches and people are calling seeking assistance in evaluating options and planning for a better future.

While market gyrations, politics and news reports that seem to focus on turmoil cannot be dismissed, the Foundation board takes great pride in saying to our church family that “The Foundation remains financially strong and focused on a positive future.” Our long-term, diversified, low-cost and socially-conscious investment approach with endowment assets allocated among different types and classes of stocks, and bond indexes and funds has not changed and certainly helps us benefit from upswings in the market while buffering downturns.

Key components for our consistent performance and growth are rooted in our excellent, experienced staff and a very dedicated board of directors. We have been fortunate in getting “the right people on the bus” who understand our purpose and possess a track record of accomplishment, moral integrity and diverse skills, as well as a deep commitment of service to the church.

We take seriously our role as steward of individually-created endowments, trusts, and bequests, as well as our investment services for churches, institutions, and ministries. While no one has the ability to consistently predict the short-term movements in the financial markets, we promise to be vigilant and to stay the course with quality, low-cost investments that are consistent with our long-term goals. There is a Warren Buffett quote from several years ago about those who lost money in the markets, “The hapless ones bought stock only when they felt comfortable in doing so and then proceeded to sell when the headlines made them queasy.” Buffett is also quoted as saying, “If you wait for the robins, spring will be over.”

The Foundation stewards over \$75 million in assets. Over \$25 million of the total assets consists of around 200 endowments, trusts and other planned gifts given by individuals to benefit the needs and the ministries that they selected. About \$50 million of the total represents about 500 accounts placed here by churches, districts, institutions, and the Holston Conference to take advantage of our various low-cost and productive investment options. Our consultations and visits are provided without cost or obligation. We are eager to be of service to you in 2012!

- David Goodson, Board President
- Roger Redding, Executive Director

HOLSTON UNITED METHODIST HOME FOR CHILDREN

The work of Holston Home continues in true Wesleyan tradition to provide a ministry of hope and healing to children who have been rejected by their families, whose behavior is unacceptable to the community, or who have lost hope in a world they don't understand and are not equipped to deal with. Most of them have no hope for the future. But lives change when they find a warm, secure place to live which emphasizes developing God-given potential, and most important, teaches them about the love of Jesus, the Christ.

Thank you for your part in answering God's call to disenfranchised, frustrated, alienated, broken children and families. Listed are some of the accomplishments which you have made possible during the past year.

- Fifth Sunday offerings and giving to The Advance grow each year. During 2011, 695 churches have responded to the ministry to help needy children through Holston Home.
- During the year care was provided for approximately 800 children. Thirty-seven children completed 12 years of school and 31 children made a profession of faith and were baptized.
- Holston Home is in the process of seeking reaccreditation by the Council on Accreditation. National accreditation measures the agency's policies, practices, and operations against national best practice standards and testifies to our commitment to high quality services and ethical practices. The agency has carried national accreditation for the past fourteen years.
- The George R. Johnson Equestrian Barn, which was destroyed by fire on December 13, 2009, has been replaced with another barn and was dedicated on January 20, 2011.
- Friends of Children dinners were held in Greeneville, Knoxville, and Kingsport.
- Two NOMADS (Nomads On A Mission Active in Divine Service) groups helped with restoration of the Old Superintendent's House, painted Bewley Center and built fences on the farm. These husband and wife teams volunteered more than 2,000 hours of hard work. Other volunteer groups gave a total of 18,000 hours of work to Holston Home during the year.

James 1:27 reminds us that "Pure and lasting religion in the sight of God our Father means that we must care for orphans and widows in their troubles..." (NLT) The record of Holston Home's ministry to children, youth and families, the prayers and the free-will gifts of Holston Conference United Methodists, the great work of Holston Home Ambassadors, and the support of the pastors prove that Methodists in Holston Conference really care for the children who need our love.

We seek your continued support. We give thanks for your heart connection and pledge to care for as many children as you are willing to underwrite. Your interest determines our future.

Plan to visit our Greeneville campus and experience firsthand the transformation and redemption that is taking place in the lives of children. Then share our story with others in your church. Remember to pray for the children, their families and our staff.

- Arthur S. Masker, President/CEO

- Mary Margaret Denton, Chair, Board of Trustees

BOARD OF HIGHER EDUCATION AND CAMPUS MINISTRY

One would be hard pressed to go almost anywhere within the geographic boundaries of the Holston Annual Conference and find someone whose life has not been impacted by one of the conference colleges or campus ministries of Holston. Of course, the reason for this is because the conference colleges and Wesley Foundations of Holston have historically been an integral part of the social and spiritual fabric of its alumni and their communities.

A popular television and radio commercial repeatedly broadcast throughout much of the Tazewell and Wytheville Districts of Holston is that of a small, family owned furniture company, whose owner always concludes his commercials by turning directly to the camera, pointing his finger, and saying his signature catch-phrase, **“Be there!”**

I am always amazed each year at our Board of Higher Education retreat to hear so many stories from students, volunteers and campus ministers that sound something to the effect: “I was away from my hometown for the first time. I needed a home. I attended a United Methodist Campus Ministry. I found a family. I was led to Christ. My faith was strengthened.”

It seems like with so many of these stories that I hear, when there was a need in a young person’s life, **Holston has been there!** Historically, this is true. Currently, this remains true. And in the future, this will hold true, because of Holston’s commitment to Higher Education and Campus Ministry.

Thanks to the much-needed financial and spiritual support of the Holston Annual Conference, campus ministry is right where it needs to be: next to the dorm of a homesick student; offering a Bible study to a young person who has questions about God; providing outreach opportunities at home and abroad for college age students who desire a break from the classroom to serve the Lord. And the list goes on.

And yet, there continues to be a tremendous opportunity for Holston on the campuses of the many colleges and universities of Holston Conference because either a United Methodist community exists there or will exist there. The Board of Higher Education encourages the local churches of Holston to do all it can to **be there** for the college age persons of its communities.

Please take a moment and review the reports listed below concerning the good things happening in regard to campus ministry and Higher Education in Holston.

– Chris Brown, Chairperson

East Tennessee State University Wesley Foundation

ETSU Wesley Foundation is having a very good year! I am in my second year as the director and I look forward to the future as I serve in this important appointment! Campus ministry is a vital service of the United Methodist Church on our campus. I deeply appreciate the support Wesley receives from the Holston Conference and the three districts (Kingsport, Johnson City, and Morristown) that support ETSU Wesley. Without your support we could not offer this ministry for our students at ETSU. Thank you!

The fall semester started with our Open House on August 28, 2011. Several new students attended Open House and many of these students have become a vital part of the ministry at Wesley. Highlights from the year include the following:

- Attendance for our Tuesday night worship service throughout the fall and early spring semesters has averaged approximately 50 students. At the time of this report we still have eight more worship services before school is out. Bishop Swanson will be preaching at ETSU Wesley on April 3, 2012. We have set a goal to have at least 100 students here for this special

worship service!

- Wesley's annual barbeque & auction raised \$20,132.18 this year. Since 2001, we have raised over \$238,132.18 through our annual auction!! Thank you for your support and continued support for 2012!
- Wesley has two worship services each week. Our regular worship service is on Tuesday night. We serve a meal at 5:30 pm followed by praise and worship with Word and communion. Wesley also offers a service on Sunday night (SNL) with student-led devotions, worship, and prayer time.
- Our leadership team consists of six interns. Each intern has a ministry focus that supports the ministry of ETSU Wesley. The six areas of focus are: Worship, Discipleship, Recreation, Mission/Outreach, Freshmen Ministries, and Communications. Each ministry area has a team of four to six members. Interns meet weekly with the director and each intern then meets weekly with his/her team. Discipleship is encouraged through the spiritual formation of the group through devotions, prayer, and service. Also, groups serve in their area of focus throughout the semester.
- Wesley has a fantastic group of active freshmen that joined us this fall!
- We continue our fall ministry to freshmen and are gearing up for this coming fall 2012.
- There are two mission trips in 2012. The first mission is during spring break to Mountain T.O.P. in Altamont, Tennessee. The second mission trip is in May, going to Four Corners Native American Ministries in Shiprock, New Mexico.
- Wesley is blessed with a fantastic praise band!
- Twenty students attended Divine Rhythm this January!
- Wesley helped with fund raising and the building of the 5th ETSU Habitat for Humanity House. We also participated in the Shepherd's Breakfast and Relay for Life.
- In the fall, our students raised \$500.00 for Mexico Ministry Mission in Chiapas, Mexico. Gary and Pat Allmon are serving in this community. Wesley donated several pairs of shoes for "Soles for Souls," donated clothes and food for residents living in the John Sevier Center in Johnson City, and served a bountiful Thanksgiving meal for the residents at the John Sevier Center.
- In February Wesley had a Super Bowl Party and raised over \$725.00 to support "The World Race." Two of our students, Garrett Hammonds and Grayson Fleetwood, will serve in 11 countries in 11 months starting this June.
- Four Wesley alumni are presently attending seminary. ETSU Wesley provides the Bedford Transou Trust Fund that pays for their books while attending seminary.
- We have established a vision team. The team consists of members from the Wesley Board. The vision team will be looking at the present and future needs of our ministry and building.

Written in 2000, our mission statement continues to be relevant and to challenge us:

To provide a safe Christian community that encourages spiritual and personal growth as students pursue God's call.

Additionally, a challenge that is before us is to find even more ways to reach out to the students on the campus and offer Christ to them.

I am so thankful for the wonderful opportunity to serve as Director of ETSU Wesley! The ministry opportunities are phenomenal here. The potential is great! Please pray for us as we continue to work with God in building a culture of discipleship on the campus of East Tennessee State University.

~John Ousley, Director

Radford University Wesley Foundation

One of the great things about our Wesley Foundations is that they are the United Methodist Church on the college campus. They are our connection to young adults who have left home for the first time and are searching – searching for how to fit in; searching for career choices; searching for mates; and searching for their church connection. The Wesley Foundation provides a home away from home for their personal and spiritual lives while they are in college.

The program at the Radford Wesley Foundation is supportive, nurturing, and, in general, amazing! The ministry offers the students an opportunity for worship, fellowship, fun, service, and study. They eat together, play together, and praise God together. The examples are endless but there are three we would like to share. On Sunday morning, the students from Wesley gather for breakfast and then worship as a group in a local congregation. On Wednesday evenings, the students gather to eat, fellowship, and participate in a program or activity. One Wednesday in February, the activity was to leave their building and take a meal to homeless men who were being housed at Grove UMC for one week as part of the To Our House Program. They cooked, they set tables, they served, and they visited with and shared the love of Jesus Christ with these men. Finally, each Tuesday and Thursday afternoon, the students are involved in a tutoring program for local elementary school students. The children are picked up after school and taken to the Wesley Foundation where they receive one-on-one tutoring. These are three examples of the outreach into the community that the Wesley Foundation provides.

The Radford Wesley Foundation is a ministry that deserves continued support by the Holston Conference by our prayers and our dollars.

This strong endorsement is from the Program Evaluation Committee of the Radford Wesley Foundation Board of Directors.

~Martee Buchanan, Director

University of Tennessee Chattanooga Wesley Foundation

Greetings from your United Methodist Campus ministry in Chattanooga! 2011-12 has been a wonderful year and we are looking forward to another great one this August.

This year we returned to the Dominican Republic where we continued our partnership with YWAM (Youth With A Mission) reaching out to school children and helping out a medical missions team from Atlanta, GA. Once again, we joined forces with our sister Wesley Foundation, The Wesley Foundation at UVA-Wise.

Our programming continues to go well with large numbers joining us for lunch on both Wednesdays and Thursdays as well as dinner and worship on Thursday evenings. Our lunches touch on the needs of several different groups at UTC. Many of the Physical Therapy students tell us that our Souper Thursday free soup lunch is a real blessing for them. Not only does it help them stretch their dollars but it also helps them fit a good healthy lunch into their busy schedule. We also have many students from around the country who are here studying English with the intent of entering an American university. These ESL students (English as second language) find a safe, hospitable place to enjoy a lunch with their professors and practice their language skills.

But these meals not only reach out to students, they reach out to the larger community as well. Many faculty and staff take the opportunity to enjoy a restful meal with us as well. The UTC maintenance and housekeeping staff is perhaps our most faithful group. In all this, we are fulfilling our mandate to minister to the whole campus community.

Additionally, our continuing vision to nurture the culture of call is bearing fruit as well. We currently have two members leading youth groups in the Chattanooga District. Justin Keating, a

2011 graduate, is currently moving through the candidacy process with the intention of pursuing the M.Div. within the next year. Ms. Katie Taylor is preparing to enter Asbury Theological Seminary this fall. The support of local churches and conference benevolences puts the Wesley Center in a unique position to help these young adults answer the call in their lives.

We do this by building relationships which are then cultivated over time. How do we do this? Through our regular programming events such as worship, Bible study and shared meals, also through events and other programs which help us to meet new people. Building new relationships with groups such as the ROTC helps us meet new students and involve them in events such as tornado recovery work in Bradley County. Our newest programming area, Wesley Outdoors, provides an opportunity for fellowship through a shared interest.

The care and feeding of young adults is an ongoing endeavor that demands a high degree of accessibility from the church and its leaders – to say nothing of the ongoing support of the church at large. It is demanding work but it comes with a great potential for the future. On behalf of the students, staff and Board of the Wesley Center @ Chattanooga, I offer many thanks to you for your ongoing support.

~Keith Moore, Director

University of Tennessee Knoxville Wesley Foundation

Greetings to you from your Wesley Foundation at the University of Tennessee at Knoxville! This has been a year of wonderful growth in our 90th year of campus ministry at UTK. We have welcomed many new first-year and graduate students into the life of the Wesley Foundation. We seek to be a home away from home by providing a welcoming and nurturing environment on the university campus. Through worship, fellowship, discussion, and service we seek to build an open and diverse Christian community.

Our weekly programs include worship, two free meals, Bible studies, and other small group gatherings. We also enjoy fellowship times through our Friday Night Stuff program, Saturday hikes, and other community outings. Our strong resident program has helped to make the Wesley Foundation home for seven UT students who help to make it a welcoming environment for all.

We have been able to participate with several campus ministry groups for worship and learning events. We have enjoyed ecumenical music and worship events, such as our Ash Wednesday service at the Hodges Library Auditorium. These collaborative efforts remind us that we are not in competition with one another; rather, we are working side by side in the work of Christ.

We have also welcomed guest speakers to address issues such as dealing with the psychological stress of college and learning about our brothers and sisters from other faiths. The students have been planning fundraising events and exploring ways to become active volunteers in community service agencies in the Knoxville area.

I am excited to see the many ways that God is working in the lives of these young people and look forward to seeing them help usher in the realm of God. Let us continue to lift them up in prayer and strive to work together to support them as they seek out their calling in life and faith.

~Rev. Tim Kobler, Director

University of Virginia's College at Wise Wesley Foundation

THANK YOU! Thank you, Holston Conference, for continuing to make reaching young adults at our college campuses a priority. Thank you to all the individuals, local congregations, districts and others who have sacrificially given to support the mission at UVa-Wise through apportionment and tithing dollars or other gifts of prayer, money, time and resources. Your support makes possible the vital mission of reaching our campus with the Good News of the gospel of Jesus Christ!

God's power is at work at UVa-Wise! As our students, faculty and staff are spurred on in love, they are developing deeper relationships with God. It is a critical task of the Wesley Foundation ministry to teach how to move beyond merely believing Christianity toward being Christian and living like disciples of Jesus Christ. This in turn creates leaders, both laity and clergy, who are impacting local congregations and their communities both now and long after graduation. Participants are encouraged to change the world by changing their lives and seeking a closer relationship with Jesus Christ.

The ministry at Wise has small groups and worship opportunities most days of the week. Groups are led not only by the campus minister, but also by students, faculty and staff. We continue to reach about 10% of our total student population through various ministries. Opportunities for growth include: Bible studies, book discussion groups, worship services, prayer groups, missions, outreach and witnessing opportunities.

The heart of student ministries at UVa-Wise is a call to action. Each month students tackle small mission projects that reach locally, nationally and globally. They have served as peer ministers on campus, adopted local prisoners' children at Christmas, sent soldiers cards, visited nursing home residents, and are engaged in eradicating poverty. Each semester the students invite residents of local homeless and domestic violence shelters to "Take My Place," at the table and the students cook for the residents and share God's love with the residents. This has resulted in a partnership with the local shelters. Students are now involved in a variety of projects benefitting the local shelter residents. Globally, Wise students joined students from UTC for a spring break mission to the Dominican Republic. Students served with a medical team and presented the gospel story in the community and at school assemblies.

The Wesley Foundation at UVa-Wise is rooted in God's risk-taking love, and is passionate about reaching our campus community with life-changing grace and open-armed acceptance. Students are witnessing to the UVa-Wise campus through various means. One highlight is the prayer teams that go to campus and walk around simply praying with and for those they encounter, as led by the Holy Spirit. We have seen lives changed, miracles and wonders of healing take place as the prayer teams are faithful to the call God has placed upon them.

We continue to offer Christ in diverse and meaningful ways to the UVa-Wise campus and community. The formation of disciples of Jesus Christ is our highest priority. Thank you for continuing to support this Wesley Foundation campus ministry that is of vital importance to edifying the United Methodist Church.

~Rev. Beth Tipton, Director

Emory & Henry College Campus Ministry

Grace and peace to you from the Office of Spiritual Life at Emory & Henry College! The 2011-12 academic year has been a time of growth and exploration in the lives of the participants in the Spiritual Life ministries on our campus.

Before the beginning of the fall semester, the student leaders of the Spiritual Life groups gathered for a two-day leadership training and planning workshop which was designed to equip the leaders for their positions and to get them excited about the beginning of the year. Welcoming new students emerged as a top priority. During Orientation, The Spark worship service began its third

year in ministry to students, faculty and staff in a casual, interactive setting on Sunday mornings. The Emory United Methodist Church also welcomed many students in worship that day. Other special events held in partnership with Emory UMC included Football Sunday, Greek Sunday, and Benefactors Sunday.

Our fall kick-off event featured a t-shirt tie-dyeing extravaganza and the musical artist Casey Darnell on the lawn of Memorial Chapel. Student groups created displays to introduce students to all of the Spiritual Life opportunities on campus.

Encounter worship, our contemporary worship service, spent the fall semester exploring the theme of "If We are the Body."

Get Centered, a Taize-style worship experience, began its third academic year with participants gathering on Thursdays at lunchtime to take a break from their busy schedules in order to relax and to focus on God's presence in their lives.

Campus Christian Fellowship welcomed about 50 persons to its beginning of the year picnic on the lawn of Memorial Chapel. The fruit of this event was evident in the increase in participation in weekly CCF meetings, which include service at Busy Bee's Day Care center, trivia challenges, and programs on topics including appropriate relationship boundaries, world hunger, and service in the mission field. "Will Sing For Food" presented an opportunity for students to exhibit their "talents" while collecting donations to support area food pantries.

Spiritual Life Housing is filled to capacity, with 5 male residents in House 17 and 7 female residents in Inazu House. These students are committed to developing a strong Christian community among residents as well as reaching out to the campus community with events such as Bible Studies and Cinnamon Roll Tuesday, as well as spontaneous acts of hospitality, fellowship, and support.

The Fellowship of Christian Athletes meets on Thursdays for a lunch meeting. Don Montgomery, head football coach, continues to coordinate this group which is facilitated by student leaders from our sports teams including football, men's and women's soccer, men's and women's basketball, and cross country. Participants also include persons who are not involved in athletics at Emory & Henry, but who have participated in High School and wish to continue this connection in college. FCA is continuing to offer "The Echo," a worship experience featuring music, games, and an inspiring speaker.

The Echo and Encounter have also joined together to offer a once monthly joint worship service with everyone from both groups participating in these serices.

Kerygma's year began with a retreat with 15 participants at Camp Dickenson in early September featuring the Rev. Sarah Moody Varnell as speaker. Regular meetings have included persons in the ministry (professors, area pastors, alumni, etc.) sharing their life stories and how they have answered God's call in their lives.

Higher Ground has set its focus on weekly Bible Studies for all students. This group has grown tremendously this year since it changed its format to a co-ed Bible Study on the Book of Colossians.

On September 11th, the Office of Spiritual Life remembered the events of September 11, 2001, with a candlelight vigil which focused on images of peace in the religions of the world. Students, faculty, and staff led and participated in this campus-wide event held in the Alumni Plaza.

Several Student Groups joined together to host a concert by Christian Artist Coffey Anderson. FCA, Kerygma, and Higher Ground contributed to a fun night of music and entertainment just before spring break.

The Theme of Emory & Henry's 2011 Martin Luther King, Jr. Celebration was "One Song – Many Voices." The event opened on Sunday evening with a concert featuring diverse musical styles that have been influenced by the African-American tradition. Many guest performers joined E&H's Concert Choir for this occasion. The closing number was a joint presentation by all of the musicians present. Voices and instruments united for a moving rendition of "We Shall Overcome." On Monday morning, Derrick N. Ashong, Afropolitan musical artist and renowned speaker, was the keynote speaker of the day. The day continued with several breakout sessions, a celebration dinner, and a slam poetry performance by "The Mayhem Poets" (which was co-sponsored by the Emory Activities Board). This event was attended by students, faculty and staff, as well as by persons from the surrounding community. Service opportunities were coordinated by the Appalachian Center for Public Policy and Community Service throughout the weekend.

In January, Emory & Henry was well represented at Divine Rhythm by over thirty students.

Over Spring Break, thirteen persons represented the College on an alternative spring break mission trip to the Dominican Republic. Hosted by missionaries Damon and Kim Bland, this group led a morning Vacation Bible School for high school students in Sabaneta and painted the area Mission House in the afternoons. The team also had the opportunity to participate in several worship services throughout the week, as well as to enjoy some area sites and cultural experiences.

Each year as the Chaplain at Emory & Henry College brings new adventures, challenges, and blessings. Having the opportunity to support student groups and to attend to the needs of students, faculty, and staff is a rewarding ministry. I continue to serve in a community full of spiritual diversity and exploration. Being the spiritual guide in such an atmosphere is an honor and privilege.

~Mary K. Briggs, College Chaplain

Hiwassee College Campus Ministry

Campus ministry continues to expand and be vital on the Hiwassee campus. The student leadership team is centered in the Christian Student Movement; and provides many avenues of spiritual growth and worship. School year 2011-2012 has been spent seeking God's will in mission and ministry with conversations occurring on many different levels. Our ministry theme for this school year was GETTING REAL (with God, ourselves, and the world).

CSM along with the Chaplain sponsored and/or participated in the following:

- Weekly required Chapel worship services
- Praise Team providing worship and music leadership
- Fall Retreat – centering on discipleship
- Divine Rhythm
- Weekly CSM meetings (praise/worship, Bible studies, prayer time, and recreation)
- Supported a weekly Bible study for male students (student led)
- Attended Winter Jam in Knoxville
- Hosted 2 swimming parties to welcome new students
- Relay for Life – Monroe County
- Buddy's Race for the Cure – Knoxville
- Provided music leadership for Young Life of Monroe County

The students involved in the ministry at Hiwassee College also raised funds for the Society of St. Andrew by educating the Hiwassee population to the need to work toward feeding needy children. The goals were to raise enough money to provide 10,000 meals for hungry children in Africa. The goal was met and surpassed.

Four students along with the Chaplain and the music instructor spent most of winter break in Costa Rica. Included on that trip was daily Bible study, providing VBS for 4 groups of children, evening worship, and hand-moving over 20 tons of gravel, sand, and concrete mix to lay a floor in a new UMC. These students also invested in course work to support this endeavor, a 15-page paper describing the mission trip, and a formal presentation to the faculty and students. When all was said and done, the students received 3-upper division credits and God was glorified.

During this school year three (3) students have been baptized and two have re-dedicated their lives to Jesus Christ.

Getting Real: I will instruct you and teach you about the direction you should go. I'll advise you and keep my eye on you. Psalm 32:8, CEB

~Betty Furches, Chaplain

Tennessee Wesleyan College Campus Ministry

Campus Ministry at Tennessee Wesleyan College has flourished with an active student leadership board, charged with planning weekly programs, Bible Studies, recreation, and weekly worship events. The venue for Wesleyan Christian Fellowship has moved from a location across the street from campus to the second floor of Old College, the college's oldest building, at the heart of campus, providing a constant reminder of TWC's heritage and the centrality of spiritual life to the life of the campus.

The WCF weekly program consists of contemporary music, provided by student musicians, a student-led prayer time and devotion (often with multi-media enhancement), followed by division into men's and women's small groups for discussion. WCF has also provided tote bags for the "Rice and Beans" ministry in Costa Rica.

We have eight students who meet monthly for a "Pre-Seminarian's Dinner" with Rev. Chris Dover and Rev. McDonald. The group discusses issues related to ministerial vocation, orders (deacons, elders), choosing a seminary, and what seminary is like.

Weekly chapel and chapel convocation services have also featured student leadership in preaching and providing music. A contemporary chapel service, with a chapel band, has attracted much interest, bringing student attendance at these services to an average of thirty. Guest speakers/musicians for the fall semester have included singer Celia Whitler from Nashville, Dr. Ellen Ott Marshall, Professor of Ethics at Emory's Candler School of Theology (Fall Religion Lectures), and Rev. Steve Brown, Trinity UMC, Athens, and Pastor Delmer Chilton, Assistant to the Bishop for the Southeastern Synod, Evangelical Lutheran Church in America. Leading United Methodist theologian and authority on spiritual formation in the Wesleyan tradition, Rev. Dr. David Lowes Watson, was Heritage Day speaker February 27-28, 2012.

Twelve students, faculty, and alumni participated in the Spring Break Mission Trip to Panajachel, Guatemala, through the auspices of United Methodist Volunteers in Mission. Working with our United Methodist missionaries there and their "Mission Guatemala" organization, we helped to build a playground for the school in the refugee community of Nueva Esperanza, installed seven stoves in homes needing them, helped in the distribution of food to feeding centers, assisted in the pre-school and medical clinic, and enjoyed the beautiful scenery around Lake Atitlan.

This year marks a transition in the chaplain's office at TWC. Dr. Sam Roberts retires from full time teaching at the college, and I will be moving into his position as chair of the Religion and Philosophy Department. Rev. Chris Dover, who has until now served in a part-time teaching capacity, will become college chaplain and director of church relations. It is with trust and joy that I commend him, together with his gifts and graces, to the college pastorate.

~ WILLIAM McDONALD, Chaplain

EMORY & HENRY COLLEGE

This has been an exciting year as Emory & Henry College celebrates the 175th anniversary of its founding by the Holston Annual Conference of the Methodist Church in 1836. Very few colleges in the nation have operated for 175 years under the same name and with continued affiliation with its founding organization.

The annual day in which Emory & Henry commemorates its chartering by the Commonwealth of Virginia has been renamed as "Founders Day" this year as the College acknowledges those individuals and groups whose efforts brought us southwest Virginia's first institution of higher education. Maryville District Superintendent Charles Maynard (E&H '77) delivered the Founders Day address and spoke about the efforts of early Methodists to provide educational opportunities and about Bishop John Emory, namesake of the College, for whom Emory University in Atlanta was also named and founded the same year. On behalf of the Holston Conference, Bishop James Swanson accepted a College citation officially expressing appreciation to the Conference for its long-standing commitment to education in the region.

New statues of the College's namesakes, Bishop Emory and Virginia Governor Patrick Henry, have been erected in the central campus this year as part of our 175th anniversary celebration. Pulitzer Prize winning historian Doris Kearns Goodwin visited campus as the anniversary keynote speaker and spoke about her book "Team of Rivals: The Political Genius of Abraham Lincoln." President Lincoln began his service to the nation a mere twenty-five years after the College's founding. A 175th anniversary pictorial history book has been published and is available for purchase by contacting our bookstore. And a spectacular fireworks display capped off an evening performance by the Chinese Opera Orchestra of Shanghai as the College community gathered on the anniversary of the laying of the cornerstone for the first building 175 years ago.

We have much to be thankful for as Emory & Henry continues to be recognized by outside observers for its exceptional value, successful student achievements, and superior faculty.

- For the second consecutive year, Emory & Henry has been named as a leader among institutions of higher education for their support of volunteering, service-learning and civic engagement. The Corporation for National and Community Service announced that Emory & Henry was one of eleven finalists nationwide for the President's Award, the highest federal recognition for commitment to service-learning and civic engagement. In 2009, Emory & Henry was one of only six colleges or universities nationwide to win the award.

- Emory & Henry was among 70 colleges and universities included in "America's Best Kept College Secrets." Institutions listed in the guidebook share four important characteristics: a superior institution that is exciting, challenging and welcoming; an excellent reputation with high regard from those who know colleges; acceptance rates

of more than 60 percent and retention rates of more than 85 percent; and a strong interest in applicants from outside its region.

- For the second year in a row Emory & Henry was featured as one of the top 25 colleges in the nation with the best professors. E&H was rated 12th in the ranking, which compiled student results for Forbes magazine by the Center for College Affordability and Productivity.

- Emory & Henry is among the top 20 colleges and universities in the nation that are most committed to community service, according to a new ranking by USA Today.

- Emory & Henry was named by Student Horizons again in 2012 as one of 100 “Colleges of Distinction,” a list recognizing its distinctive abilities to provide excellence in education and to dramatically improve the chances of success for their students. The listing recognizes schools on the basis of student engagement, excellence in teaching and the successful outcomes for students and graduates.

- Emory & Henry has been named among the “Top 30 Liberal Arts Colleges and Universities” in the nation by Washington Monthly. Rated 21st, Emory & Henry was the only Virginia institution included in the respected publication.

- Dr. Scott Boltwood, an Emory & Henry English professor who has distinguished himself in the study of Irish literature, was awarded a Fulbright Scholarship to research the history of the Ulster Group Theatre in Northern Ireland. He is one of only two dozen professors nationwide selected for the honor.

- An Emory & Henry professor whose research has contributed to efforts to detect cancer was named the 2011 Carnegie Foundation Virginia Professor of the Year. Dr. Jim Duchamp became the seventh E&H professor to be honored by the Carnegie Foundation as a state or national professor of the year. Emory & Henry has been honored by the recipient of this award, including one national award winner, more than any other college or university in Virginia.

- Emory & Henry is one of only 40 colleges and universities from across the nation listed in Loren Pope’s best-selling guide book, “Colleges That Change Lives.”

Since taking office in August 2006, a number of facilities improvements have been undertaken in order to continue our forward momentum.

- More than \$10 million in renovations to Byars Hall and Wiley Hall, the two most historic campus buildings, were completed. Both were designed to be “green” buildings and received LEED (Leadership in Energy and Environmental Design) Silver certification.

- Construction was completed last summer on a new \$5.5 million, 117 bed residence hall, which is helping improve the residential experience for students. The building should receive LEED Silver certification.

- Construction on a second new residence hall will begin this spring using passivhaus technology and geothermal heating and cooling, making this 119 bed facility even more efficient.

- The new Brooks Field House is under construction and should be ready for use in time for the first home football game. This will complete a \$6.5 million improvement project to Fred Selfe Stadium, which included installation of artificial turf on Fullerton Field for use by football, soccer, baseball and intramural teams, lighting for night games

and practices, perimeter fencing, a new scoreboard and a game day operations center. In addition, new dug outs, a game day operations center, and sound system were added to the baseball field.

- Architects have completed construction documents for the new \$17 million Woodrow W. McGlothlin Center for the Arts. The Center will help the College serve a growing number of students seeking degrees in the visual and performing arts while showcasing students and their talents to the larger community. Fundraising continues and we hope to begin construction within a year.

The Rev. Mary K. Pope Briggs (E&H '86) continues her spiritual outreach to faculty, staff and students of all denominations. She has revamped much of our Spiritual Life programming. Rev. Briggs recently received a Staff Appreciation Award for her leadership with our Martin Luther King Day activities. And finally, we are pleased that a number of our recent graduates will be attending divinity school at such distinguished destinations as Princeton University, Duke University and Wesley Theological Seminary.

As we celebrate our 175th year, I think that Methodists of the Holston Annual Conference who founded Emory & Henry in 1836 would be impressed that our mission and commitment to the intellectual, spiritual and physical growth of our students has not wavered. They would have to be proud that our relationship with the United Methodist Church remains strong. I know they would be appreciative of the continuing support we receive from the Holston Conference and its pastors and congregations, just as we are.

Inspired by our motto, Increase in Excellence, Emory & Henry College reflects with pride on our 175 year history and remains optimistic about our future together. We hope that you will recommend our special place to others.

Rosalind Reichard, Ph.D.
President

HIWASSEE COLLEGE

"Hiwassee College, founded in 1849 and associated with the United Methodist Church, is a liberal arts, residential institution of higher education, providing quality education for all students in an atmosphere that promotes intellectual pursuit, spiritual growth, and social and personal responsibility."

Hiwassee College's Mission Statement quoted above continues to guide the work of the college as we anticipate the beginning of the 164th year. Hiwassee's President, Dr. Robin Tricoli, is leading the college in making strategic plans for moving forward in programming, service to the community, and guiding students as they prepare for becoming a vital part of the nation's future.

The college received the following notification from the Transnational Association of Christian Colleges and Schools: "At the November 7-9, 2010 TRACS accreditation meeting, the Commission voted to accept the staff recommendation that Hiwassee College is now in full compliance with all recommendations that remained from the On-Site Evaluation Team Visit for Candidacy. No further Progress Report is required of the institution. I congratulate Hiwassee College, its administration, faculty and staff on its achievement and for its dedication and commitment to quality Christian higher education." One of the major results of this accreditation status was to once again enable the college to qualify for and receive access to both federal and state financial aid dollars – a benefit the college did not have during the previous two years. The college

has begun the process for moving from candidacy to full accreditation status.

The past year has been a time of many positives that position the college to move forward with renewed excitement and expectations:

- Increases in both fall and spring enrollment;
- The continuation of successful baccalaureate programs with increased participants;
- Increased retention rates over the past two years because more students are choosing to remain and complete the baccalaureate degree programs at Hiwassee;
- Increases in transfer student enrollment;
- The implementation of dual enrollment offerings in the three Monroe County high schools (246 students registered for 26 courses during the academic year);
- The inaugural class of 10 students in the dental hygiene program will be graduating in May 2012;
- Continued strong enrollments in pre-professional programs, business, criminal justice, equine science, agriculture, and education;
- A concerted effort to provide educational experiences for military families;
- Implementation of a successful Lecture Series which provided programming for students, faculty, and community;
- Several initiatives related to sustainability such as recycling, developing gardens for growing produce for the dining hall, implementing a kudzu eradication project, etc.
- Planning for a full summer of camps including academic, athletic, spiritual, band, and other camps;
- Campus-wide involvement in the Tiger Games – a day of competition for the Monroe County high school seniors from Sequoyah, Tellico Plains, and Sweetwater High Schools;
- Increased staffing in the area of student development.

A new Strategic Plan has been developed to take advantage of the traditional strength of Hiwassee's commitment to quality education in a Christian environment. In addition, the goal is to position the college for sustainability as we move forward in areas of resource development, new program development, environmentally responsible operations, and, most importantly, ensuring that our students develop the necessary skills to be servant leaders in an ever-changing society.

Plans are being implemented for improving certain areas of the campus in order to provide better facilities for students in the way of residence halls and recreational opportunities. Renovation of the swimming pool has served to attract not only students to the campus, but also community families and summer camps. The roof on one of the residence halls (Tom Black) has been completely replaced and plans are for interior renovation of both Tom Black and Allison to take place during the summer. Volunteer groups will be on campus this year to work on facilities renovation and other projects

around campus. Hiwassee has traditionally provided its facilities to groups from the Monroe County area. Improvements to campus facilities will benefit persons attending cultural events, theater and music productions, lectures, high school commencements, and activities of the Monroe Area Council for the Arts.

Over the past few years, the college has seen growth in the area of spiritual development. The Christian Student Movement (CSM) has continued with fine Bible teaching. Students are becoming better leaders and beginning to formulate their own theology. The weekly Chapel services continue to challenge the students' thinking. The CSM leaders join with the Hiwassee choral groups for presentations at various churches in the area. During the Christmas vacation, several students and faculty went to Costa Rica for a mission trip where they worked in Bible schools and with construction projects. The Dental Hygiene students have also been engaged in providing their services to various low income and special needs groups of young people and adults. In addition, students and faculty did volunteer work in Tellico Plains, TN, after the recent tornado. Students come away from events like this with changed hearts and attitudes and pass along these experiences to students on campus.

While the past few years have been very difficult from a financial standpoint, there is renewed enthusiasm about the future. Through a period of reduced budgets, the college benefitted from a wonderful spirit of volunteerism as persons from Knoxville to Chattanooga and various groups of NOMADS could be found on campus painting, repairing bathrooms in residence halls, landscaping, providing a system of increased security for the residence halls, refurbishing a rental house on campus, and many other "behind-the-scenes" physical plant improvements. Perhaps one of the most important benefits of this was the impact it made on students who were able to witness first-hand the concept of giving back to the community through servant leadership.

In summary, Hiwassee College continues her commitment to a close and dynamic relationship with the Holston Annual Conference and the United Methodist Church. The belief in and the support of the college by the Conference is greatly appreciated.

Submitted by the Hiwassee President's Office



Tennessee Wesleyan College; Annual Holston Conference Report

During the summer of 2011, Tennessee Wesleyan College welcomed its 21st president, Dr. Harley Knowles. President Knowles has 25 years of higher education experience. He served as vice president for student affairs and vice president for development at Shenandoah University, and most recently served as the vice president of advancement at the University of New England in Maine.

Representatives from the faculty, administration, and board of trustees met throughout the fall to develop a new strategic plan which calls for the development of several new academic programs including a master's in education, an online degree in nursing and possibly a master's in business administration, social work, and nursing. Feasibility studies are underway for each new program, with the master's in education program expected to begin in the summer of 2012.

Many of TWC's liberal arts and science programs continue to attract highly prepared students. We continue to enjoy high acceptance rates of TWC graduates into top graduate programs around the region.

The Center for Servant Leadership continues to achieve new milestones. In its second year of operation, the Center continues to connect students with opportunities to provide service to the community. Last year, students performed more than 5,500 hours of community service and are expected to far exceed that number this year.

Tennessee Wesleyan's athletic program has a long tradition of excellence, including several conference championships in men's and women's basketball and baseball. In addition to being champions on the field, the Tennessee Wesleyan athletes are champions in the community, providing numerous service hours throughout the region. The National Association of Intercollegiate Athletics (NAIA) has recognized Tennessee Wesleyan regularly for its exemplary efforts to instill values such as community service, sportsmanship, and leadership.

The spirit of Tennessee Wesleyan College remains strong and hopeful as it prepares for continued growth and change. New leadership, committed faculty and staff, and an energized board of trustees are all committed to working together to build a bright future for the college.

LAKE JUNALUSKA ASSEMBLY, INC.

As Lake Junaluska prepares to celebrate our 100th anniversary in 2013 we find ourselves proud of our rich past, energized by the present challenges, and excited about the bright future.

We cannot thank you enough for the generous support you have provided to us over the years. We are a part of you and you will forever be a part of us. We fully understand that the Southeastern Jurisdiction is facing significant challenges resulting in a reduction in the financial support provided to traditional partners, including Lake Junaluska. We want to assure you that we are preparing well for a different form of partnership with the Jurisdiction and you, the annual conferences, but do want to strongly affirm our desire to be in true partnership with each of you.

We are making some important improvements with the goal of serving you more effectively. In 2012 we will spend over \$1,000,000 on capital improvements to our facilities including \$300,000 from the NC Energy Office for the replacement of inefficient heating and cooling systems. Being more “green” is one of our goals for the future. We will use the remainder of the capital improvement funds to get a jump start on a campus master plan which is a part of the overall strategic plan approved by our Board of Directors in October. Included in the plan are the interior and exterior renovations of the Terrace Hotel and Lambuth Inn, the replacement of the Harrell Center and Jones Cafeteria, and the updating of Stuart Auditorium. These changes will be taking place over the course of the next several years but there should be noticeable changes the next time you come to visit us.

The success of every organization is directly dependent on having the right people in the right positions doing the right things. It is also important to have the right number of people in place. There are fewer people employed at Lake Junaluska than there were a year ago at this time, a necessary change given our financial realities. The remaining staff have willingly taken on additional responsibilities and are doing them very well.

Hosting the 2012 SEJ Conference will be a very important event for us. We are doing all we can to prepare for this conference with the hope that every delegate leaves here knowing that we have been good stewards of the resources that have been given to us.

Our mission statement for Lake Junaluska is to be a place of Christian hospitality where lives are transformed through renewal of soul, mind, and body. The significance of having a clear mission statement that people remember and refer to has been impactful. Continuing to create a culture of excellence and fabulous Christian hospitality will be our primary focus in 2012.

The future of Lake Junaluska is indeed very bright! Thank you for your incredible support as we have begun to live more fully into the potential of this place we call Lake Junaluska.

Jack Ewing, Executive Director

AFRICA UNIVERSITY
2012 REPORT TO HOLSTON ANNUAL CONFERENCE

“When you pass through the waters, I will be with you; and when you pass through the rivers, they will not sweep over you. When you walk through the fire, you will not be burned; the flames will not set you ablaze.” – Isaiah 43:2

At its inception, many doubted that the dream could be realized. Yet, in February 2012, Africa University launched a year-long celebration of its 20th anniversary. It has quite a story to tell.

“We serve a faithful God,” says Dr. Fanuel Tagwira, vice chancellor. “As we now celebrate 20 years of existence, we can say ‘Ebenezer’, for this far the Lord has taken us. He will surely take us further because we serve a God who finishes what he starts.”

Recalling the challenges the University faced during Zimbabwe’s economic crisis in 2008-2009, Tagwira noted that “God was on our side...other universities, primary and secondary schools, and hospitals closed, but Africa University students never lost a day of classes.” For this, Tagwira offered his thanks to The United Methodist Church for its responsiveness and unwavering support.

In 2011, the Holston Conference was one of twenty-seven annual conferences that paid 100 percent of their apportioned share of funding to Africa University. The University is profoundly grateful to the leadership and local congregations of the Conference for their generous apportionment contributions to the Africa University Fund.

Enrollment at Africa University is at an all-time high. The current total population of 1634 students is 42% higher than it was for the 2010-11 academic year. There are 23 African countries represented in the student body. At Africa University, male and female students are almost evenly balanced—something that bodes well for increasing the participation of women in decision-making and leadership roles in Africa.

New programs are helping Africa University to grow and remain relevant to community needs across the continent. New academic offerings include undergraduate degree programs in Computer Science and Laboratory Science as well as graduate degree programs in Child and Family Studies, and Public Policy and Governance.

The University is preparing to launch online distance learning. Online training options will focus on areas such as practical theology, health, and business. The initial target countries for Africa University’s online distance learning outreach are Angola, Côte d’Ivoire, Democratic Republic of Congo, Liberia, Mozambique, Nigeria, and Sierra Leone.

In June 2011, 349 students from 19 African countries graduated. The graduating class was comprised of 69 graduate students receiving master’s degrees, and 280 undergraduate students receiving bachelor’s degrees. The Class of 2011 swelled the ranks of Africa University graduates to more than 4,000 since first opening its doors in March 1992.

In their home countries, graduates are addressing critical issues of hunger, poverty, disease, lack of knowledge, and conflict, all of which prevent millions of people in Africa from enjoying God’s promise of abundance (John 10:10; Jeremiah 29:11).

At 20, Africa University is part of a crucial feeder system for nurturing a new generation of principled leaders in Africa as evidenced by the number of graduates who are evangelists, pastors, lecturers and administrators of schools, seminaries and universities.

“Many believe that Africa University, voted into being by the 1988 General Conference, is the most exciting ministry that The United Methodist Church has ever founded,” says Tagwira. “It is a model of connection; shared responsibility; and best of all; it is a tangible witness to how United Methodists live out the Word of God in a chaotic and self-centered world.”

This year, encourage your church to give 100 percent of its Africa University Fund apportionment. The Africa University Fund supports day-to-day operations. Your support helps young people acquire the tools and skills to spread the Gospel of Jesus Christ, heal communities, enable dignified living, and foster hope. Thank you for believing in and supporting Africa University.

James H. Salley, Associate Vice Chancellor for Institutional Advancement, Africa University
March 1, 2012

For more on Africa University, visit: www.support-africauniversity.org or like us on Facebook

CANDLER SCHOOL OF THEOLOGY

Candler School of Theology prepares real people to make a real difference in the real world. Our commitment to authentic discipleship and relevant ministry enables us to develop uniquely well-rounded leaders who are challenged academically, encouraged spiritually, and immersed in Christian service from the first day they arrive on campus.

As one of the 13 official seminaries of The United Methodist Church, Candler is grounded in the Christian faith and shaped by the Wesleyan tradition of evangelical piety, ecumenical openness, and social concern. As one of seven graduate professional schools of Emory University, Candler provides a rich context for learning and formation supported by the extensive resources of a top-tier research university. As a school located in the major metropolitan area of Atlanta, Candler offers students a learning environment that reflects the highly diverse communities of our 21st century world. There is no better place for ministry preparation that addresses our major denominational priorities: developing leaders, starting and growing churches, ministry with the poor, and improving global health.

Candler's student body continues to reflect the diversity and breadth of the Christian faithful. Our enrollment stands at 479, with 372 seeking the Master of Divinity, 64 the Master of Theological Studies, 19 the Master of Theology, 17 the Doctor of Theology, and 7 enrolled as Special, Non-Degree students. The total student population is 22% U.S. ethnic minority, 8% international, and 50% women. Forty-four denominations are represented, with 52% of MDiv students being United Methodist. The median age of our entering class of MDiv students is 26, with 50% of total enrollment under thirty.

An extraordinary gift of \$15 million from the O. Wayne Rollins Foundation will make possible the construction of the second phase of the school's new building. In recognition of this gift, the first building—a 65,000-square-foot facility completed in 2008—will be named in memory of the late Rita Anne Rollins, the first grandchild of the foundation's namesake. The new building will house the Pitts Theology Library, additional classrooms and offices, group study areas, and the Wesley Teaching Chapel.

Candler and The General Theological Seminary (GTS) in New York have formed an innovative partnership that includes the sharing of library resources, collaborative educational programs, and the exchange of both students and faculty members. The partnership began this fall with the transfer of 90,000 volumes from GTS to Candler's Pitts Theology Library, and will continue to expand this year via student/faculty exchanges and continuing education programs.

Candler has introduced two new ways to make theological education more accessible. First, we launched a Tuesday-Thursday format for core courses for our incoming students in order to lessen the burden of commuting. Second, we began offering certain courses in an online or hybrid format. Two courses were piloted in January term and spring semester. We remain deeply committed to the highest quality education for our clergy and will offer only those hybrid and online courses that meet a gold standard of excellence in teaching and learning outcomes. Faculty members undergo rigorous training in order to translate their courses to an online format.

Candler continues to emphasize preparing our students for leadership in an increasingly global context. We now offer 17 academic exchanges with theology schools across five continents and 15 countries, including many related to The United Methodist Church. In addition to our ongoing summer internship program with the Methodist Church in

the Bahamas, this year's travel seminars included the Middle East Travel Seminar in May-June and World Methodist Evangelism Institute evangelism seminars to Colombia, Indonesia, and Israel.

A hallmark of the Candler MDiv experience, the two-year Contextual Education program shapes our students' pastoral identities by interweaving service at ministry sites with academic analysis in the classroom and spiritual reflection in pastor-led small groups. In any given week, Candler deploys more than 250 ConEd students throughout the region to minister to people in congregations, hospitals, and social service agencies. This year we have continued Candler Advantage, a program designed to pay rising third-year MDiv students for summer internships in congregations so they can further hone their pastoral skills beyond the first two years of ConEd.

Candler's Lifelong Learning events strengthen the church by providing opportunities for clergy and lay leaders to learn more about the practice of ministry. Our Fall Conference, "The Art of Preaching in the 21st Century," brought to campus some of the most respected names in preaching, including Otis Moss Jr. and James Howell. The Spring Conference, "The Singing Church," gathered experts to lead an exploration of the best practices and emerging trends of congregational song.

In addition to our Lifelong Learning events, Candler oversees the educational process of more than 900 people each year through the Course of Study regional school and our five extension schools in the Southeast.

Despite today's challenging economic climate, Candler remains steadfastly committed to making theological education financially feasible. Although our operating budget essentially remained flat this year, we dedicated \$4.5 million to financial aid. Seventy-seven percent of eligible students received Candler-based financial aid, with the average award covering more than two-thirds of tuition.

Our widely respected faculty continues to distinguish itself, both in academia and in churches and denominational bodies at local, national, and international levels. This year, faculty members garnered prestigious grants and fellowships from the Guggenheim Foundation, the National Endowment for the Humanities, and the Louisville Institute, among others. Dr. Carol Newsom recently completed a term as president of the Society of Biblical Literature. In Fall 2011 we welcomed two new faculty members: Jennifer Ayres in religious education and Anthony Briggman in the history of early Christianity. In Fall 2012 we welcome Neil Alexander, current bishop of the Episcopal Archdiocese of Atlanta, as director of our Anglican Studies Program and Ted Smith as assistant professor of homiletics and ethics. Our UM faculty presence remains strong, with 36 percent of our full-time faculty being United Methodist.

Candler draws considerable strength and inspiration from its relationship with The United Methodist Church. Our ability to fulfill our mission of educating faithful and creative leaders for the church's ministries in the world depends upon your support, gifts, and prayers. Thank you for the countless ways you advance this vital ministry in the life of our denomination. We invite you to visit us in person in Atlanta or online at www.candler.emory.edu to see firsthand how Candler prepares real people to make a real difference in the real world.

Jan Love, Dean and Professor of Christianity and World Politics
Candler School of Theology

DREW UNIVERSITY THEOLOGICAL SCHOOL

Drew Theological School, deeply rooted in its United Methodist heritage, is a place that empowers its students to conceive and implement dynamic ministries. Drew offers the MDiv, MA, MAM, STM, DMin, and PhD degrees, as well as certifications in Camp and Retreat Ministry, and Spiritual Formation. Academically rigorous and spiritually revealing, Drew develops religious leadership prepared for these ever-changing times. Drew offers 100% tuition scholarships to all United Methodists who meet all admissions requirements and have a 3.5 undergraduate GPA or higher.

In the fall semester, I had the honor of welcoming a new class of students to Drew. This new class is composed of 73 masters and 13 PhD students. In addition, we also admitted 58 DMin students who started the program in the various cohorts around the country. We also welcomed another 19 students in the spring semester. We began the new academic year with a new Associate Dean for Academic Affairs in Dr. Morris Davis, Associate Professor of the History of Christianity and Wesleyan/Methodist Studies and welcomed two new faculty members and a post-doctoral fellow. Dr. Kate Ott joined us as Assistant Professor of Christian Social Ethics, Dr. Elías Ortega-Aponte as Assistant Professor in Afro-Latino/a Religions and Cultural Studies, and Dr. David Evans as a post-doctoral fellow position and Lecturer in the History of Christianity.

As we began a new academic year, I was reminded of Drew's impact and contribution in the global context. I had the privilege of visiting Drew alumni in Hong Kong, Taiwan, Malaysia, Singapore and South Korea. Our alumni spoke with great appreciation of the education they received at Drew and the professors who taught them. Drew's influence in Korea, in particular, is historic. Henry G. Appenzeller, a graduate of Drew in 1885, brought Methodism to Korea. Appenzeller's connection with Drew has brought hundreds of students from Korea to Drew. Today, we have alumni teaching in seminaries and universities and serving churches in Korea.

I have enjoyed teaching a course on the General Conference and will be taking the class to Tampa. We were honored to have leaders such as Jim Winkler, General Secretary of GBCS, Harriett Olson, Deputy General Secretary of the Women's Division, and Erin Hawkins, General Secretary of GCORR, come and speak to the class. Three members of the Drew community are serving as delegates to the General Conference: Mark Miller, Tanya Bennett and myself.

We are living into a "majority minority" faculty, staff and student body at Drew that trains leaders for the church that will be soon serving in a "majority minority" world. Forty-five percent of our faculty is African/African Americans, Asian/Asian Americans, and Latino/a. We have almost an equal number of women and men on the faculty.

We are thrilled to have received a grant of \$75,600 from the GCORR Action Fund for the purpose of widening the ethos of multi-ethnic theological education. The grant will assist us in a thorough curriculum review with the hopes of enhancing every aspect of the multi-lingual, multi-ethnic, and multi-cultural reality at Drew.

Creative, cutting-edge, inclusive, multi-cultural, social justice ministry is part of the legacy of Drew, and I am proud to be associated with it! Below are just a few other ministries that make me proud to be associated with Drew.

Bishops in Residence at Drew

I have enjoyed meeting Bishops and many Boards of Ordained Ministry to convey our desire at Drew to be a resource to the entire denomination. I am particularly pleased that Drew is hosting a January Term class taught by UM Bishops. This past January, Bishop Alfred Johnson taught a class in urban ministry. He recently shared with me some reflections about his experience teaching here at Drew: "I am deeply impressed with the quality, depth and reflective experience of the students in my class. Both their reflection, inquiry and contribution to the field of urban ministry greatly deepened my own theological reflection and praxis."

In January 2013, Bishop Peggy Johnson of the Eastern PA and Peninsula Delaware Conference will teach a class on Ministry with People with Disabilities. In January of 2014, Bishop Jane Middleton of the Central PA Conference will teach a class on Ministry and Health.

United Methodist Liaison at Drew

The Rev. Jeff Markay continues to work with our UM students by introducing them to the leaders and resources within our denomination. He helps them navigate the process toward commissioning and ordination as well as with issues of discernment. We have monthly UM Lunches to meet with bishops, and leaders of the general agencies, conferences and connection. We are grateful for every opportunity to build a UM ethos here at Drew so that the connectionalism is strong when our students graduate to become leaders in their settings of ministry. We are also grateful to have the Rev. Susan Worrell as the Deacon Liaison on campus who shares resources and wisdom with those hearing a call to the Ministry of the Deacon in the UMC.

Center for Clergy and Congregational Health and Wholeness

In the fall of 2011 representatives from GBOPHB of the UMC came to Drew to meet with Dean Samuel and me. The purpose of the visit was to explore developing a partnership between the two institutions to address issues of clergy health. This cooperative partnership will lead to two things in 2012, namely, the launching of a longitudinal study on the health habits of seminary students while in seminary and for five years upon graduation and a conference, bringing together deans and presidents and staff members from the 13 UM seminaries, to be held in June on Clergy Health and Theological Education.

Taking seriously our shared lot in a global community, theological education is not just interested in "small talk"— we strive for hard talk, demanding friendships and challenges. We at Drew look forward to working with the good and faithful people of the UMC as we forge deeper friendships in the shared ministry of making disciples of Jesus Christ for the transformation of the world.

Kah-Jin Jeffrey Kuan
Dean, Drew University Theological School

DUKE DIVINITY SCHOOL

The academic year 2011–2012 has been a year of strengthening the foundation of our mission and vision for Duke Divinity School. After completing his initial two-year appointment as dean, Richard Hays has accepted a full-term appointment by the President and Provost of Duke University to continue in the role as Dean of Duke Divinity School. Lacey Warner, who has served as associate dean for academic formation and programs and associate professor of the practice of evangelism, has accepted the position of Executive Vice Dean. She will oversee the day-to-day operations of the school, including oversight of academic programs, centers, and initiatives. We are thankful to have in place two exceptionally qualified leaders.

The school's highly successful existing degree programs (M.Div., M.T.S., Th.M., and Th.D.) continue to attract some of the most talented and committed men and women who desire to be trained for ministry at Duke Divinity School. The M.Div. program remains at the heart of the school's mission, serving as the basic program for the formation of students called to ordained ministry.

We were very pleased to welcome a diverse, energetic, and academically strong group of new students in the fall of 2011, our largest. Of the 151 entering students seeking the three-year M.Div. degree (bringing our total M.Div. enrollment to 443), 52 percent are United Methodist, 15 percent are Baptist, 8 percent are Anglican or Episcopal, and 4 percent are Presbyterian. Forty-six other denominations round out the M.Div. class.

At the same time, the Divinity School has expanded in recent years to include new degree programs, centers and initiatives, houses of study, and a Leadership Education program. During the past year we have sought to articulate the ways that all of these efforts are integrally connected to the mission of the school. These various components of Duke Divinity School are not separate silos of ministry or learning. Instead, they all work together to embody our vision for the future of the church. The Center for Reconciliation, Leadership Education, Duke Initiatives in Theology and the Arts, and Christianity and Healthcare all build bridges to meet needs in the church, academy, and the world.

Our three new degree programs, which formally launched in 2011, are off to a successful start:

- The Master of Arts in Christian Studies (M.A.C.S) welcomed 18 students to this one-year, residential program. This degree provides theological reflection for people called to non-ordained ministry or service to the church or for students seeking an introductory exploration of theological studies
- The Master of Arts in Christian Practice (M.A.C.P.) began this summer with a cohort of 13 students in the Youth Ministry track. Their first intensive week of classes in residence coincided with our Duke Youth Academy in June 2011. The program uses web-based distance learning in coordination with one-week intensive classes in residence so that people can remain in their place of ministry and still receive quality training in theology and Christian practice.
- The Doctor of Ministry (D.Min.) is a professional doctorate providing advanced study for ordained clergy seeking to deepen and enhance their practice of ministry. Twenty-four students began the program this year. The focus of this first cohort is Leadership in the Christian Tradition.

The quality of the faculty at Duke Divinity School continues to set the standard for theological education. Three professors were awarded prestigious recognition for their books. Willie Jennings, associate professor of theology and black church studies received an award from the American Academy of Religion (AAR) for his book, *The Christian Imagination: Theology and the Origins of Race*. Norman Wirzba, research professor of theology, ecology, and rural life, won “Book of the Year” honors from The Englewood Review of Books for his book *Food and Faith: A Theology of Eating*. And *American Religion: Contemporary Trends* by Mark Chaves, professor of sociology, religion, and divinity at Duke, was named “Book of the Year” by *Christianity Today*.

In addition to our core mission of academic and spiritual formation, Duke Divinity School experienced exciting developments in our centers and initiatives.

The Center for Reconciliation was given a \$300,000 challenge grant from the Stewardship Foundation to explore and expand global reconciliation efforts. Director Chris Rice has made exploratory trips to central Europe and East Asia to gather information about how to best deploy the influence of the Center and the Divinity School. The Center continued its existing programs: the Summer Institute at Duke Divinity School, which equips Christian leaders for the task of reconciliation; formation in reconciliation for students, including summer field education placements; and support for the Africa Great Lakes Institute, which brings together Christian leaders from east Africa to focus on reconciliation.

The Duke Initiatives in Theology and the Arts, led by Professor Jeremy Begbie, continues to develop a robust series of theological and artistic engagements. The 2011 Convocation & Pastors’ School was devoted to this theme: Jeremy Begbie delivered the Gray Lectures, Duke University music professor Anthony Kelley performed with the BLAK Ensemble, novelist Marilynne Robinson gave a reading and interview, and the Rev. Lillian Daniel preached the Convocation sermons.

Leadership Education at Duke Divinity oversees programs for the United Methodist Church, including Clergy Health Initiative, a \$12 million, 7-year program to improve the health of United Methodist clergy; Thriving Rural Communities; and Study Leave for Ministry Professionals. The Duke Youth Academy for Christian Formation attracts dozens of high-school students each summer. Finally, *Faith & Leadership*, the online magazine of Leadership Education, continues to extend the reach of Duke Divinity School to provide deeper reflection on Christian leadership through video interviews with transformative leaders, theological reflections, and in-depth articles. See <http://faithandleadership.com/>

We remain deeply grateful for the relationships among the United Methodist Church, this Annual Conference, and Duke Divinity School. We look forward to working cooperatively with you in the task of preparing men and women for Christian ministry. To learn more about Duke Divinity School, please visit our website at:

www.divinity.duke.edu.

Respectfully submitted by:

Richard B. Hays

Dean and George Washington Ivey Professor of New Testament



**Gammon
Theological Seminary**
LIGHT, FREEDOM, TRUTH,
BE EVER THESE OUR OWN

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Dr. Albert Mosley
President-Dean

Gammon Theological Seminary, located in Atlanta, GA, is the United Methodist constituent member of the Interdenominational Theological Center (ITC), a consortium of six historically African American theological schools. Gammon/ITC is a co-educational, professional graduate school of theology. Its faculty personifies vigorous scholarship, rigorous academic discipline, and significant research in the service of the church and other communities in the world. Gammon/ITC is the world's premier resource for black church scholarship and faith-based solutions to the spiritual and socio-economic challenges confronting the African American community and beyond.

Founded in 1883 by the Methodist Episcopal Church and with assistance from the Freedman's Aid Society, today Gammon Theological Seminary is one of the 13 theological schools of the United Methodist Church. The faculty and administration of Gammon/ITC create an environment in which critical thinking, investigative reflection, decision making, and responsible action are fostered. Gammon/ITC is a member of the Atlanta University Center Complex, the world's largest enterprise of African American higher education. It is also a member of The University Center of Georgia and the Atlanta Theological Association. The school is fully accredited by the Association of Theological Schools and the Southern Association of Colleges and Schools.

Gammon/ITC offers the following degree programs: the Master of Divinity, the Master of Arts in Religious Education, the Master of Arts in Church Music, the Doctor of Theology (Th.D.) in Pastoral Counseling, and the Doctor of Ministry (D.Min.). There are also a number of dual degree programs offered in cooperation with seminaries and schools in the Atlanta Theological Association. Admission is open to qualified men and women of the United Methodist Church.

Because of the support of this Annual Conference, Gammon/ITC students carry on a proud tradition. They are taught to think independently and communicate effectively. They are also challenged to become involved in finding solutions to problems that affect the human condition, and to become active in the community beyond this campus. Additionally, graduates of this institution are encouraged to maintain a lifelong desire for intellectual growth, spiritual development, and the acquisition of skills for the practice of ministry.

Gammon/ITC has had a very exciting and busy year living out its mission, which is to recruit, support and educate pastors and leaders for the United Methodist Church. There are at least three significant ways that we have lived out our mission and furthered our vision:

- 1) Enrolled one of the largest entering classes on record for our institution. This entering class is comprised of young persons (average age of 25) called by God to be prophetic leaders for the mission of making disciples of Jesus Christ for the transformation of the world.
- 2) Instituted the Merit Scholars Program, which is a scholarship for incredibly bright and called students, that covers full tuition and fees. Gammon/ITC is able to attract these students because of your contributions to the Ministerial Education Fund.
- 3) Launched the Center for the Study of Religion and Race. Gammon/ITC's historic commitment to producing public theologians – men and women who are spiritually astute, intellectually keen, politically sophisticated, and culturally sensitive – is advanced with the establishment of this Center. With assistance from the General Commission on Religion and Race, it is Gammon/ITC's desire to continue the great work of addressing issues of cultural competency, advocacy and education in areas that further racial justice and equity.

Gammon Theological Seminary is extremely grateful to this Annual Conference for your support of theological education, and for your commitment to ensuring that God's church will be served by persons who are called and trained to lead us forward.

GARRETT-EVANGELICAL THEOLOGICAL SEMINARY

Garrett-Evangelical Theological Seminary continues its commitment to its core purpose: to know God in Christ and, through preparing spiritual leaders, to help others know God in Christ. We continue our deep and abiding commitment to prepare bold and articulate leaders who share the transforming love of Jesus Christ.

Last fall the seminary welcomed 93 new students, raising our total enrollment for the fall to 382, a 9 percent increase from the previous year. Fifty-four percent of the student body are women. The average age of the diverse and highly qualified new Master of Divinity class is thirty-one. More than thirty religious traditions, four continents, twelve countries and thirty-two states are represented in the student body. Two hundred four students are United Methodist. Thirty-four additional students come from other Pan-Methodist denominations.

Garrett-Evangelical's commitment to making seminary education affordable is reflected in the annual awarding of more than \$2 million in institutional financial aid to students. This year the seminary added the Linked in Ministry Scholarships. This 100 percent scholarship is awarded to the first student admitted to Garrett-Evangelical from his/her United Methodist annual conference who maintains a 3.3 GPA or above and who is a registered UMC candidate for ministry.

Following more than a year of renovation, Loder Hall and Stead Hall (formerly Lesemann Hall) reopened to the seminary community during the summer. Loder, a Gold-certified LEED facility (Leadership in Energy and Environmental Design), includes a student center, student lounges, a state-of-the-art classroom, a dining hall, two small chapels, modern residence rooms with private baths, and guest suites. Stead Hall includes a conference room, library offices, and the Stead Center for Ethics and Values.

Care for creation is reflected in the seminary's participation in the Green Seminary Initiative, which fosters efforts by theological schools to incorporate an ethic care for creation into the identity and mission of the institution. Garrett-Evangelical is a founding participant in the Blessed Earth Seminary Stewardship Alliance, a collaborative project among seminaries for the purpose of preparing future church leaders to be catalysts for positive change around issues of environmental sustainability.

A new partnership with Associated Mennonite Biblical Seminary (AMBS) in Indiana gives Garrett-Evangelical students the opportunity to obtain a concentration and/or certificate in Peace Studies, and AMBS students can meet United Methodist ordination requirements through a certificate in United Methodist Studies earned through Garrett-Evangelical. Each school provides staff to advise students in these programs, affording students access to areas of strength at the other institution.

In October the Institute for Transformative Leaders and Communities hosted the "Captured by a Compelling Narrative Conference: A Christian Story for a New Generation." The two-day event engaged church leaders and educators in an exploration of ways to proclaim the Good News for a new generation, focusing on developing a vision for fostering transformative witness within faith communities. Presenters included Walter Fluker, the Martin Luther King Jr. Professor of Ethical Leadership at Boston University School of Theology; Mike Slaughter, lead pastor at Ginghamburg

Church in Ohio; and Diana Butler Bass, specialist in American religion and culture.

Plus, a program of the Institute for Transformative Leaders and Communities, is the first of its kind cooperative executive education program of Garrett-Evangelical and Northwestern's Kellogg School of Management. The three-year leadership certification program for seminary graduates and other professionals in ministry includes six seminars led by experts in non-profit leadership, as well as one-on-one coaching, pairing individuals with effective and experienced certified clergy coaches.

Intersection, a new and innovative continuing education opportunity, incorporates readings, online presentations by seminary faculty, and reflection on contemporary issues of life and ministry, providing an intersection of academic studies with the concern for practical ministry. Topics range from theology, biblical interpretation, and church history to ethics and the church in society. Continuing education credit is available. Additional information is available at <http://www.garrett.edu/intersection>.

Garrett-Evangelical helps develop bold local pastor leaders through the United Methodist Course of Study School. Held on campus each year during the last three weeks of July, this quality education and formational experience is guided by a strong and committed faculty. The multi-cultural program offers classes in three languages: English, Spanish, and Hmong. In addition to the on-campus residential model, Garrett-Evangelical supervises three extension locations: Indiana, Illinois Great Rivers, and Upper Midwest (Iowa).

The seminary continues to raise \$2 million to endow the Rueben P. Job Chair in Spiritual Formation. The chair will ensure that the seminary remains at the forefront of developing and enhancing spiritual formation studies at the certificate, master's and doctoral levels.

The expanded Doctor of Ministry program offers four tracks of study: Congregational Leadership, African American Congregational Leadership, Spiritual Direction, and Mission in the Contemporary United States. The Garrett-Evangelical DMin program is also a portal to the Association of Chicago Theological Schools' (ACTS) DMin program in preaching.

Two esteemed members of the Garrett-Evangelical faculty retired at the end of the academic year following a total of over 30 years of service:

Dr. James Poling, Professor of Pastoral Care, Counseling and Theology

Dr. Kenneth Vaux, Professor of Theological Ethics

Garrett-Evangelical serves over 550 students in degree-related courses, certificate programs and our summer Course of Study School. We encourage you to visit our website, www.garrett.edu, and to visit us on campus. Garrett-Evangelical's commitment to theological education will continue to expand and improve through 2012. We are proud to serve the United Methodist Church, and we ask for your continuing prayers and support as we pursue our mission and our renewed vision.

Philip A. Amerson
President



By Wendy J. Deichmann, President
January 2012

Is God calling you or someone you know to the ministry of Jesus Christ? If so, we invite you to explore how United can assist you in fulfilling God's purposes for your life and how you can help others in this journey. Come and check us out in person or online at www.united.edu!

United is one of the fastest growing, accredited seminaries in North America. Why are Christian disciples and leaders signing up for our traditional and online programs? They do so because United is committed to teaching the Bible and the historic Christian faith, cultivating spiritual formation for personal and social holiness, and renewing the Church for the mission of Jesus Christ in the world. What could be more important or exciting?

In addition to expanding our service in the Midwestern US, United will continue to enhance its use of technology to deliver theological education in underserved regions in North America and beyond. United's hybrid/online UMC FLEX Master of Divinity degree was designed specifically to meet the requirements of the UMC for ordination and it is accessible anywhere with good Internet service.

Three new professors will join our excellent team of faculty in 2012. Additionally, United's doctoral program will add new mentors and focus groups around the ministries of renewal, mission, preaching, healing and Christian education. United's hybrid/online UM Course of Study is expanding each semester, along with UM Certification offerings.

Please let us know if you have questions about how we can best assist you or, if you would like to help make it possible for an American or international student to study at United.

Enrollment at United is growing steadily and we invite you to call or visit soon!

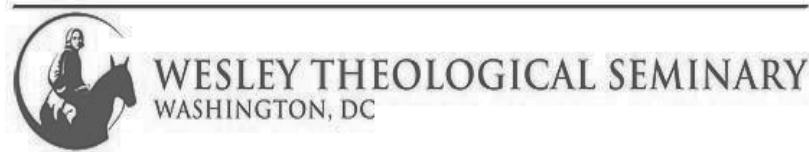
For more information, please contact admissions@united.edu.

Thank you for your prayers, partnership and service in the ministry of Jesus Christ!

www.united.edu

Spirit Led, Renewing the Church!

United Theological Seminary • 4501 Denlinger Road • Dayton, Ohio 45426



Wesley Theological Seminary, Washington, DC

Last year saw extraordinary growth and many changes at Wesley Seminary. Our newly refurbished Library enhances the study and research space on campus. It offers additional break-out rooms with audio-visual capabilities and a community gathering space for coffee and snacks.

Our academic programs have seen similar renewal. A new 36 hour Master of Arts degree will provide Basic Graduate Theological Studies and a flexible curriculum to equip students for children's and youth ministry, public theology, and arts ministry. Starting this summer, Wesley will offer Masters-level courses fulfilling GBHEM professional certification requirements in youth ministry, Christian education, urban ministry, and evangelism. We have dramatically revised the Course of Study School at Wesley, renewing the curriculum and making it easier for pastors to complete the course with alternative scheduling options, including weekend intensive courses. And the first class of Mission Fellows enters this fall to prepare for missional church and emerging ministry leadership.

Wesley received a grant of \$850,000 from the Lilly Endowment Inc. to continue the Lewis Center for Church Leadership's Lewis Fellows program through 2016. This partnership with Lilly Endowment comes from our mutual recognition of the importance of young, high-potential clergy to the church's future. The Lewis Center continues to offer new events and resources to help congregations reach more people and fund their ministry. See www.churchleadership.com.

United Methodists on the Wesley faculty published two new books. Dr. Lovett H. Weems, Jr. wrote *Focus: The Real Challenges that Face the United Methodist Church*, on the recommended reading list for 2012 General Conference delegates. And Dr. Kendall Soulen authored *The Divine Name(s) and the Holy Trinity: Distinguishing the Voices*, a history of Trinitarian theology.

Wesley introduced a new Doctor of Ministry track in January, "Theological Education in a West African Wesleyan Context." It includes educators from Liberia, Nigeria and Sierra Leone who will shape the next generation of United Methodist leaders in Africa. A new Urban Ministry track begins in January 2013 and a second DMIN track for Military Chaplains begins in May 2013.

In February, the Board of Governors approved the construction of a new, LEED-certified green residence hall, expected to ready for occupancy by fall 2013. It is part of the ongoing New Church Campaign which has supported expansion of international programs, the launch of Wesley @ Mount Vernon Square in downtown Washington, DC, and Wesley's continued efforts to renew the church by developing strong and dynamic leaders.

God's call is bold. Your seminary should be too. Meet us at www.wesleyseminary.edu.

Rev. Dr. David McAllister-Wilson, President

B. RESOLUTIONS
IMAGINE NO MALARIA RESOLUTION

WHEREAS, Jesus invites his disciples to bring healing to the sick (Matthew 10:8 and Matthew 25:31-46); and

WHEREAS, today a child dies every 60 seconds from malaria and these deaths are preventable; and

WHEREAS, malaria deaths and other killer diseases of poverty will only be adequately addressed by significant additional funding of our health ministries and by forming creative partnerships; and

WHEREAS, Global Health is one of the key areas of focus of our denomination, with the aim to bring healing to the sick; and

WHEREAS, we are prepared to respond to the Wesleyan admonition to “do good” in recognition that we have the hope, the people, and the power to facilitate change; and

WHEREAS, our denomination through the 2008 General Conference affirmed unanimously the Global Health Initiative Campaign to Fight Malaria; and

WHEREAS, The United Methodist Church Vital Congregation emphasis, through our Call to Action, encourages local congregations of all sizes to involve persons in mission endeavors and to give generously to mission projects; and

WHEREAS, the Holston Conference has significant ongoing ministries and relationships with countries deeply impacted by malaria, such as Liberia, Sudan, Zimbabwe, and others; and

WHEREAS, the Holston Conference has strongly supported the Nothing But Nets Campaign which is now a part of Imagine No Malaria;

THEREFORE BE IT RESOLVED that the 2012 Holston Annual Conference affirms a partnership with the Imagine No Malaria Campaign; and

BE IT FURTHER RESOLVED that affirmation is granted to pursue a capital campaign targeted toward malaria ministries as an extraordinary event in the life of the United Methodist Church.

-Imagine No Malaria Task Force

This resolution has been endorsed by the Holston Conference Children's Ministry Team and the Holston Conference Missions Ministry Team.

**RESOLUTION RELATING TO RENTAL/HOUSING ALLOWANCES FOR
RETIRED OR DISABLED CLERGYPERSONS**

The Holston Annual Conference (the “Conference”) adopts the following resolutions during the 2012 session of Annual Conference taking place June 10-June 13, 2012, relating to rental/housing allowances for active, retired, or disabled clergypersons of the Conference:

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED:

THAT an amount equal to 100% of the pension or disability payments received from plans authorized under *The Book of Discipline of The United Methodist Church* (the “*Discipline*”), which includes all such payments from the General Board of Pension and Health Benefits (“GBOPHB”), **during the years 2012 and all subsequent years until it is rescinded** for each active, retired, or disabled Clergyperson who is or was a member of the Conference, or its predecessors, be and hereby is designated as a rental/housing allowance for each such Clergyperson; and

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

NOTE: The rental/housing allowance that may be excluded from a Clergyperson’s gross income in any year for federal income tax purposes is limited under Internal Revenue Code section 107(2) and regulations thereunder to the least of: (1) the amount of the rental/housing allowance designated by the Clergyperson’s employer or other appropriate body of the Church (such as this Conference in the foregoing resolutions) for such year; (2) the amount actually expended by the Clergyperson to rent or provide a home in such year; or (3) the fair rental value of the home, including furnishings and appurtenances (such as a garage), plus the cost of utilities in such year.