

## THE CABINET REPORT OF THE DISTRICT SUPERINTENDENTS

This has been a year of new beginnings for the Holston Conference. At the Jurisdictional Conference in July, we were blessed with the assignment of “one of our own” as the Bishop of the Holston Conference. We welcomed Bishop Mary Virginia “Dindy” Taylor as our Bishop. Bishop Taylor served the Holston Conference for thirty years as a pastor and District Superintendent prior to being elected a Bishop in 2004 when she was assigned to the South Carolina Annual Conference to serve as their first woman Bishop. In July of 2012, she was assigned as the first woman Bishop to lead the Holston Conference in ministry. We welcome her back home as she continues to open new doors for ministry with her assignment to Holston.

It has been a blessing to become aware of the Bright Spots that are glowing witnesses of vitality in each district as a result of the dedication and commitment of local congregations who have discovered a new vitality and joy as an outgrowth of the Call to Action. In each district we see churches that are being energized and equipped for ministries that extend the love and grace of Jesus Christ to persons who have been on the fringe of the church and to persons who had never thought about church before. From each district we hear stories of how a deeper and clearer understanding of our call to make disciples has helped us open our hearts through creative ministries: community meals, Vacation Bible School in parks and playgrounds, neighborhood Bible Studies, churches working together for stronger ministries, and many more evidences of Vital Congregations. From Rising Fawn, Georgia to Riner, Virginia, we are seeing Bright Spots of innovative ministry that are indeed changing the world with the love and grace of Jesus Christ.

During the Charge Conferences, the Cabinet focused upon what the churches were doing as Vital Congregations through inviting and inspiring worship, helping congregations become more connected to their communities in mission and outreach ministries, special training for clergy and laity that enables them to be fully equipped for ministry in their communities, calling upon the pastors to focus upon sharpening their leadership skills in order that the laity and they can be more effective in making disciples, and developing more small support groups that will equip and enable laity and pastors to be effective witnesses in their communities. Each Charge Conference was a celebration of the stories of churches filled with new vitality and joy that enabled them to reach more persons with the love of Jesus. This year has indeed been a year in which many of our churches have been blessed to witness the spiritual reality of Philippians 4:13 which remind us: “for I can do everything through Christ who gives me strength.” *NLT*

The Cabinet has joyfully supported and promoted the IMAGINE NO MALARIA campaign to save lives. We even had some of our Superintendents participate in the “Polar Plunge” into Lake Junaluska during the February Ministers’ Convocation as part of a fund raiser for Imagine No Malaria. Each district has sought to enable churches, youth groups, children’s ministries, United Methodist Women’s groups, United Methodist Men’s groups, and everyone to join together to save lives from Malaria. Wonderfully creative actions have been taken in each district as we join together to save the lives of children in Africa from Malaria. We celebrate the leadership and commitment of LeRae Collins who has coordinated our work to eliminate malaria.

We look forward to a new year as we grow into the reality that **“God can do anything you know—far more than you could ever IMAGINE or guess or request in your wildest dreams. He does it not by pushing us around but by working within us, his Spirit deep and gently within us.”** **Ephesians 3: 20, *The Message*.** We look forward to the challenge to fulfill the imaginations of the Lord through the faithfulness of our hearts and hands. We believe that each church in the Holston Conference can indeed be a place where the imagination of the Lord can be poured out upon the hurts and needs of our communities. By being the portal of the Lord, we can allow the Lord to work within us to enable us truly to be disciples who love and live to make disciples for Jesus Christ.

Let every Cabinet member, Bishop Taylor, every lay person, every pastor believe and live in such a way that this year will be when we go forward with determination that empowers us to live within

the Imagination of the Lord. May we have the willpower to sustain us as we follow the Spirit of the Lord in doing ministry with a positive focus. As Bishop Robert Schnase writes in his book *Remember the Future: Praying for the Church and Change*:

**“Imagine the possibilities! Imagine the expectations God has for us! Imagine broken lives restored, communities transformed, people healed, suffering relieved, homes rebuilt, hope restored, unjust systems changed forever, souls graced by the love of God. We dare not turn our back on the responsibility given us, the mission field entrusted to us. May every ministry we initiate, every program we prune, every practice we learn, every decision we make, every prayer we offer turn us toward the mission field and toward the rich harvest God intends through us.”** (Nashville: Abingdon Press, 2012, p. 55)

The imagination of the Lord can be fulfilled as we live out the reality that we can be all that the Lord expects of us because the Lord is working within each of us. Let this be the year of the Lord’s Jubilee in the Holston Conference. Let each of us do our part in making it happen.

Each of us on the Cabinet would like to take a moment of privilege to thank Bishop Taylor for her leadership as our Bishop that will help encourage, enable and empower each Church, Lay Person, and Pastor to do everything needed to insure that all of our churches are vital congregations that are making disciples for Jesus Christ. Her love and commitment to the Holston Conference are indeed blessings that are needed as we work together to be a church that is alive in Christ. We are glad to say “Welcome Home, Bishop Dindy Taylor.”

In this time of transition in the life of the Conference, we want to thank Richard Edwards for his leadership as the Director of Congregational Development and Revitalization for the past seven years. Richard has helped churches and pastors be more effective in making disciples. Richard will be transitioning from the Congregational Development position as he becomes the pastor of a local church.

We want to thank Anne Travis for her leadership as the Director of Connectional Ministries for the past thirteen years. Anne has guided the Annual Conference Work Areas and Ministry Teams as they have engaged in vital ministry. Our prayers are with Anne as she retires from leadership within the Holston Conference and moves into the position as Secretary of the Southeastern Jurisdiction.

We want to thank Don Nation for his leadership as the Steward of Clergy Concerns and the Director of the Wesley Leadership Institute for the past three years. Our prayers are with Don as he retires again and seeks new ways to serve the Lord.

Our prayer as the Cabinet is that in the year ahead, each of us will be faithful disciples in ministry in order that the saving grace and love of Jesus Christ will be extended to more of our neighbors here and around the world. It can happen: “God can do anything, far more than we could ever imagine or guess or request in our wildest dreams. He does it not by pushing us around but by working within us . . .” Ephesians 3:20 *The Message*.

Let us stand together as we make our commitment to faithfully do whatever the Lord wishes as **“GOD IMAGINES THE POSSIBILITIES!”**

*Archer Coppedge  
Dean of the Cabinet*

**RESOLUTION REGARDING ABANDONMENT  
OF THE SMYTH'S CHAPEL UNITED METHODIST CHURCH  
ABINGDON DISTRICT, HOLSTON CONFERENCE, UNITED METHODIST CHURCH**

WHEREAS, Smyth's Chapel United Methodist Church of the Abingdon District of the Holston Conference has served God's people and the Emory, Virginia community since land was donated by the Smith and Davis families in 1891 and the House of Worship erected soon after, and

WHEREAS, during the time of faithful service, the pastors and people of this Church have offered Christ and His grace to many and have seen God's miracle of salvation realized through witness of Word and Sacrament, and

WHEREAS, in July of 2008, the presiding Bishop and the Cabinet of the Holston Conference designated Smyth's Chapel United Methodist Church a "Preaching Station" of the Abingdon District, and

WHEREAS, the membership of this congregation has decreased due to changes in population demographics, aging, death of members, and health limitations of surviving members, and

WHEREAS, the Smyth's Chapel United Methodist Church no longer serves the purpose for which it was organized as is defined by the Discipline of the United Methodist Church (2012) ¶¶201-204, and

WHEREAS, the District Superintendent, in accordance with ¶2549.1, has provided the Holston Conference Trustees with a copy of the deed and legal description of the property and obtained an opinion on the existing "discontinuance and reversion" restriction included in said deed of November 9th, 1891 to the benefit of the heirs of James A Davis, Mary K. Smith and Sarah J. Davis, and

WHEREAS, the Smyth's Chapel United Methodist Church property is no longer used, kept, or maintained by its membership as a place of divine worship, and

WHEREAS, the District Board of Church Building and Location has met and reviewed the property and its condition and has found that it has no immediate plan for use of the property as a place of divine worship as required by the deed of November 9th, 1891, and

WHEREAS, the adult son of the most recent Church Treasurer has turned over all current fiscal records and accounts (including signature authority) to the Abingdon District Superintendent, and has indicated the Treasurer's inability to continue to serve, and

WHEREAS, The Rev. Sandra Johnson, Superintendent of the Abingdon District does recommend that the Smyth's Chapel United Methodist Church be declared as abandoned pursuant to ¶2549.3 of the Discipline of the United Methodist Church (2012),

THEREFORE BE IT RESOLVED, that the presiding Bishop, Bishop Mary Virginia Taylor, and the majority of District Superintendents consent to the declaration of abandonment of the Smyth's Chapel United Methodist Church of the Abingdon District as is required by ¶2549.3 of the Discipline of the United Methodist Church (2012),

THEREFORE FURTHER BE IT RESOLVED, that the District Superintendent be directed to collect all deeds, records, and official documents from the abandoned Church as is required by ¶2549.4 of the Discipline of the United Methodist Church (2012), and

THEREFORE FURTHER BE IT RESOLVED, that funds received and held by the Smyth's Chapel United Methodist Church of the Abingdon District from the Renfro Foundation to make certain repairs, improvements, and modifications that have not been made, be returned to the Foundation by the District Superintendent with a letter of explanation as to why they have been returned, and

THEREFORE FURTHER BE IT RESOLVED, that the balance of funds turned over to the Abingdon District be used to offset the cost of locating the heirs listed in the deed and transferring title to same, and

THEREFORE FURTHER BE IT RESOLVED, the Board of Trustees of the Holston Conference, through its Consultant for Real Property and Fixed Assets, will coordinate the legal and orderly transfer of the property back to the Smith/Davis heir(s) in as much as they can be identified, located, and are willing to receive said property, and

THEREFORE FURTHER BE IT RESOLVED, that should no heir(s) be located or should the heir(s) refuse to accept the reversion of the property, then said property will be deeded to the Holston Conference of the United Methodist and be disposed by sale through the Holston Conference Board of Trustees pursuant to ¶2549.3 and the revenue from said sale shall be equally divided between the fund for Congregational Development of the Holston Conference of the United Methodist Church and the Abingdon District fund for Church and Congregational Development, after all costs associated with selling the property have been paid, and

THEREFORE FURTHER BE IT RESOLVED, that the furnishings, fixtures, and the Church bell be offered and distributed at the discretion of the District Superintendent to the churches of the District, the Conference, and the Denomination for use in the ministry of our Lord and Savior.

By action of the Bishop and District Superintendents of the Holston Conference of the United Methodist Church on this 30th day of January, 2013.

**RESOLUTION REGARDING ABANDONMENT  
OF THE RUSSELL'S CHAPEL UNITED METHODIST CHURCH  
BIG STONE GAP DISTRICT, HOLSTON CONFERENCE,  
UNITED METHODIST CHURCH**

WHEREAS, Russell's Chapel United Methodist Church of the Big Stone Gap District of the Holston Conference has served God's people of western Lee County, Virginia since land was donated by the Russell family in 1904 and the House of Worship erected soon after, and

WHEREAS, during the time of faithful service, the pastors and people of this Church have offered Christ and His grace to many and have seen God's miracle of salvation realized through witness of Word and Sacrament, and

WHEREAS, the membership of this congregation has decreased due to changes in population demographics, aging, death of members, and health limitations of surviving members, and

WHEREAS, the Russell's Chapel United Methodist Church no longer serves the purpose for which it was organized as is defined by the Discipline of the United Methodist Church (2012) ¶¶201-204, and

WHEREAS, the District Superintendent, in accordance with ¶2549.1, has provided the Holston Conference Trustees with a copy of the deed and legal description of the property and the Trustees have obtained an opinion that the deed and property is free of restriction and/or reversion requirements

WHEREAS, the Russell's Chapel United Methodist Church property is no longer used, kept, or maintained by its membership as a place of divine worship, and

WHEREAS, the District Board of Church Building and Location has met and reviewed the property and its condition and has found that it has no immediate plan for use of the property as a place of divine worship or to use the property for the mission of the Church, and

WHEREAS, the most recent Church Treasurer has turned over all current fiscal records and accounts (including signature authority) to the Big Stone Gap District Superintendent, and has indicated the Treasurer's inability or unwillingness to continue to serve, and

WHEREAS, The Rev. Archer Coppedge, Superintendent of the Big Stone Gap District does recommend that the Russell's Chapel United Methodist Church be declared as abandoned pursuant to ¶2549.3 of the Discipline of the United Methodist Church (2012),

THEREFORE BE IT RESOLVED, that the presiding Bishop, Bishop Mary Virginia Taylor, and the majority of District Superintendents consent to the declaration of abandonment of the Russell's Chapel United Methodist Church of the Big Stone Gap District as is required by ¶2549.3 of the Discipline of the United Methodist Church (2012),

THEREFORE FURTHER BE IT RESOLVED, that the District Superintendent be directed to collect all deeds, records, and official documents from the abandoned Church as is required by ¶2549.4 of the Discipline of the United Methodist Church (2012), and

THEREFORE FURTHER BE IT RESOLVED, that the balance of funds turned over to the Big Stone Gap District be used to offset the cost of maintaining the property until such time as the property is sold, and

THEREFORE FURTHER BE IT RESOLVED, that the furnishing and fixtures of the Russell's Chapel United Methodist Church be offered to other United Methodist Churches within the Big Stone Gap District and the Holston Conference for use in Divine Worship and the mission of the United Methodist Church and that any remaining furnishings be disposed of by the Holston Conference Trustees, and

THEREFORE FURTHER BE IT RESOLVED, the Board of Trustees of the Holston Conference, through its Consultant for Real Property and Fixed Assets, will coordinate the legal and orderly transfer of the property to the Holston Conference Holding Company, Inc. and that said Holding Company will sell the real property pursuant to ¶2549.3 with the net proceeds of the sale after deducting all expenses related to maintaining and selling the property be equally divided between the Big Stone Gap District New Church Development and Congregational Revitalization Fund and the Holston Conference New Church Development and Congregational Revitalization Fund.

By action of the Bishop and District Superintendents of the Holston Conference of the United Methodist Church on this 22nd day of April, 2013.

**RESOLUTION FOR DISPOSITION OF REAL PROPERTY  
ANDOVER UNITED METHODIST CHURCH ABANDONMENT  
BIG STONE GAP DISTRICT OF THE HOLSTON CONFERENCE**

Whereas: Andover United Methodist Church located in the Big Stone Gap District of the Holston Conference no longer serves the purpose for which it is organized as stated in ¶201-204 of the Discipline of the United Methodist Church

Whereas: The real property held by this Church required that the property be returned to the donor of said property or its successor should it no longer exist as a church as defined by the Discipline of the denomination.

Whereas: The Book of Discipline ¶ 2548.3 requires consent of the District Board of Church Location and Buildings to consider a church to be abandoned and said Committee has voted consent with this declaration of abandonment.

Whereas: The Book of Discipline ¶ 2548.3 also requires consent of the presiding Bishop and the majority of the district superintendents to consider a church to be abandoned.

Now Therefore Resolve: That the presiding Bishop, Bishop Mary Virginia Taylor and the majority of the District Superintendents do consent with the declaration of abandonment and disposal of said real property according to ¶2548.3 and the terms of the property deed on this 12th day of September 2012.

**RESOLUTION FOR DISPOSITION OF REAL PROPERTY  
DUNBAR UNITED METHODIST CHURCH ABANDONMENT  
BIG STONE GAP DISTRICT OF THE HOLSTON CONFERENCE**

Whereas: Dunbar United Methodist Church located in the Big Stone Gap District of the Holston Conference no longer serves the purpose for which it is organized as stated in ¶201-204 of the Discipline of the United Methodist Church

Whereas: The real property held by this Church required that the property be returned to the donor of said property or its successor should it no longer exist as a church as defined by the Discipline of the denomination.

Whereas: The Book of Discipline ¶ 2548.3 requires consent of the District Board of Church Location and Buildings to consider a church to be abandoned and said Committee has voted consent with this declaration of abandonment.

Whereas: The Book of Discipline ¶ 2548.3 also requires consent of the presiding Bishop and the majority of the district superintendents to consider a church to be abandoned.

Now Therefore Resolve: That the presiding Bishop, Bishop Mary Virginia Taylor and the majority of the District Superintendents do consent with the declaration of abandonment and disposal of said real property according to ¶2548.3 and the terms of the property deed on this 12th day of September 2012.

**RESOLUTION FOR DISPOSITION OF REAL PROPERTY  
IMBODEN UNITED METHODIST CHURCH ABANDONMENT  
BIG STONE GAP DISTRICT OF THE HOLSTON CONFERENCE**

Whereas: Imboden United Methodist Church located in the Big Stone Gap District of the Holston Conference no longer serves the purpose for which it is organized as stated in ¶201-204 of the Discipline of the United Methodist Church

Whereas: The real property held by this Church required that the property be returned to the donor of said property or its successor should it no longer exist as a church as defined by the Discipline of the denomination.

Whereas: The Book of Discipline ¶ 2548.3 requires consent of the District Board of Church Location and Buildings to consider a church to be abandoned and said Committee has voted consent with this declaration of abandonment.

Whereas: The Book of Discipline ¶ 2548.3 also requires consent of the presiding Bishop and the majority of the district superintendents to consider a church to be abandoned.

Now Therefore Resolve: That the presiding Bishop, Bishop Mary Virginia Taylor and the majority of the District Superintendents do consent with the declaration of abandonment and disposal of said real property according to ¶2548.3 and the terms of the property deed on this 12th day of September 2012.

**RESOLUTION FOR DISPOSITION OF REAL PROPERTY  
MT. ZION UNITED METHODIST CHURCH DISCONTINUANCE  
KINGSPORT DISTRICT OF THE HOLSTON CONFERENCE**

Whereas: Mt. Zion United Methodist Church located in the Kingsport District of the Holston Conference has served the community and the Conference offering the grace and salvation of Jesus Christ since 1941

Whereas: The congregation of the Church and the Superintendent of the Kingsport District agree that this church no longer serves the purpose for which it is organized as stated in ¶201-204 of the Discipline of the United Methodist Church.

Whereas: On the 2nd day of August 2012 the congregation of the Mt. Zion United Methodist Church met and voted unanimously to discontinue as a United Methodist Church.

Whereas: The real property held by this Church in trust for the United Methodist Church required that the property be returned to the heirs of the two families who originally donated this property (Bradshaw and Arrington families.)

Whereas: The Book of Discipline ¶ 2548.2 requires consent of the District Board of Church Location and Buildings to consider the disposition of the property and said Board has voted to consent with this declaration of the property as surplus and to return it to the heirs as required by the deed.

Whereas: The Book of Discipline ¶ 2548.2 also requires consent of the presiding Bishop and the majority of the district superintendents to consent to the discontinuation.

Whereas: The designated representative of the Holston Conference Board of Trustees has received and examined the deed for the real property and does concur with the recommendation to return said property to the heirs of the original donors.

Now Therefore Resolve: That the presiding Bishop, Bishop Mary Virginia Taylor and the majority of the District Superintendents do consent with the declaration of discontinuance of the Mt. Zion United Methodist (Kingsport District) and direct the Conference Trustees to disposal of the real property according to ¶2548.2 and the terms of the property deed on this 24th day of October 2012.

**RESOLUTION FOR DISPOSITION OF REAL PROPERTY  
COVE METHODIST CHURCH (DISCONTINUED 1965)  
TAZEWELL DISTRICT OF THE HOLSTON CONFERENCE**

Whereas: The Cove Methodist Church was located in the Tazewell District of the Holston Conference as a union church with the Presbyterian denomination of that time.

Whereas: The real property shared by this union church was shared by the Presbyterians and the Methodist with the Presbyterians having 75% ownership and the Methodist 25% ownership in the property as noted on the property deed.

Whereas: The Cove Methodist Church was reported to have ceased services in 1956 and discontinued by a vote of the 1965 Holston Annual Conference of the Methodist Church without direction concerning the disposition of property.

Whereas: The Book of Discipline of the United Methodist Church (2008) ¶ 2548.2b directs that when a church is discontinued without direction from the Annual Conference on the dispositions of property that said property is to be disposed of as if it were abandoned local church property per ¶ 2548.3

Whereas: The Book of Discipline ¶ 2548.3 requires consent of the presiding Bishop and the majority of the district superintendents and the District Board of Church Building and Location.

Now Therefore Resolve: That the presiding Bishop, Bishop Taylor and the District Superintendent of this date do concern with disposal of said property according to ¶2548.3

And Further be it Resolved: That upon a vote of concurrence by the District Board of Church Building and Location and follow ¶ 2548.3 in as much as is possible the Holston Conference interest in said real property will be transferred for Quit Claim Deed by the Conference Trustees to a locally established "not for profit" organization and the property will be used for the general community good.

By action of the Bishop and District Superintendents of the Holston Conference of the United Methodist Church on this 12th day of September, 2013.

**RESOLUTION REGARDING DISCONTINUANCE  
OF RICEVILLE UNITED METHODIST CHURCH**

WHEREAS, Riceville United Methodist Church, located in McMinn County, Tennessee, faithfully served the community for many years, organized in the fall of 1846 under the leadership of The Reverend Larkin W. Crouch who was licensed to preach at the Old Stone Dam Camp and became the anchor of the Riceville Circuit in 1868; celebrating a long and blessed history; and

WHEREAS, due to the health and safety concerns related to the church building, services at the Riceville United Methodist Church were suspended on June of 2012, and members were encouraged to attend the Piney Grove United Methodist Church, which is on the charge with the Riceville United Methodist Church, and

WHEREAS, the Riceville United Methodist Church building was inspected by a Certified Environmental Engineering firm under the supervision of the Conference Trustees, that did confirm the safety concerns requiring extensive and costly renovations or building replacement that the Riceville United Methodist Church cannot afford, and

WHEREAS, on October 11, 2012, at the Called Church Conference of the Riceville United Methodist Church, the majority of the membership present and eligible to vote petitioned and requested that the Holston Conference of the United Methodist Church discontinue the Riceville United Methodist Church; and

WHEREAS, Riceville United Methodist Church on November 10, 2012, held a worship service led by District Superintendent, Joseph S. Green, in the community, to praise God, commemorate the service of the Riceville United Methodist Church and “deconsecrate” this Holy site; and

WHEREAS, the District Superintendent has recommended discontinuance of Riceville United Methodist Church, and the transfer of membership to appropriate United Methodist Churches of the Cleveland District as required by ¶2548.2 of the 2012 Discipline of the United Methodist Church; and

WHEREAS, the Cleveland District Board of Church Building and Location has met and received reports of the condition of the Riceville United Methodist Church Building and determined “that the local church (Riceville United Methodist Church) no longer serves the purpose for which it was organized” as defined by ¶2548.2 of the 2012 Discipline of the United Methodist Church, and

WHEREAS, the consent to discontinue has been granted by the presiding Bishop and a majority of the District Superintendents,

THEREFORE, BE IT RESOLVED, by the Holston Annual Conference, and it is hereby resolved by the authority of the same, that the Riceville United Methodist Church be discontinued effective immediately, and that the Riceville United Methodist Church property, (furnishings, accounts and real property) are surplus and should be transferred to the Holston Conference Board of Trustees for disposition with the NET revenue (if any) from disposition of the property be equally divided between the Conference and the District funds for Congregational Development according to the policy of the Conference; and

THEREFORE, BE IT FURTHER RESOLVED, upon subdivision and sale of the parsonage property only, Piney Grove United Methodist Church (who by mutual agreement owns a 15% share of the Parsonage property only) shall receive, 15% of the sale’s NET revenue for said parsonage after all expenses related to said sale, but before revenue division between the Holston Conference and the Cleveland District. Said parsonage is located in McMinn County, Tennessee.

By action of the Bishop and District Superintendents of the Holston Conference of the United Methodist Church on this 30th day of January, 2013.

**RESOLUTION REGARDING DISCONTINUANCE  
OF WEST VIEW UNITED METHODIST CHURCH**

WHEREAS, West View United Methodist Church, located in Knox County, Tennessee, faithfully served its surrounding community for more than 80 years, offering the Word of God and the promise of grace in the Wesleyan tradition, and

WHEREAS, the congregation and the community have developed and changed over those 80 years, and the West View United Methodist Church as it exists today no longer serves the purpose for which it was organized as stated in ¶¶ 201-204 of the 2012 Discipline of the United Methodist Church, and

WHEREAS, the District Superintendent of the Knoxville District has obtained and considered legal counsel as to property reversion and requisitions of similar property right as required by ¶2449.1 2012 Discipline of the United Methodist Church, and review of property title by the Holston Conference Board of Trustees as required by the Holston Conference Standing Rules has been obtained, and

WHEREAS, on December 16th 2012, at the Called Church Conference of the West View United Methodist Church, the majority of the membership present and eligible to vote petitioned and requested that the Holston Conference of the United Methodist Church discontinue the West View United Methodist Church, and

WHEREAS, West View United Methodist Church on December 30th, 2012 held a worship service at the Church to praise God, commemorate the service of the West View United Methodist Church, and “deconsecrate” this Holy site; and

WHEREAS, the Knoxville District Superintendent has recommended discontinuance of West View United Methodist Church and wishes to hold the property in the name of the Knoxville District for a period of time to allow the District Ministry Team and the District Board of Church Building and Location time to consider other uses of this real property, furnishings and fixtures, and

WHEREAS, consent to discontinue has been granted by the presiding Bishop and a majority of the District Superintendents,

THEREFORE, BE IT RESOLVED, by the Holston Annual Conference, and hereby resolved by the authority of the same, that the West View United Methodist Church be discontinued effective immediately, and that the West View United Methodist Church property (furnishings, accounts and real property) be held in the name of the Knoxville District for a period of about 150 days (until the Meeting of the 2013 Holston Annual Conference) while said District discerns a possible use of the property for ministry in said District, and

THEREFORE, BE IT FURTHER RESOLVED, that the Conference Board of Trustees, through its Real Property and Fixed Asset Management Consultant, develop and execute a “month to month” rental agreement for the parsonage property with the current tenant of the Parsonage property at the current monthly rental rate. Rental proceeds will be used to pay the cost of property and liability insurance (for both the Church and the Parsonage) and costs associated with holding and maintaining the property. Any surplus funds will be transferred to the Knoxville District to be used at the discretion of the District Superintendent. Should the current tenant vacate the property, a replacement tenant will not be sought, and

THEREFORE, BE IT FURTHER RESOLVED, that if said ministry purpose is discerned and the property used by the District, it (the Knoxville District) shall insure and maintain said property at its own cost, and

THEREFORE, BE IT FURTHER RESOLVED, that if, after due consideration, the Knoxville District Superintendent and the Knoxville District Board of Church Building and Location determines that the property has no further use to the District for its purpose and plan, the property will be considered as surplus and shall be transferred to the Holston Conference Board of Trustees for disposition per ¶2549.2 of the 2012 Discipline with the NET revenue (if any) from disposition of the property equally divided between the Conference and the District funds for Congregational Development according to the policy of the Conference.

By action of the Bishop and District Superintendents of the Holston Conference of the United Methodist Church on this 30th day of January, 2013.

**RECLASSIFICATION OF CHATTANOOGA DISTRICT HELD FUNDS FROM THE SALE OF THE  
REAL PROPERTY FORMERLY KNOWN AS THE FORREST AVENUE UNITED METHODIST CHURCH**

WHEREAS the 2010 Annual Conference of the Holston Conference of the United Methodist Church (Held in Lake Junaluska, NC on June 13-16, 2010) did vote to discontinue Forrest Avenue United Methodist Church (Chattanooga District) and the property was declared surplus by the District Board of Church Building and Location and the District Congregational Development Team, with the Conference Congregational Development Committee concurring; and

WHEREAS the 2010 Annual Conference also directed the Trustees of the Conference to sell the real property with the NET proceeds of the sale being divided between Conference Congregational Development receiving 30% of the revenue and the Chattanooga District Congregational Development Team receiving 70% of the revenue with a restriction that all funds must be used in conjunction with urban ministry as required by The Book of Discipline of the United Methodist Church (2008); and

WHEREAS the 2010 resolution required that the District “funds be used to endow the mission of the Mission Congregation under the supervision of the Chattanooga District”; and

WHEREAS the word “endow” was incorrectly used by the author of the Resolution and should have been used the word “fund” in place of “endow”; and

WHEREAS the use of the word endow has required the District to establish an investment account with said funds and only have access to the interest earned by these monies to fund the Chattanooga District Urban Ministries, such as Mustard Tree Ministries and others; and

WHEREAS the mission of the Mission Congregation (now known as Chattanooga District Urban Ministries, such as Mustard Tree Ministries) will require use, in part, of the principal of these funds under the supervision of the Chattanooga District, to grow and meet the needs of the urban ministries they are called to serve.

NOW THEREFORE be it resolved: that the Extended Cabinet of the Holston Annual Conference Meeting April 2, 2013 at the Conference Center in Alcoa, Tennessee, acting on behalf of the Holston Conference of the United Methodist Church authorizes the Chattanooga District to utilize its 70% share of the net revenue (both principal and interest) from the sale of the real property formerly known as the Forrest Avenue United Methodist Church for mission of Chattanooga District Urban Ministries, such as Mustard Tree Ministries and others as it may deem appropriate.

FURTHER BE IT RESOLVED: That an annual account of the funds used, fund balance, Ministry offered, and plans for future ministry and future use of these funds be a part of the annual Chattanooga District Conference. This resolution is submitted to the Holston Conference Extended Cabinet on April 2, 2013 by the Reverend R. Michael Hubble, Chattanooga District Superintendent, on behalf of the Chattanooga District Committee on Church Extension and Congregational Development. Approved April 2, 2013 by the Extended Cabinet.

**The Remedy** in Maryville District is a vital congregation that began out of Fairview UMC in order to reach people who did not typically go to church. The Remedy has a true heart for ministering to the least, the last, and the lost. As a new church start, the Remedy began in 2008. For the conference years of 2011 and 2012, The Remedy was listed as stand-alone congregation. At the church’s request, the vibrant work at The Remedy was merged with Fairview UMC, effective April 2, 2013, to be an alternative worship service with the larger congregation. The Remedy at Fairview is continuing to reach the least, the last, and the lost as a second campus for Fairview UMC.

The Kingsport District began a new Saturday evening worship service known as **LifeSpring United Methodist Church** on August 13, 2011 for the purpose of reaching new people, sharing worship resources, and a venue of learning for laity and clergy. The services were held in a local elementary school. This new venture was led by the Kingsport District Superintendent. LifeSpring was never chartered as a church, and after 14 months, the cabinet voted to close this effort on December 8, 2012.

At the request of the congregations, Pine Grove United Methodist Church and Green Valley United Methodist Church, both of the Tazewell District, merged effective January 2, 2013 to form the **Round Mountain United Methodist Church**.

Congregations Declared Discontinued June 11, 2013

Riceville United Methodist Church	Cleveland District
Mount Zion UMC	Kingsport District
West View United Methodist Church	Knoxville District
Trinity United Methodist Church (page 872-A)	Wytheville District

Congregations Received as Abandoned June 11, 2013

Smyth Chapel UMC	Abingdon District
Russell's Chapel United Methodist Church	Big Stone Gap District
Andover United Methodist Church	Big Stone Gap District
Dunbar United Methodist Church	Big Stone Gap District
Imboden United Methodist Church	Big Stone Gap District
Mt. Vernon United Methodist Church (page 872-B)	Morristown District
Cove Methodist Church	Tazewell District

### COMMUNICATIONS ADVISORY COUNCIL

As we enter a new quadrennium in 2013, the Communications Advisory Council has spent much of its time discussing the rapid changes caused by the revolution in digital communications. This is a remarkable time in human history, as momentous as the 15th century's development of the printing press, when Gutenberg's invention and the sudden, ready availability of Bibles affected the church dramatically in only a few decades. There is no doubt we're experiencing similar dramatic effects now.

The CAC's role in all of this is fairly straightforward. We support and guide our conference's communications professionals as they tell stories of how our congregations reach the lost with the message of Jesus Christ. This storytelling effort should support the development of vital congregations, as defined in the Call to Action initiative.

Much of this storytelling occurs through the use of digital media. We have to remember, however, that we are in a time of transition. Many of our smaller or more rural churches do not yet have the resources or access to be able to take advantage of the sea change that is occurring. They remain important to our overall outreach efforts, however, and we must find ways to continue supporting them as vital congregations.

There are no easy answers, particularly in a time of shrinking budgets. Members of the CAC are encouraged by the professionalism and flexibility the conference's communications staff has shown. In just the past few months, we've seen the staff repeatedly break the barrier between "church communications" and "general media," using new technology and personal contacts to move positive stories about Holston Conference ministries into regional and even national news outlets. It also has become obvious that our communications professionals are working hard to keep up with the rapid changes happening in their field, and are adapting as quickly as finances allow.

It should be noted that the Holston Conference's communications efforts—particularly where print products are concerned—have been a revenue generator for the church, establishing budget reserves in recent years that have helped the conference keep its communications and information technology efforts fully funded. For 2014, the CAC has proposed what is essentially a flat communications and IT budget, making adjustments only to where money is allocated within these areas.

In recent years, the CAC has considered an outside audit of communications needs. After considering the cost and the need for precise answers to the question, "What do we do next," we are now instead considering a communications summit. Key stakeholders in Holston Conference communications would come together with a few outside advisers to explore what we are now doing and what we should be doing.

This is an exciting time to be people committed to spreading the good news of Jesus Christ. Yes, there are many competing messages, but never have we had the opportunity to carry God's powerful, eternal message into the world in so many unique ways. May God give us the vision and will to reach the lost, and may all this be done to the glory of God, who is Creator, Redeemer and Sustainer.

*In Christ,*

*Charles W. Griffin III, 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 several new church starts since 2009. 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. 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.) We are also thankful for the growth and emerging energy we see in The Remedy, a young congregation birthed by Fairview UMC, Maryville, TN. The Remedy has relocated to a second campus adjacent to Fairview UMC.

In addition to partnering with new church starts in the Holston area, the Congregational Development Team made a commitment in 2011 to help start new churches in South Sudan (the world's newest nation). Funding has already been provided to help launch three new churches in South Sudan: Kenyi (January 2012), Kelego (March 2012), and Rombur (February 2013). 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.) We are very grateful to all those persons who have donated to the "15 New Churches" campaign in recent years and helped to further the cause of new church development in Holston.

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.

We were excited to bring two new events to Holston in October 2012 to help pastors and laity better connect with their mission fields and to expand their impact within their communities. The "Multiply Your Impact" event, led by Path 1 Coach, Paul Nixon, helped nine of Holston's largest churches focus on how they might multiply effectively in their communities – by launching a new campus, launching a major new ministry initiative or outreach effort in their community, or adopting/partnering with another United Methodist church to strengthen its witness and ministry in that community.

Later that month, church planting and church transformation consultant, Jim Griffith, led nine of Holston's small-medium churches in a great event: "How To Reach New People." The two day event focused on helping churches to decide who they can best reach, and then selecting specific strategies to help them grow in that area.

A new transformation effort over the last two years has involved twenty-two Holston churches that have become a part of three transformation cluster learning groups. Nine small-medium size churches, five large-downtown churches, and eight larger-medium size churches have been working together. After an initial launch retreat for clergy and laity from the churches, pastors

begin meeting in monthly cluster gatherings with 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 looks forward to continued work with these churches. Longer term, we hope to continue to bring new churches into the process.

We also celebrate our new partnership with churches moving into the area of recovery ministries. Working in conjunction with the Cokesbury Recovery Network, we have assisted, financially, in the launching of two new recovery ministries. We see this network expanding over the next several years. Not only can these ministries provide hope, healing, and a new path forward for many people in the launch communities, but they can also bring new energy, growth, and purpose to the churches hosting these ministries.

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 several hundred people in Holston Conference have attended MissionInsite training events in the last several years, and that additional churches continue to register with MissionInsite and utilize its services. Holston has contracted to provide a new resource to all its churches utilizing MissionInsite beginning in January 2013. It is called “Quadrennium: A National Survey of American Religious Preferences, Practices, and Beliefs.” The survey includes, among other things: active membership for twenty-two denominations, now and ten years ago; level of personal concern for thirty-four lifestyle issues; level of agreement or disagreement with twenty social and moral issues; current beliefs/feelings about the existence of God; the level of significance of religious faith on one’s life now and ten years ago; and twenty-one possible reasons for non-participation in a religious congregation or religious community. This resource should be a great tool in helping our churches better understand the cultural context in which they now exist and in which they seek to do vital ministry.

We celebrate the first three Holston Evangelism Conferences held in 2010, 2011, and 2012. Sponsored by the Witness Team, hundreds of Holston clergy and laity have been inspired, motivated, and given practical tools to share the Good News of Jesus Christ in their mission fields. We are very excited that Rev. Jorge Acevedo of Grace Church in the Fort Myers, FL area will be our plenary speaker for the 2014 Holston Evangelism Conference on March 14-15, 2014.

Finally, the Congregational Development Team expresses its gratitude to the Holston Conference Cabinet, District leaders, and many pastors and laity in Holston for the leadership and support you have given to the work of starting new churches and helping existing churches to find renewal and new life. You have been a very positive force in our mission to reach new people, reach younger people, and reach more diverse people for Jesus Christ. We thank you.

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

### DISCIPLESHIP TEAM

Discipleship is a common term in churches, but how well are we developing Christ-like people? The task of the Discipleship Team is to administer and guide the ministries of the Holston Conference and connect those ministries to the local church both within this conference as well as throughout the world so that all the world may know Christ by our actions. Serving as chairperson of this committee for the first time this year, I feel I still have much to learn about all the wonderful work and ministries of the Discipleship Team. However, it has been thrilling to see the dedicated work of individuals and teams of people who are living transformed lives because of their love of Christ. It is these people who are daily seeking to lead others to transformation and so they too may become followers of Christ who are then engaged in Christ's mission for the world.

The Discipleship Team represents a broad span of action of the Holston Conference as it reaches locally in Christian growth by providing education and guidance for children through adults by oversight of the Nurture Team and its various ministries, to far-reaching and global places through the ministries of the Mission Team. In addition, the Stewardship Team trains and educates the members of the conference about the abundance of God's gifts upon us and how to be good stewards of all with which He has blessed us. Creation Care Ministries remind us that stewardship includes caring for our earth and all that is most basic to life itself. Followers of Christ are also advocates for those living in oppressive conditions, those who are disenfranchised, and those who are victims of injustice, as well as working for issues of mercy and kindness. Through several committees of the Discipleship Team, wonderful work is under way to address issues and raise awareness of local and global concerns in these areas so that we may indeed be the heart, hands, and feet that God so needs for His world.

John Wesley wrote, "I continue to dream and pray about a revival of holiness in our day that moves forth in mission and creates authentic community in which each person can be unleashed through the empowerment of the Spirit to fulfill God's creational intentions." As we continue to seek to fulfill the mission and vision set before us, I ask you to join with the ministry teams and members of the Discipleship Team in this same dream and prayer as stated by Wesley. That through our loving, working, and praying together, we might bring forth the very Kingdom of God as He envisioned it to be.

~ Glenna Manning, Chairperson

### OFFICE OF CONNECTIONAL MINISTRIES

This Conference year has been challenging and rewarding for the Office of Connectional Ministries. We continue to strive to provide resources for the local churches and Districts of Holston Conference in a manner that aids all congregations in making disciples of Jesus Christ for the transformation of the world.

Our work is broad-based, from offering vision sessions and leadership training in local churches to assisting churches in responding through ministry to all age levels from children through youth and young adults to older adults; from providing District and Conference-level programming to strengthen persons in their faith to offering training for adults who work with all age levels in the local churches; from offering Safe Sanctuaries training and counsel to assisting local churches in growing youth ministry; from offering Camp and Retreat settings for all persons to bringing nationally known persons into Holston to lead learning opportunities.

As I reflect back upon 13 years of ministry through the Office of Connectional Ministries, I consider how truly blessed I have been to serve with the laity and clergy of Holston, most especially with the committed staff in the Office of Connectional Ministries. I will always remain grateful to God for providing me with this opportunity to respond to my call to ministry by serving in Holston. I thank God for the Connectional Ministries staff, for each lay and clergy person, and for each congregation of Holston. May God continue to bless you all.

~ Anne Travis, Director of Connectional Ministries

### **AFRICAN-AMERICAN MINISTRY TEAM**

In keeping with the agenda and outlines of our new Bishop Taylor of the Holston Conference, and in agreement with the outlines of the General Commission on Religion and Race (GCORR), the African-American Ministry Team's (AAMT's) focus is also (1) Vital Congregations, (2) Institutional Equity, and (3) Inter-Cultural Competency.

The leadership offered by Holston's Connectional Ministries and Congregational Development, in addition to initiatives from the United Methodist Church at large, are very much welcomed.

Two other areas of interest to African-American Ministry Team are:

1. GCORR Action Fund Grants (AFGs) made to Ethnic caucuses to focus on future capacity building and development of Strategic Planning.
2. Program grants to expand or replicate programs that fit with the GCORR's Ministry Model.

~ William Pace, Chair

### **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 over half 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 unanimously voted at Annual Conference in 2012 to accept the challenge of saving 100,000 lives on the continent of Africa from death by Malaria by raising \$1,000,000 by Annual Conference 2013. LeRae Collins was selected to lead Holston in this campaign and has been working with the leadership of Holston and the 12 districts in making this effort successful. We look forward to celebrating at Annual Conference 2013 the realization that 100,000 people will live through the generosity of Holston and the grace of God.

Holston is blessed to have four Church and Community Workers assigned to projects within our geographical bounds. Some exciting changes and opportunities are on the horizon through the work of these in-conference missionaries. There are currently three at Project Crossroads and one in Big Stone Gap District. Tazewell District has applied for a Church and Community Worker and will soon have one in place. To provide the assignment to Tazewell District, Holston will reduce the number of workers at Project Crossroads to two. This will enable Holston, and the denomination, to participate in the ministry to this area that has seen economic distress escalate in recent years. We also celebrate that Rev. Harry Howe, Executive Director and Church and Community Worker at Project Crossroads, has completed his Physicians Assistant studies and is now licensed to practice medicine. He will add Rural Health to the ministries available through

Project Crossroads. We look forward to the opportunities of transformation through the work of our Church and Community Workers.

The United Methodist Church in South Sudan is alive, growing, and on fire. New congregations are continuing to be planted, and the church is moving further out to new areas. Partnerships between mature congregations and stateside local churches, districts, and annual conferences are being developed to ensure that these congregations are enabled to not only provide a place of worship and evangelism, but also be a place where life skills are offered and education is available to all.

Holston has drilled over 35 boreholes that now provide clean drinking water to an estimated 175,000 men, women, and children. In addition to new boreholes being drilled, existing dysfunctional wells are being rehabilitated to bring clean water back to communities and latrines are being built to provide further sanitation.

The GRACE Home for Children is now under construction and will soon be completed and ready to offer a loving, Christian environment to the most vulnerable orphans in Yei River County. Through the donations of many and a tremendous Christmas Offering of Christ UMC in Chattanooga, resources sufficient to construct the long-awaited dream of Holston and vision of Libby Dearing were made available. Efforts are now focusing on the sustainability of Grace Home for Children, and opportunities for participation in this will be available soon.

Holston continues to celebrate the leadership of Rev. Fred Dearing as the District Superintendent of South Sudan accompanied by the ministry of his wife Libby. In addition, Diantha Hodges continues her work with rural health and hygiene and training midwives and birth attendants. We are seeing great results from her efforts. Sharon and Lynn Fogleman, physicians present in South Sudan for a year now, are able to work with UMCOR and the medical community already present in offering medical training and preventative opportunities to the villages in and around Yei.

New records were set in 2012 as local churches and districts inspired the members of Holston to respond in a mighty way to the request for kits that will enable children and families in Liberia and Zimbabwe to have basic necessities of life. This hands-on mission experience allows the whole annual conference to join together in partnership with our brothers and sisters of two longstanding relationships.

The people of Holston Annual Conference contributed over \$98,000.00 to the Mission Offering at Annual Conference in 2012 for victims of Agent Orange. These funds are being used to provide medical treatment and basic necessities of life for victims of Agent Orange as a result of the Viet Nam War.

~ Danny Howe, chair



*formerly Advance Specials*  
**The Advance**  
 Advancing hope in Christ's name  
*Holston Annual Conference 2014* [www.holston.org](http://www.holston.org)

## Be a 5-Star Church

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

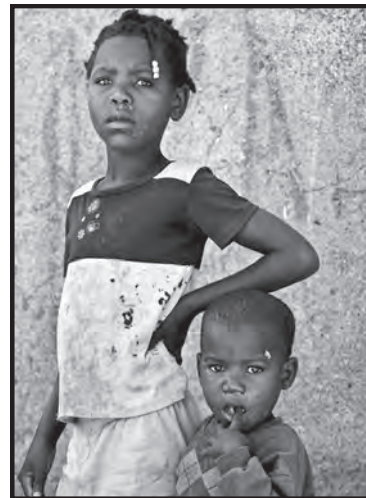
1. Pay tithe apportionment in full and give at least \$25 in categories 2 through 5:
2. Give to at least one International Advance
3. Give to at least one U.S. Advance
4. Give to at least one UMCOR Advance
5. Give to at least one Conference Advance

## International Advance

### A. Missionaries Assigned to Holston Conference

	GBGM Code	Holston Project No.
<i>Rukang Chikomb</i>	Code: 14959Z	516
Country: Democratic Republic of Congo		
<i>Fresie Chikomb</i>	Code: 3021434	777
Country: Democratic Republic of Congo		
<i>The Rev. Bill Lovelace</i>		
Country: Lithuania	Code: 11872Z	054
<i>Helen Roberts-Evans</i>		
Country: Liberia	Code: 3021129	705
<i>Missionaries Around the World</i>		
(Any Amount)	Code: 00779Z	075

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



GBGM Code	Holston Project No.
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### 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. Diantha Hodges, Sudan	Code: 982465	691

### C. Mexico

"Give Ye Them To Eat" Hunger Program	Code: 007629A	074
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### 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
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## 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. Missionaries Assigned to Holston Conference

#### *Fran Lynch Baxter*

Alaska Missionary Conference Code: 982950 032

### B. Appalachian Ministries Network

Code: 982041 007

### C. Appalachia 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 Baxter Program Support	
Code: 931520-355	264
I. Red Bird Mission, Inc., Beverly, Kentucky	
Code: 773726	010
J. Society of St. Andrew, 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.
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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

# Conference Advance

## A. Persons in Mission assigned to 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>Church and Community Worker</i>	Tazewell, VA	778
<i>Fred and Libby Dearing</i>	Sudan	719
<i>Bruce &amp; Emy P.*</i> <i>(*totally supported by churches of Holston Conference)</i>	Middle East	008
<i>Mark Stransky</i>	Marion, VA	571

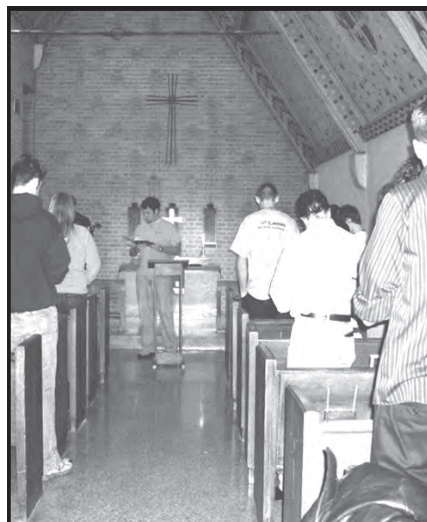
## B. Asbury, Inc. 091

## 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



## 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
  2. Blount Co. 167
  3. Holston 067
  4. Hawkins County 149
  5. Loudon County 099

## 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

### 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 |
| 4. CASA Corridor of East TN (CL)                  | 611 |
| 5. CASA of the Tennessee Heartland (OA)           | 455 |
| 6. Coalition for Kids, Inc. (JO)                  | 133 |
| 7. Crossroads Medical Mission (AB)                | 364 |
| 8. Emerald Youth Foundation-Just Lead (KN)        | 014 |
| 9. GATE-Gateway to Independence (MA)              | 612 |
| 10. Good Samaritan Ministries, Inc. (JO)          | 066 |
| 11. Hope for Healing.org (MO)                     | 577 |
| 12. Interfaith Health Clinic (KN)                 | 492 |
| 13. Jubilee Project, Inc. (MO)                    | 015 |
| 14. Morgan-Scott Project (OA)                     | 013 |
| 15. Overhome Ministries (MO)                      | 170 |
| 16. Partners for Children                         | 536 |
| 17. Plateau Home School (OR)                      | 106 |
| 18. Project Crossroads Ministries (AB)            | 047 |
| 19. Second Harvest Food Bank                      | 759 |
| 20. Unity Center (CL)                             | 151 |
| 21. Volunteer Ministry Center (KN)                | 614 |
| 22. W.S. Hight Community Outreach PACE (CH)       | 362 |
| 23. 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/<br>Orphanage in Guatemala | 121 |
|--|-----|

Holston  
Project No.



Holston  
Project No.

- |   |     |
|---|-----|
| 2. New Church Development in Costa Rica | 161 |
| 3. New Church Development in Holston    | 380 |
| 4. New Church Development in Latvia     | 365 |

### Q. World Ministries

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

### R. "Change for Children"



# IMAGINE NO MALARIA

Our Faith In Action.

The people of The United Methodist Church®



## Holston Conference Missions Offering 2013

**\$10 saves a life**

Imagine No Malaria is an extraordinary effort of the people of The United Methodist Church and the people of The Holston Conference putting our faith into action to end preventable deaths by malaria in Africa, especially the death of a child or a mother. Together, we can end death and suffering from malaria in Africa by 2015.

Today, every 60 seconds malaria claims a life in Africa. Millions of lives, needlessly lost each year. Malaria is a preventable, treatable, and beatable disease of poverty. Our goal? Imagine a world no malaria deaths. Just \$10 saves a life. Achieving this goal requires an integrated strategy against the disease. As a life-saving ministry, Imagine No Malaria aims to empower the people of Africa to overcome malaria's burden. Imagine No Malaria fights malaria with a comprehensive model:



Prevention



Treatment



Education



Communication

Today, we can see our faith in action to save lives. To overcome malaria we must stand together, united, in the name of Jesus Christ. To give to Imagine No Malaria please use Advance #684. For resources and more information visit [www.nomalaria.holston.org](http://www.nomalaria.holston.org).

**"God can do immeasurably more than we ask or  
imagine. . ."**

**Ephesians 3:20**

## 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. We are happy to share the following highlights of this past year.

Gaye King and the Children's Ministry Team continue to educate and equip leaders who work with children. As budgets continue to be stretched, Gaye and the team introduced LEAD Kids (Love, Equip, Advocate, Disciple) as a very cost-effective event to develop the skills of those who work in children's ministry. The first session took place in March, but watch for the next session to happen in September of this year. Change for Children will direct one-half of the funds raised in 2012 and 2013 to the Imagine No Malaria campaign. Holston's churches are loving their neighbors as they save the lives of children and their families in Africa.

Laura Lambert and the Youth Ministry Team continue to coordinate meaningful events for the youth of Holston. This year's Resurrection speaker, Rev. Lisa Yebuah, challenged participants to address the question, "Is it really worth it to be a follower of Jesus Christ?" The Youth in Mission trip is planned for July and will mean our youth are working hard in New York as a part of the Hurricane Sandy relief efforts.

The Young Adult Team and Laura Lambert saw another set of blessings come from the Divine Rhythm young adult conference. Olu Brown, an up-and-coming young pastor in the United Methodist denomination, challenged the young adults to step out in faith and live bold lives dedicated to Christ. Between this event and the two weekends of Resurrection, \$64,000 was raised for the Imagine No Malaria campaign. Praise God for the generosity of our young people!

Gaye King and the Older Adult Ministries Team continue to plan faith-enriching older adult events. The Jubilation conference has become a staple after 13 years and will continue in Kingsport, TN. More events are happening at the district level so that reduced mobility and travel logistics do not pose obstacles to participation. Additionally, two regional events will happen in the next year – the first at Keith Memorial in Athens, TN, and the second is still in the planning stages.

The fourth class of Leadership Holston concludes this spring after another exciting year of learning and growth. The class was comprised of a wide range of ages and stages as well as a healthy mix of elders, local pastors, and laity. Jeff Wright and Anne Travis have worked diligently on this exciting new program aimed at developing principled Christian leaders. The team fondly remembers Larry Shaver, who passed away unexpectedly in March. He was a dedicated lay pastor in the conference and enjoyed serving in the Baileytown and Woodlawn UMC congregations.

Randy Pasqua and the Camp and Retreat Ministries Team are crazy about ministering to people of all ages and stages in God's amazing creation. The flood at Buffalo Mountain Camp in August of 2012 has posed a challenge to what ministry will look like at that site in the coming years, but God has plans for ministry to thrive at that location. Summer camps are just getting into full swing at all of the conference camps as we arrive for Annual Conference. We pray for the lives that will be forever changed thanks to the dedication of our camp directors and staff!

Pete Rowlett and a well-trained team of volunteers carry on the important work of Marriage Ministries in Holston. The 9th annual retreat for couples working in ministry took place in April and served as a long weekend for couples to focus on nurturing their marriages.

Ministries that NURTURE the people of Holston Conference and beyond are alive and well. It is our goal to support all congregations and ministry sites with the talents and resources we have available. We welcome your requests for resources so that we are working together to make more disciples for Jesus Christ for the transformation of the world.

~ Leanna Johnson, Chair

## CAMP AND RETREAT MINISTRIES

“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.

The 2011-2012 year has been a year of great blessing and of great challenge for CRM. The four camp directors, John Erdman, Jason Onks, Michael Snow, and Don Washburn, were recognized and honored by Holston Conference naming them the lay recipient of the Harry Denman Award for evangelism. Holston Conference is indeed blessed by the dedicated leadership of these four men.

The Summer Camp ministry continues to be the heart and soul of our Camp and Retreat Ministries. Attendance was off in the 2012 summer, declining by 9 %. Between the four camps, 2,634 campers were served. Of this number, 920 campers indicated making a significant faith decision, 223 for the first time.

While a significant portion of our 2012 on-site camper decline was experienced at Camp Wesley Woods, their Camp in the Community program grew to 399 campers, an increase of over 400%.

The 2013 summer theme is “Treasures of the Heart.” Great efforts are under way to prepare for and recruit strong summer participation.

CRM’s greatest challenge in 2012 occurred on August 5, when a rainstorm hovered over Buffalo Mountain, pouring a huge amount of water on a completely water-saturated mountain. Estimated as an 800+ year flood event, the mountainsides gave way in nine locations as a torrent of water rushed through camp. God’s great blessing was that summer camp had ended and no guests were in camp at this time. No one was injured at camp or in the community where 70 homes were damaged or destroyed. The entire summer camp portion of Buffalo Mountain Camp is a loss. The summer program will take place at Buffalo Mountain Camp this summer in a modified format using the Retreat Center as the base of operations. Planning is taking place as this report is being written regarding the future redevelopment of the Buffalo Mountain Camp facility and its ministry.

As we continue to face the challenges of our Camp and Retreat Ministries in Holston, the members of the CRM Board, our camp staffs, as well as our guests wish to express great appreciation to Holston Conference for the tremendous support and encouragement we are receiving for the “Sharing the Love of Christ in the Glory of God’s Creation.”

~ Ed Terry, CRM Board Chairman  
~ Randy Pasqua, CRM Executive Director

## CHILDREN’S MINISTRY TEAM

Love the LORD your God with all of your heart and with all of your soul and with all of your strength. These commandments that I give you today are to be on your hearts. Impress them on your children. Talk about them when you sit at home and when you walk along the road, when you lie down and when you get up. —Deuteronomy 6:5-7

The Children’s Ministry Team is actively working to equip churches to help families share the Good News of Jesus Christ. In an effort to provide affordable training for those who find themselves leading children in the church, a new training program was introduced in March. LEAD Kids (Love, Equip, Advocate, Disciple) is designed to help leaders develop skills. This year’s topics will include training and recruiting volunteers, ministry on a budget, and how to build your children’s ministry and reach children in the community. Two weekend events have been planned for 2013. The next event will be held at Camp Wesley Woods in Townsend, TN, on September 20-21.

Our Change for Children grant program continues to fund vital children’s ministries serving economically disadvantaged children and their families. A total of \$75,109.68 was raised by

our churches in 2012. One-half of the funds raised each year are granted to Holston Conference Ministries. The other half funds ministries in Africa. The 2012 and 2013 Africa portions will go to the Imagine No Malaria campaign helping save lives! Children in our local congregations are also active in raising additional money for the campaign.

Finally, the members of the Children's Ministry Team have been active in speaking at district training events and local churches as well as responding to email questions regarding children's ministry. Every clergy under appointment in 2013 will attend Safe Sanctuary training, and all churches are encouraged to review your policies and schedule regular trainings for those who work with children and youth.

The Children's Ministry Team considers it a privilege to assist our churches in raising children for Christ!

~ Elizabeth Rudesill, Chair

#### CONFERENCE COUNCIL ON YOUTH MINISTRIES

As the Conference Council on Youth Ministries (CCYM) of the Holston Conference, we task ourselves with encouraging spiritual growth among our fellow youth by developing programs which offer opportunities to grow in faith as we lead by example.

"When I went to Discovery I thought it was going to be just another Christian event where they would tell you how Christians should act and how we as 'future' leaders should be when we get older. But it was nothing like that! I have never felt so connected to God until that weekend. I learned that ministry doesn't just mean pulpit preaching and visiting sick people. No! Instead there are endless opportunities for what God is calling each and every one of us to do. This weekend especially opened my eyes to how I can get involved and become a leader in today's Church. I will never be shy to tell a fellow youth to stand up and lead in the Church TODAY. Because, that is truly what God is calling us to do."

-Andrew McElroy, CCYM Chaplain

"The Youth in Missions trip to the Bahamas was an experience like no other. I joined 80 other people, most of whom I did not know, in spreading God's love to the people of the Bahamas. I think it is neat when people from all over can come together as the Body of Christ and work as a team to accomplish what God has set before them. While we were there, we helped with a football camp instructed by Chris Canty, a pro football player. It was great to see how much hard work and dedication these boys, ages 5 to 18, put into the sport of football. It made me realize how sports can relate a lot to my spiritual life. In the off season of softball, I have to continue to work out and maintain my strength for when spring comes around and it is time to use my muscles to play the first game. In the same sense, I have to read God's word and pray to maintain my spiritual strength for when times of trouble and hardship come around. We also got to go to a church where we helped with VBS. The children were absolutely incredible. As soon as I set foot in the church, I was greeted with so many hugs from them all. When it was time for games outside, I was amazed at how much I take for granted at home. While I have easy access to TV and my iPod, these kids only had a few balls to play with and some jump ropes. However, they didn't let that stop them from having a good time. They were so creative and came up with hand-clapping games, which they taught me, and used a plank of wood as their basketball goal. This trip was different from any other mission trip I have been on because instead of leaving a physical impact with them like building a bridge or repairing a house, we left a spiritual impact with them by sharing God's love and building relationships with the people of the Bahamas."

~ Abby Bryant, CCYM Vice President

"Last year at Resurrection was the best weekend of my life. Resurrection is what first made me want to be on CCYM. So this year getting to go back as the Youth Service Fund (YSF) Chairman was an even greater experience. I was able to fellowship with 12,000 youth, worship with an amazing band, The City Harmonic, and listen to our wonderful speaker, Lisa Yebuah.

Along with all of that, I got the opportunity to help save lives through Imagine No Malaria. I got the opportunity to stand in front of thousands and promote an awesome cause. Because of Resurrection, the youth of Holston were able to raise \$64,000 for Imagine No Malaria! I was truly humbled by how God was working through me. I honestly didn't think I deserved to be doing what I was, but God had His plans for me. I feel like He used me beyond what I saw. I feel like He might have planted a seed in other youth the way He had done with me. Just the thought of somebody else going on to save lives, spiritual or physical, based on me just talking on stage really shows how we serve a truly amazing God. Resurrection really changed my life. It showed me God can take anybody, old, young, strong, and broken, and use them to do His will. Whether it's giving a message that leaves people in tears, playing music that lifts up His name, or just saying that \$10 can save a life, God has a plan for us all to do something greater than ourselves, and Resurrection really showed me that."

~ Jake Nunn, CCYM YSF Chair

"Assembly has truly changed my life. I started going to Junior and Senior High Assembly when I was 13 years old. My first year, I felt my call to ministry. Believe it or not, every year at Assembly since then got more and more exciting. The past summer, Assembly was held at Tennessee Wesleyan College, in Athens, TN. Assembly is this amazing week of worship, fellowship with other youth, interest groups such as photography, drama, dance, and various Bible studies, and much more. I have done the photography interest group for the past few years, and it has been so much fun getting to show God's amazing creation through my camera lens. We all come together and have worship every night. One of these nights really sticks out in my mind. Every student there took some food coloring and put a drop, representing sin, in this large clear vase full of water. After everyone had put in the food coloring, the water was this gross brown color, but then something changed. A little bit of bleach was added to the water as we talked about God's love and forgiveness. Before we knew it, the water was clear again. The thought of this exercise remains with me. It's amazing to know that even when we mess up, God is always there. He never leaves us."

~ Emily Ballard, CCYM President

### MARRIAGE MINISTRIES

When a married couple participates in a local church, their relationship can be strengthened by the worship, study, and service experiences that they share. Unfortunately, we have discovered that it is possible for church activities to actually compete with the time wives and husbands might need to devote to each other, and thus they become a negative factor in a couple's relationship. Frequently in marriage workshops we hear couples complain about not having enough time for each other. They often confess that their church activities have been the main culprit. A congregation that seeks to strengthen marriage relationships should first resolve to "do no harm" by making sure that couples do not neglect each other in order to participate in separate church activities.

We have also discovered that we cannot assume that taking part in church activities together will invariably strengthen a couple's marriage, though it usually does. Sadly, the rate of marriage failures among church members is approximately the same as that of the general population. Ministries are needed that are specifically designed to enrich marriages. Fortunately, high-quality resources for those ministries are readily available, and the Nurture Team can provide guidance in obtaining them.

The Nurture Team has joined with the Board of Ordained Ministry to sponsor an annual marriage enrichment retreat for couples in ministry in Holston Conference. The 2013 retreat is scheduled at the Buffalo Mountain Retreat Center on April 5-7. Also, this year a Leadership Training Workshop is being offered in Knoxville that will equip both clergy and laity couples to provide a variety of enriching experiences for married couples. This 40-hour workshop will be held at Concord UMC on June 28-July 2, 2013.

Contact Anne Travis ([annetravis@holston.org](mailto:annetravis@holston.org)) or me ([bee.rowlett@gmail.com](mailto:bee.rowlett@gmail.com)) if you are interested in exploring these opportunities.

~ Peyton Rowlett

### **OLDER ADULT MINISTRIES**

As the average age of both membership and leadership in The United Methodist Church continues to rise, the emphasis on older adult ministries must also rise. Some 78 million Boomers (born 1946-1964) are in the process of joining the ranks of older adulthood. Congregational vitality in the future will need to involve intentional ministry by, with, and for these “new” seniors. This ministry will need to address the growing trend of “old-age” poverty as well as explore intergenerational ministries that provide opportunities for learning, growing, and sharing among young people and older adults – blurring the lines of separation among the generations.

Jubilation, a yearly event for older adults, was begun 13 years ago to begin addressing this need by nurturing spiritual growth, providing educational opportunities, promoting involvement in missions, and enhancing 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.

However, a once-yearly event needs to be supplemented with other ways to involve older adults in intentional ministry. Many of our local churches and districts offer regular gatherings and district programming, but some have been unable to offer or sustain a continuing program. Two regional events are planned to offer a wider range of opportunities for older adults. Dr. Richard Gentzler with the General Board of Discipleship’s Center on Aging and Older Adult Ministries will join us on March 1, 2014, at Keith Memorial UMC in Athens for a regional event co-sponsored by the Cleveland District Older Adult Council. Another regional event is being planned in conjunction with the Maryville District.

God invites us to a new vision for older adult ministries in The United Methodist Church. In the words of Mordecai to Queen Esther, “Who knows, perhaps God has called you to royal dignity for such a time as this” (Esther 4:14). Perhaps it is part of God’s plan to give us longer life for such a time as this.

~ Gaye King, Associate Director of Connectional Ministries

### **YOUNG ADULT MINISTRIES**

What a great time to be in ministry. So much is happening in our world. Doors that were once closed are opening, and new opportunities are presenting themselves every day. New ways of connecting are at our finger tips. It is time to start utilizing these resources to reach and connect young adults.

Our goal is to see young adults inside the church take their relationship to a deeper and more committed level and young adults outside become connected to the body of Christ. We will be working with each district and with individual churches to assist them in finding new and relevant ways to minister to the young adults in their pews and in their communities. The task is big, but not too big for God. If we will be open to new ways of being the church, we can reach all generations for Jesus Christ. Thank you and God bless.

~ Todd R. Adams, Chair

### **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.

Strength for the Journey now has full representation on the Outreach/Advocacy Ministry Team, and their report authored by Larry Dial follows this report. Our Creation Care Team continues to raise awareness within the Conference about environmental issues under the enthusiastic and committed leadership of Brenda Haymore. Her report also follows this one. Immigration

and refugee concerns were addressed at a Deferred Action clinic held at Concord UMC and at the Dining for Dignity event in Knoxville, both in the summer of 2012. Members of Holston Conference attended the Caring for Creation conference in March, the Peace Conference in November, and the Multicultural Conference in late November, all at Lake Junaluska.

In the spirit of our connection, two clergy from Holston, Jodie Ihfe and Sam Ward, attended the Young Clergy event in January 2013 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.

Our ministry team has offered support to 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 2012 and again this year.

On July 27, 2013, we will hold the fourth Poverty Conference at Cokesbury UMC in Knoxville, and plans are getting under way for a conference on dealing with addictions in 2014. We encourage members to be involved in the Caring for God's Creation event at Lake Junaluska in the spring 2014 and the Peace Conference in March 2014 which will focus on health issues.

~ Susan Montgomery, Chair

#### CREATION CARE MINISTRY TEAM

Holston Conference Creation Care continues to sow seeds and drop pebbles by promoting environmental stewardship within our churches, conference, and world. Seed by seed, Holston is truly becoming more aware that we all must be better environmental stewards to God's entire creation.

"God made everything, God is in everything, Everything is God's."

As mentioned last year in the 2011-2012 report, Holston and 13 other conferences worked on a strategic visioning plan to create and implement a denominational-wide Creation Care. Under the guidance of Rev. Dr. Pat Watkins, who led our Holston Creation Care kick-off in November 2011, United Methodism now has an Environmental Stewardship Ministry called Caretaker's for God's Creation. Holston will be actively involved in this ministry.

During the 2012 year, Holston Creation Care supported and contributed to the following:

- Continued providing eco-tips to all districts and several churches to utilize in their newsletters.
- Spoke to Holston's Secretaries Association annual meeting, giving suggestions to make their workplaces more environmentally sustainable.
- Assisted several churches in developing their own Creation Care ministry teams.
- Assisted the Tennessee Conference in developing their own Creation Care Ministry.
- Assisted Holston Camp and Retreat Ministries, especially giving monies to the restoration of Camp Buffalo Mountain.
- Contributed to Caretaker's for God's Creation denominational-wide ministry.
- Attended Lake Junaluska's Caring for God's Creation Conference held in March 2012. Twelve attended from Holston.
- Provided three \$75 scholarships to laity to attend 2013 Caring for God's Creation Conference.
- Participated in Tennessee Interfaith Power & Light Prayer Vigils.
- Supported and promoted Holston's Imagine No Malaria campaign.

We still need laity and clergy from every district to be part of the conference Creation Care team, and we also need to hear your stories on what your church is doing or would like to do to be better stewards of God's creation. Contact Gaye King ([gayeking@holston.org](mailto:gayeking@holston.org)) or Brenda Haymore

(mollysmom40@comcast.net) for information and for speaking engagements.

As Harriet Jane Olsen, Deputy General Secretary for the Women's Division stated, "Green is the new black. But it is much more than a fashion statement, it is a faith statement. May we as God's children and as His stewards be found to be faithful."

~ Brenda Riggle Haymore, Chair

#### **STRENGTH FOR THE JOURNEY MINISTRY**

May our Lord Jesus Christ himself and God our Father, who loved us and by his grace gave us eternal encouragement and good hope, encourage your hearts and strengthen you in every good deed and word.

Strength for the Journey has been bringing ministry to HIV/AIDS persons for 15 years. This year, however, it has provided those ministries as an official outreach ministry of the Holston Conference. With the endorsement of the former Board of Directors, Strength for the Journey has been restructured and now comes under direct accountability to Holston Conference through Outreach/Advocacy Ministry Team.

With some challenges for the new Board early on, the September retreat at Buffalo Mountain Camp was cancelled. With the help of volunteers and an undeniable spirit of faith, the October camp was held successfully at the Retreat Center at Buffalo Mountain, and plans for next year's two camps are well under way.

SFTJ provides a setting apart from difficult situations for HIV/AIDS campers to search and discover God all around them. In the beginning of the HIV virus, it was a death sentence. New protocols in medications have changed all that, making opportunities for living with HIV/AIDS for much longer periods of time more the norm. As people of faith, we want to give opportunities for them to find "life" abundant in the relationship they share with the Creator. It is in their journey during the week at camp that God's strength is affirmed for them. This journey takes them through worship, workshops, prayer, campfire, exercise, fellowship, and fun. A "safe" environment, with all sorts of dedicated volunteer leaders, SFTJ offers an opportunity to turn back to God even if circumstances at home make that difficult. The experience of "church" at Buffalo Mountain is life-changing for all those involved. Over the course of years, SFTJ has received positive feedback for the difference made in the lives of campers as well as staff.

We express much gratitude to the Holston Conference, as well as all those people and churches who donate their time, monies, and energy to this effort. The journey continues. And we are grateful to be able to help others find strength to find their way.

~ Larry Dial, Chair

#### **STEWARDSHIP MINISTRY TEAM**

The Holston Stewardship team continues the ongoing efforts to provide training and educational opportunities for clergy and laity in financial and life stewardship.

In March 2013, twenty additional pastors were trained in a workshop setting by Dr. Michael Reeves in Clergy Financial Management. To date, 113 pastors have had this unique opportunity to enhance their knowledge, skills, and confidence in this vital aspect of church leadership. This year, Dr. Reeves came to the Holston area as opposed to sending the group to Texas. While the costs for bringing him to Holston were not significantly different from sending clergy as we have in the past, the ability to customize the training sessions in a comfortable and more convenient setting offers many advantages to our clergy.

We continue to struggle to be able to measure the impact of these financial seminars. However when the "Plano graduates" reunited last September, a fertile sharing of new ideas and innovations has come from the training. Several graduates identify specific initiatives and programs on financial stewardship that they have developed as a result of this work. A future project of the Stewardship team working with select graduates will pool information, ideas, and success stories

in a conference resource available to all pastors and laity.

Dr. Reeves returned to Holston last September (2012) for the graduates retreat. At that time he provided a workshop for conference officers, pastors, and others involved in local church financial matters. The focus of this workshop was on the relationship between generosity and stewardship. It was well-attended and provided significant insights for the participants on creating a culture of generosity in our churches. Dr. Reeves also met with members of the Extended Cabinet and had some one-on-one dialogue with several pastors.

A successful part of our stewardship efforts is provided by Rev. Bill Kilday, conference Director of Stewardship, in his weekly “Moments of Sharing,” vignettes for use in churches as the offering is received each Sunday morning. These are proving very effective in developing a culture of generosity in our churches.

Finally, the stewardship committee continues to work closely with the Holston Conference Foundation to promote generosity, planned giving, estate planning, and the best practices of financial management in our churches.

~ Darryll Rasnake, Chair

#### **WITNESS MINISTRY TEAM**

2012 was a good and productive year for the Witness Team. We awarded three Denman Awards at Annual Conference – one for a youth, one for laity, and one for clergy. The one thing that we did differently was to award the Laity Denman Award to all four of our Holston Conference Camp Directors. The nomination was made, and the team agreed they were deserving of this Evangelism award.

The team granted \$30,000 to requests from various churches for new ministries that will bring new people to Christ through our Witness Team Church Program Grants.

We held our third successful Holston Evangelism Conference in March 2012 with many people gaining new information and new excitement to go back into their local churches to start new ministries.

We are currently planning for our best Evangelism Conference yet, and that event will take place March 14-15, 2014, in Knoxville. The leader for this event will be Rev. Jorge Acevedo of the Florida Conference.

I want to offer a word of thanks to all of the great people of Holston – laity and clergy – who work diligently to introduce people to Christ.

~ Ronnie G. Collins, Chair

#### **HISPANIC/LATINO MINISTRY TEAM**

Hispanic Ministries in the Holston Conference are in the early stages of growth. We are blessed to have nine sites of ministry throughout the conference in various stages of growth. The Hispanic Ministries Team is dedicated to working with these ministries to resource them with personnel and funding needs to give them a platform from which to expand and grow. We are also interested in helping local churches throughout the conference to begin conversations with Hispanic communities to look for opportunities for joint ministry and mission.

Some of the best stories of the work within the Holston Conference come from churches, Anglo and Hispanic, working together. First United Methodist Church in Sevierville, TN, welcomed a small group of Hispanic worshippers to use a small building that the church acquired a few years ago. This ministry has grown to the point that they have almost outgrown their current building. They have also reached out to First UMC in Gatlinburg to help start a new ministry there. St. John UMC in Alcoa and Pleasant View UMC in Abingdon have both worked to start new ministries that are growing in strong ways. When we work together to share our facilities, our faith, and our love, we are able to feel God’s Spirit in ways that transcend cultural and language boundaries. This is

how we become disciples.

As immigration reform becomes a topic for discussion among our political leaders, the Hispanic Ministry team hopes to expand our knowledge of these reforms and inform churches of ways in which they can help people within their communities to participate in new programs. We also hope to help people of all races to understand how we can work together to strengthen our communities with more communication between our cultures.

One of the limiting factors of expanding Hispanic ministries in Holston is the shortage of strong leadership for new ministries. The Hispanic Ministries Team will work to help raise new leaders from the Hispanic community within our conference. We will also work to identify and attract new leadership from outside our conference bounds. We will make resources available for training for local ministry leaders as well. Developing strong leaders is essential to expanding and strengthening our ministries within the Holston Conference.

Telling the story of Jesus Christ and making disciples means becoming a community together. The purpose of our churches of all cultures is to help us tell that story better and to more people within the place we call Holston. As we spread this story, in all of our languages and cultures we work to become brothers and sisters together in God's holy community.

If you are interested in developing, strengthening, or contributing to Hispanic Ministry within the Holston Conference, please contact me at [tonycollins@sweetwaterumc.org](mailto:tonycollins@sweetwaterumc.org).

~ Tony Collins, Chair

#### **SMALL MEMBERSHIP CHURCH MINISTRY 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."

The 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)

The Living Stone Award recognizes vital small membership and rural congregations who have become even more outreach-minded in their communities. District Superintendents nominate churches for this award.

~ Victor Dingus, Chair

## CHURCHES OF EXCELLENCE IN EVANGELISM

**Abingdon District**

<b>GOLD</b>	Three Springs Wallace	<b>HONORABLE MENTION</b>	Reynolds Memorial Ridgedale Roberts Chapel Seven Mile Ford Shady Grove Shouns Sinking Springs St. John Trinity Union Virginia Avenue Wesley, Mountain City Zion
John Wesley Lebanon Memorial McCready South Bristol	<b>BRONZE</b>	Abingdon Aldersgate Cedar Bluff Damascus Davis Memorial Ebenezer First, Bristol Grace Greenwood Lebanon, Chilhowie Mountain View, Chilhowie Mt. Olivet Quarry	
<b>SILVER</b>	Byars Cobbs Charles Wesley First, Marion Hunt Memorial Lebanon, Glade Spring Madam Russell Sulphur Springs Washington Springs Weaver Wright's Chapel Wyndale		
Anderson Street Beech Grove Blackwell's Chapel Brumley Gap Mahanaim Pleasant View St. Luke State Street			

**Big Ston □ G □ □ District**

<b>GOLD</b>	Holston View Legion Memorial South Coeburn St. Paul	Hales Chapel Horton's Chapel McClure's Chapel Nottingham Smyth Chapel Station Creek	<b>HONORABLE MENTION</b>
Coeburn East Stone Gap Midway Memorial Three Bells	<b>BRONZE</b>		Appalachia Dungannon Fort Blackmore Hiltons Memorial McClure Prospect Slant
<b>SILVER</b>	Clintwood Crab Orchard Dryden		
First, Jonesville First, Pennington Gap			

**□ □ □ tt □ noog □ District**

<b>GOLD</b>	<b>SILVER</b>	<b>BRONZE</b>	<b>HONORABLE MENTION</b>
Christ East Ridge First Centenary Jones Memorial Pikeville Signal Crest Signal Mountain St. Elmo St. Marks Trenton	Brainerd Burks Chapel Hill Fort Oglethorpe Hixson Lookout Mountain McFarland Red Bank Sulphur Springs Wauhatchie	Dunlap Flintstone Grace McKendree Tyner Washington Hills Wesley White Oak	Brooks Memorial Fairview Harrison Looney's Creek Chapel Mount Crest New Salem Payne's Chapel Pleasant Grove Rising Fawn Sardis Stanley

**□ □ □ □ □ nd District**

<b>GOLD</b>	St. Paul's Wesley Memorial, Cleveland	First, Copperhill Jones Chapel Keith Memorial Pleasant Grove, Etowah Riverstone Savannah Spring Creek Wesley Memorial, Etowah Wesleyanna	<b>HONORABLE MENTION</b>
Decatur Graysville Soddy Spring City	<b>BRONZE</b>		Allen Memorial Calhoun Niota Trinity, Athens Vine Grove
<b>SILVER</b>	Apison Benton Black Fox Burkett Chapel Daisy		
Broad Street First, Cleveland Ooltewah			

**Johnson City District****GOLD**

Bluff City  
Boones Creek  
Cherokee  
Gray  
Marvins Chapel  
Pleasant Grove  
Taylor Memorial

**SILVER**

Edgefield  
Fairview

Grace  
Jonesborough  
Munsey Memorial  
Slagles  
St. Paul, Piney Flats  
Sulphur Springs  
Wesley Memorial

**BRONZE**

Bethesda, Jonesborough  
Eden  
First, Johnson City

Gethsemane  
Hunter  
Limestone  
McCarty  
Telford  
Unicoi  
Watauga  
West Market Street

**HONORABLE  
MENTION**

Austin Springs

Cedar Grove  
Ebenezer  
Embreeville  
Milburnton  
Mt. Tabor  
Pleasant Hill  
Roan Mountain  
St. Paul, Elizabethton  
Union Temple  
Valley View

**Kingsport District****GOLD**

Crossroads  
First, Church Hill  
Salem

**SILVER**

Emory  
First, Rogersville  
Kendricks Creek  
Lebanon  
Logan's Chapel

McFerrin  
Pactolus  
Persia  
St. Luke  
St. Matthew  
Wheeler

**BRONZE**

Adams Chapel  
Colonial Heights  
Community

First Broad Street  
Glen Alpine  
Mafair  
Okolona  
Old Union  
Rock Springs  
St. Mark  
Vermont

**HONORABLE  
MENTION**

Depews Chapel  
First, Surgoinville  
Grange Hall  
Kingsley  
Pleasant Hill  
Ross Campground

**Knoxville District****GOLD**

Beulah  
Christ  
Cokesbury  
Ebenezer  
Faith  
Fountain City  
Kodak  
Powell  
St. Lukes

**SILVER**

Bearden  
Middlebrook Pike  
New Life  
Piney Grove  
Trinity  
Washington Pike  
Zion

**BRONZE**

Bethel, Amherst  
Central

Church Street  
Haven Chapel  
Inskip  
Martin Chapel  
Norwood  
Pleasant Hill  
St. Andrews  
St. Mark

**HONORABLE  
MENTION**

Bookwalter  
Colonial Heights  
Emerald Avenue  
Mascot

**Maryville District****GOLD**

Fairview  
First, Gatlinburg  
First, Tellico Plains  
Ironsburg  
Middlesettlements  
New Salem  
Peck's Memorial  
Wears Valley

**SILVER**

Broadway  
Cedar Bluff  
Eden  
First, Alcoa  
First, Sevierville  
Friendsville  
Middle Creek  
St. Mark's  
Sycamore Tree  
Tuckaleechee

**BRONZE**

First, Maryville  
First, Pigeon Forge  
First, Sweetwater  
Immanuel  
Murphy's Chapel  
Roberts  
Seymour  
Walland

**HONORABLE  
MENTION**

Axley's Chapel  
Bungalow  
Burnett Memorial  
First, Madisonville  
Fox  
Shults Grove  
Webb's Creek

**Morristown District****GOLD**

Asbury  
First, Morristown  
Hills Union  
Hunt's Chapel  
Love's Memorial  
Mt. Hebron  
Mt. Zion, Afton  
Ottway  
Panther Springs  
Tate Chapel  
Trinity, Morristown

**SILVER**

Baileytown  
Bybee  
Chestnut Grove  
First, Newport

Hartman's Chapel  
Jones Chapel  
Midway  
Mt. Zion, Dandridge  
Noe's Chapel  
Pine Grove  
Romeo  
Rutledge  
Shiloh, Rutledge  
Whittenburg

**BRONZE**

Bales Chapel  
Carter's Station  
Central, Bean Station  
Edwards Chapel  
First, Jefferson City  
First, White Pine

Mary's Chapel  
Mt. Pleasant, Greeneville  
Mt. Sinai  
Mulberry Gap  
Pruitt Hill  
Rehobeth  
River Hill  
Shady Grove  
Strawberry Plains  
Sulphur Springs  
Weems Chapel  
Wesley's Chapel,  
Dandridge  
Zion

**HONORABLE  
MENTION**

Antioch

Bethel  
Bewley's Chapel  
Caton's Grove  
Cedar Grove, New Market  
Chestnut Hill  
Fairview  
First, Bulls Gap  
First, Dandridge  
George Street  
Grant  
Liberty Hill  
McCampbell  
Mt. Pleasant, Talbott  
Mt. Hope  
New Market  
Trinity, Greeneville

**Oak Ridge District****GOLD**

Bradbury  
Central, Lenoir City  
Concord  
First, Oak Ridge  
Miller's Chapel

**SILVER**

Asbury  
Bell's Campground  
Good Shepherd

Martel  
Memorial, Clinton  
Midtown Valley  
Mt. Hermon  
Well Spring

**BRONZE**

Andersonville  
Cawood  
Heiskell  
Luminary

Mt. Pleasant  
Oliver Springs  
Rockwood  
Swan Pond  
Thompson Chapel  
Trinity, Lenoir City  
Valley View

**HONORABLE  
MENTION**

Fincastle

First Farragut  
Harriman  
LaFollette  
Lake City  
Moore's Gap  
Rugby Road  
St. Mark  
Sunbright  
Tazewell

**Tazewell District****GOLD**

Bailey  
First, Rich Creek  
Mt. Zion, Bland  
Wesendonck

**SILVER**

Coleman's Chapel  
Dennison  
Eggleston

Round Bottom  
Shady Grove, Bland

**BRONZE**

Byrnes Chapel  
First, Pearisburg  
First, Richlands  
Garden  
Main Street  
Mountain View  
Mt. Olivet

North Tazewell  
Pisgah  
Pleasant Hill, Pearisburg  
Pleasant Hill, Tazewell  
Rocky Gap  
Shiloh  
Wesley's Chapel

**HONORABLE  
MENTION**

Boyd's Chapel  
Christ First  
First, Honaker  
Mt. Hermon  
Mt. Zion, North Tazewell  
Pocahontas  
Salem  
Steelesburg  
Wilbur Memorial

**Wytheville District****GOLD**

Bethel, Radford  
Central, Radford  
Fairlawn  
First, Hillsville  
First, Independence  
Locust Hill  
Marvin  
Max Meadows  
Randolph Avenue  
Slaughter's Chapel

**SILVER**

Brick  
First, Pulaski  
Floyd

Fort Chiswell  
Gladeville  
Grove  
Lebanon  
New Mt. Olive  
Rural Retreat  
Sidney  
St. Paul  
West End

**BRONZE**

Auburn  
Carter Street  
Cold Springs  
Door of Heaven  
Dublin

Fairview, Rural Retreat  
Fairview, Wytheville  
First, Galax  
Fulton  
Grahams Forge  
Mountain Plains  
Mt. Ephraim  
Mt. Olivet, Galax  
Mt. Pleasant  
Providence  
Willis

**HONORABLE  
MENTION**

Asbury, Rural Retreat  
Bethel, Wytheville

Camp Bethel  
Ebenezer  
Fairview, Ivanhoe  
Fairview, Riner  
Fancy Gap  
Fries  
Glenwood, Barren Springs  
Grant  
Huddle Memorial  
King's Grove  
Liberty Hill  
Mill Creek  
Mt. Mitchell  
Mt. Olivet, Pulaski  
Mt. Zion, Elk Creek  
Olive Branch

### BOARD OF LAY MINISTRY

“The conference lay leader is the elected leader of conference laity and will have responsibility for fostering awareness of the role of the laity both within the congregation and through their ministries in the home, workplace, community, and world in achieving the mission of the Church and enabling and supporting lay participation in the planning and decision-making processes of the annual conference, district, and local church in cooperation with the bishop, district superintendents, and pastors.” *Book of Discipline* (2012), Paragraph 607.

It has been my honor to serve as Conference Lay Leader during the past year. I am thankful for the hard work and support of the District Lay Leaders and other members of the Board of Lay Ministry as they labor at the grassroots level to facilitate the countless laity in ministry all across Holston Conference. Lay ministry, like so many other aspects of our connectional system, reminds us on a regular basis that we accomplish much more by working together than we could hope to achieve through only individual efforts.

As I consider the *Discipline*'s definition of the office of Conference Lay Leader, three things stand out to me. I would encourage all lay members of annual conference to take these points to heart in leading the ministries of your local congregations.

**What is “the role of the laity”?** We are all called through our baptism into a ministry of servanthood in the world. Lay members of the United Methodist Church are called to carry out the Great Commission and serve in missional ways. The witness of laypersons is the primary evangelistic ministry through which others come to a saving knowledge of Jesus Christ. Our role is one of ministry, not merely leadership and attendance in our local congregations.

**The work of lay ministry occurs in all places and at all times.** We must do more than show up at the church-house on Sunday mornings and Wednesday nights. The call to lay ministry, in order to be truly effective, must pervade all that we say and all that we do. We carry the mantle with us when we leave the comfort and safety of the sanctuary to venture out into the world around us. At work, in our homes and neighborhoods, shopping at the grocery or department store: people are watching and listening to see if our words and actions are consistent with the faith we proclaim. Placing a fish symbol on our cars or wearing a cross around our necks challenges us to remember that we are ambassadors and all we say and do reflects on the One we represent. Whenever we exit the church, we enter the world – let us do so with an attitude of service and humility.

**We do not work alone.** The ministries of the laity and the ordained are complementary; we do not need to see ourselves in competition with our clergy brothers and sisters. Vital congregations foster and encourage active leadership from laity and clergy alike. We must offer loving and prayerful support of one another in the work of ministry undertaken by all our local congregations.

Thanks be to God that the churches of Holston Conference have so many effective ministries in the communities we serve. May God keep us constant, intentional, and cooperative in the ways we respond to His continued call on us to share the love of Christ with others.

*Del Holley, Conference Lay Leader*

### **REPORT OF BOARD OF ORDAINED MINISTRY**

The Board of Ordained Ministry of the Holston Conference takes very seriously its responsibility to provide the congregations of this conference, as well as the wider United Methodist Church, with committed, qualified, educated, competent, and compassionate pastoral leadership. The Board has the responsibility of leading persons from their initial call to ministry through a process of discernment of that call; testing the call to determine if a candidate's gifts, grace, and fruits can best be used in the Holston Conference of the United Methodist Church, and guiding persons as they become educated and equipped to faithfully live out that call. A major challenge in this responsibility is to evaluate the fitness, the readiness, and the effectiveness of candidates for ministry at the various levels of service for which they are preparing.

The Conference Board works closely with the District Committees of Ordained Ministry in order to assist and guide persons under their care who are seeking to receive the credentials needed to serve effectively. These District Committees lead candidates through the certification process, consult with local pastors serving in the district, and recommend persons for Provisional Membership and Associate Membership upon the completion of educational requirements. Each District Committee has an assigned representative from the Conference Board, who interprets the work of the board and serves as a link between the district and conference level.

In addition to the extensive work of interviewing candidates for Commissioning and Ordination, the board has responsibility for conducting Local Pastor's Licensing School, training of Mentors (for Candidacy, Local Pastors, and Provisional Members), implementing a comprehensive process of mentoring and support for Provisional members, providing continuing education for clergy, recruiting and supporting seminary students, and responding to various requests for changes in conference relationships for clergy. All of this requires a great deal of commitment on the part of every member of the board. Therefore, I express deep appreciation to the Office of Clergy Services, and to all the members of the board for their willingness to take on this work, and for their competence and faithfulness in carrying out all of the responsibilities entrusted to us.

*Stella M. Roberts, Chairperson*

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

The Orders and Fellowship Steering Committee send you our Warmest Greetings, having brought you to mind in prayer and service. Our 2012 Clergy gathering was a vibrant experience culminating in our new episcopal leader and her husband, Mary Virginia Taylor and Rusty Taylor return to Holston. Bishop Taylor shared with us her vision and has offered to us a renewed focus in rendering service to the church. I express my humble gratitude to Rebekah Fetzer, Sam Johnson and Ken Lytton for their assistance in 2012, to Don Nation Steward of Clergy Concerns, to Charles W. Starks, Senior Pastor, the Congregation and Ministerial staff of First United Methodist Church Morristown for serving as our host at our Fall Clergy Gathering, and all who had stepped up and offered a helping hand.

A Handbook for Local Pastors was edited and produced by Ken Lytton and approved by the Board of Ordained Ministry. A suggested format for Interning in the process of discerning a call ministry was also presented.

Two dates have been set aside for our 2013 Clergy Gatherings, October 14 and 15. The Steering Committee will share more at our clergy session during Annual Conference.

*Donald Swift, Chair*

### WESLEY LEADERSHIP INSTITUTE

The Wesley Leadership Institute coordinates the continuing education and leadership development endeavors for the Board of Ordained Ministry in the Holston Conference. WLI's commitment to the enhancement of clergy continuing education is our vision to maximize the highest potential of clergy effectiveness. WLI offers advertisements for a number of clergy continuing education options on our website, as well as oversight for the coordination of events like Ministers' Convocation held every winter at Lake Junaluska. WLI also strives to partner with local churches, districts, and program committees that sponsor workshops and special conferences, and we encourage pastors to pursue their own professional growth with both one on one mentors and/or mentoring groups and in peer learning experiences.

Through the conference office several services are provided: record keeping for accountability purposes; grant approval; Continuing Education Unit assessment and approval; and assistance in locating specific educational opportunities. Guidelines for grants and ceu's are on the Holston.org website as well as the full policy related to continuing education and lifelong learning.

*Dennis Flaughner, Chair of WLI committee*

*Don Nation, Director of WLI*

*Sue Weber, Administrative Assistant*

### THE PASTORAL COUNSELING CENTER

As I am writing this reflection, I am struck by the countless opportunities God gives us individually, in communities of faith and as the Church to experience fresh beginnings. Every time we ask God to forgive us for our self-centered living and are able to open ourselves to God's leading, God does not fail us. We can be assured that God does not abandon us. So, even in the present waters of change without and within the United Methodist Church, we can depend on God to sustain us as we journey.

I am reminded of that so often in my ministry. In my role as pastor and pastoral counselor for Holston, I support clergy and their families and thereby Holston churches in their ongoing experience of the journey to wholeness as God leads us with God's grace and goodness. Even in darkest moments of life we can have hope, a hope grounded in the knowledge that while the spiritual journey with God is a sometimes scary process of change and growth, God goes before us and with us through it. Pastors are on this journey as well. While leading others in spiritual formation, pastors must also find ways to nurture their own spiritual and emotional lives, both to experience the sense of wholeness that comes only in the relationship with God and to lead others from a place of sound health.

Whether laity or clergy, it is an aspect of human frailty to try to depend on ourselves, rather than on God – to move ourselves into self-sufficiency and so neglect the deep relationship with our God. Our sense of our need for God can become dulled and we can become deaf to God's leading. We sometimes need to be reminded that when we depend on God, our weakness is made perfect. This season of Lent -- with emphasis on the practices of self-examination and repentance points us again to thoughts of our need for God in order to experience resurrection, new life, renewed hope on the journey.

The ministry of pastoral counseling is offered to be a reminder of our need to attend to spiritual, emotional and physical health and wholeness and to otherwise be a support for persons in ministry. One of the ways this is accomplished is in the offering of confidential personal and family counseling to clergy, their family members and others engaged in fulltime ministry. Another way is through confidential clergy groups. It is vitally important for clergy to develop relationships with their clergy peers for reflection and accountability. Clergy groups are a setting in which this may

occur. More than 30 Holston clergy have participated in groups this year. When congregations support their pastors in such endeavors, they are indicating that the health and wellbeing of the pastor, his or her family, and the community of faith are an important resource to the Church.

This past year the Pastoral Counseling Center ministry has served more than 100 individuals in the counseling setting and in clergy groups and has impacted numerous others through workshops, presentations and worship services in the churches of Holston. It is our hope and prayer that the vital ministry of pastoral counseling will continue to be available to those who accept the call to ministry to serve in the bounds of Holston Conference. In recent months, the Pastoral Counseling Center opened an avenue for persons and churches to participate in the financial support of this vital ministry through tax-deductible donations through the Holston Conference Foundation. We are thankful for the continued prayers and support of United Methodists across our Conference.

*~ Rev. Laura A. Shearer, Director*

*~ Rev. Don E. Ferguson, Jr., Chair*

*Pastoral Counseling Supervisory Committee*

### CWART

The Congregational Wellness Advocacy Response Team (CWART) 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.

We continue to learn and grow as a team through continuing education opportunities, reading and seeking new opportunities to share with and learn from others groups.

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 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 in all twelve districts of the conference for spouses in distressing circumstances. Any spouse needing support in the midst of a crisis would contact the Superintendent of their district, who would then contact the co-director(s) for assistance.

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."

*-Beth Green, Co-Chairperson  
-Thel Hamilton, Co-Chairperson  
- Nancy Ridenour, Secretary*

### COMMISSION ON EQUITABLE COMPENSATION

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.

The 2012 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 2014**

##### **For full-time service by Conference Members:**

Full Member (M.Div.) or equivalent degree	\$39,396
Provisional Member (M.Div.) or equivalent degree	\$37,150
Associate Member	\$35,672

##### **For Service as full-time Pastors:**

M.Div.	\$34,445
Completed Studies	\$33,532
Beginning Studies	\$29,070

##### **For Service as Student Pastors:**

Seminary Students	\$27,096
College Students	\$23,548

##### **Annual Supplements for Student Pastors with Dependent Children:**

Each Dependent Child	\$ 675
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The Commission on Equitable Compensation requests a budget of \$170,400 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 *2012 Book of Discipline*.

The student pastor receiving equitable compensation will be expected to:

- a) Work at least 2 1/2 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.

~ Natalie Smart, Chair

Equitable Compensation Funds  
Annualized Figures  
Effective January 1, 2013

Name	Charge	DI	Salary Supp	Mission Aid	Coop. Parish	Dep. Children	Monthly
Donnie Bailey	Broadford Circuit	AB	\$2,403				\$200.25
Robert Nyaga Kariuki	Jn Wes/Ch Wes	AB	\$6,742				\$561.83
Charles L. Leonard	Wharf Hill/Elizabeth	AB	\$3,821				\$318.42
Billy Rines	Damascus Circuit	AB	\$10,614				\$884.50
Emmit Wilson	Smyth Co Parish	AB			\$600		\$50
Jacqueline Strickler	Dungannon Circuit	BI	\$6,200				\$516.67
Bobby Black	Washington Hills	CH	\$3,080				\$256.67
Reece Fauscett	Trenton Coop Par	CH			\$600		\$50.00
Janice Keebler	Holston Gap Parish	CH			\$600		\$50.00
Elston McLain	Mt. Moriah Parish	CH			\$600		\$50.00
Jeremy McMillan	First, Whitwell	CH	\$6,000				\$500
Claire Sauer	Grace	CH	\$5,000				\$416.67
Greg Smart	Squatchie Cluster	CH			\$600		\$50.00
Mike Ladd	Ross Campground/Cameron	KI	\$4,500				\$375
Jim Bailes	Emerald Ave	KN	\$7,774		\$600		\$50
Steve Johnson	St. Luke	KN	\$5,471				\$647.83
Teresa McClure	New Life	KN					\$455.92
Van Sanks	Emerald Ave	KN		\$27,000			\$2250
Mark Barber	Lawson's Chapel	MO	\$5,000				\$416.67
Allen Karnes	Sneedville Circuit	MO		\$6,000			\$500
Joe Phillips	Oven Creek	MO	\$3,000				\$250
Arturo Reyna	Mor District Hispanic	MO		\$14,000			\$1,166.67
Keith Hampson	Cawood	OA	\$2,160				\$180
John Slater	Sunbright	OA	\$9,477				\$789.75
Randall Wright	Harrogate	OA	\$6,000				\$500
Amy Beth Bartee	Staffordville Ct.	TA	\$2,000	\$8,000			\$833.33
Bobbie Dunford	Grundy	TA		\$8,000			\$666.67
Danielle Jenkins	Pisgah/Pleasant Hill	TA	\$3,901				\$325.08
Javier Hernandez	Door of Heaven	WY	\$4,162				\$346.83
Darlene Marshall	Floyd Circuit	WY	\$2,000				\$166.67
Faith Ramer	Bridle Creek Charge	WY	\$1,500				\$125
Rosa Slavik	Max Meadows	WY	\$3,500				\$291.67
			<b>\$104,305</b>	<b>\$63,000</b>	<b>\$3,600</b>		<b>\$14,242.10</b>

## BOARD OF PENSIONS AND HEALTH BENEFITS

### 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.
- There are no increases in premiums for each plan for 2014. Please see the accompanying 2014 rate sheet.
- We are very aware that the Patient Protection and Affordable Care Act will have an impact on our health insurance program. We are confident that we currently have a conference health plan that satisfies all requirements. We will stay informed and monitor the situation to ensure that current health participants have the best options available in this changing environment.
- The Conference Board of Pensions and Health Benefits is pleased with the participation in “Healthy Holston”, a health and wellness program for our current active health participants. Plans currently include a biometric screening at the 2014 Annual Conference. Participants in the program will be issued a credit of \$120.00 annually to reduce their out of pocket cost for health insurance.
- As required by 2012 General Conference, we are currently formulating an “expanded funding plan requirements” which provides a written plan, approved by the GBOPHB that covers all obligations.

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 2014, 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 \$551 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 Ministerial Pension Plan (MPP) is a clergy pension plan covering January 1, 1982 through December 31, 2006. MPP functioned as a defined contribution (DC) plan during active years.
  - The Church contributed a percentage (11% or 12%) of the clergy person’s contribution base to his or her MPP account. Contributions to MPP ceased as of December 31, 2006, but account balances-including investments-earnings-remain separate until retirement.
  - MPP becomes a defined benefit (DB) plan at retirement. Participants must convert at least 65% of their account balance into a monthly lifetime benefit (annuity) and plan sponsors are responsible for funding the annuities should the need arise. For annuities set-up January 2014 or later exactly 65% of the account balance must be converted into an annuity.
  - Clergy may roll over up to 35% (beginning January 1, 2014 exactly 35%) to UMPIP, and IRA or take it as a cash distribution.

- Benefit at retirement is based on the participant's account balance, annuity elections and other factors.
  - Funding requirements are determined for the entire MPP annuities pool (all conferences); liabilities/funding requirements for each conference are based on the conference's participants.
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. The Clergy Retirement Security Program (CRSP) provides both a DB and a DC Plan. The DB plan provides a monthly retirement benefit based on credited service on or after January 1, 2007. The benefit is determined using the following calculation:
    - 1.25% of the Denominational Average Compensation (DAC) times years of credited service from January 1, 2007 through December 31, 2013 divided by 12 (months)
    - 1.00% of the Denominational Average Compensation (DAC) times years of credited service after December 31, 2013 divided by 12 (months)
    - For service from January 1, 2007 through December 31, 2013, when a retired married participant dies 70% of his or her DB payments continue to the spouse for life. For service beginning January 1, 2014, the initial dollar amount of the benefit paid to the participant will be reduced to offset the value of spousal benefits.
    - Under the DC plan, each month the annual conference contributes 3% of the clergy person's plan compensation into a CRSP DC account for the clergyperson. Beginning, January 1, 2014, the annual conference will contribute 2% of clergy plan compensation and, in addition, will match the amount of clergy contributions to the United Methodist Personal Investment Plan (umpip) up to 1% of compensation.
  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 continues 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.
14. CPP Changes: Return-to-work (RTW) incentives more than 24 months on disability: \$.50 per \$1 offset applied immediately, up to 100% of pre-disability compensation. Mental Nervous Limitation-24 month limitation for certain “treatable” and “returnable” conditions.
15. Voluntary Transition Program. Facilitates “grace-filled” exit from ministry for eligible ordained clergy who choose to withdraw from ministry.
  - Eligibility: Clergy in full connection; good standing five years in full connection. Participants must surrender credentials.
  - Severance Benefits: Two weeks of Participant’s Plan Compensation (housing plus cash salary) for each full year of continuous service, up to a maximum of six months pay
  - Other Benefits: Health benefits (continuation coverage) – conference paid. Active death benefits (participant only). 90 days of outplacement services. Moving expenses-conference paid based on policy.
  - Process and Procedures: Conference and clergy consultation. General Board sends confirmation letter and initiates payment.
  - Other Considerations: Return to ministry-clergy who return to full-time ministry will be required to repay full severance benefit payment. Appeals-General Board and conference are responsible.

#### RESERVE BALANCES AND HEALTH INSURANCE

We continue to monitor our asset allocations to insure that future benefits can be provided to the participants in the various programs. The Holston Conference has booked a charge of approximately \$21.6 million for post-employment health care benefits. The Board of Pensions is currently taking steps to manage this liability and insure that the benefit programs can be sustained for today and the future. As of December 31, 2012, our reserve balances are \$21,765,036 to pay future pension obligations and \$12,111,882 for paying health insurance claims.

#### INCAPACITY LEAVE 2013-2014

In accordance with ¶ 357, 2012 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 2013-2014: Bobby Barton, Janice A. Cate, Thomas A. Conley, Gary Franklin Hill, Mathilda S Merker, William Ogle Sr., James Darrell Ray, Helen Esther Shaw, John L. Sheldon, David R. Vaughn, H. Malcolm Wansley, Nancy J. Wilhite, Paula Dell Campbell, April Milligan, Kenneth J. Blevins, Jimmy D. Darnell, Q. David Green, William L. Hill.

### SPECIAL GRANTS 2013-2014 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, The 2012 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 2014

### 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

A Comprehensive Funding Plan is a formal funding plan that describes how to pay for benefit obligations, including those obligations that are dependent on the conference continuing its current benefit programs. This plan balances benefit design with benefit funding—realistically aligning design expectations with funding patterns. As a result, the conference is better able to plan for the payment of all benefit obligations. **Each annual conference shall develop, adopt, and implement a formal comprehensive funding plan or plans for funding all of its benefit obligations. This funding plan shall be submitted annually to the General Board of Pension and Health Benefits for review and be approved annually by the annual conference, following the receipt and inclusion of a favorable written opinion from the General Board of Pension and Health Benefits.**

In order to raise your Pre-82 PSR or contingent annuitant percentage (CA%, also known as the surviving spouse percentage) after 2013, a conference must:

1. Submit and fulfill the minimum standards of a Pre-82 funding plan (*The Book of Discipline*, 1506.6).
2. Pay for any increase in the unfunded liability prior to the PSR or CA % effective date

### Comparison of Revenues and Expenses

	Pension Costs	Apportion - ments (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

Projected Expenses by Plan

	Estimated				Totals			Estimated		CRSP
	CRSP-DB**	CPP***	CRSP-DC**	MPP	Pre-82*		CRSP-DC Wages			
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	

## **BOARD OF PENSIONS AND HEALTH BENEFITS GUIDELINES**

Health Insurance Guidelines have remained consistent over the past several years and hopefully will not be adversely affected by the passage, regulations, and court decisions associated with the “Patient Protection and Affordable Care Act.” As of the date of these publications, regulations pertaining to “Church Plans” have not been finalized and we are moving forward to 2014 under the assumption the Health Care Options available to Clergy, participating Laity and their covered dependents conform to guidelines as to covered benefits and affordability. Every effort will be given to respond to new regulations as they are issued and may affect the Health Benefits Plans offered by the Annual Conference.

### **HEALTH INSURANCE GUIDELINES**

The Health Insurance Plan (HIP) of the Conference Philosophy: It is the intent of the Holston Annual Conference (Conference) to provide access to cost effective Medical insurance for active clergy, full-time lay staff members who are employed by the local church, full-time Conference staff members and retired clergy members who retire as a member under Episcopal appointment within this Conference, consistent with sound fiscal policies followed by the Conference and local churches responsible for funding the HIP.

### **Health Insurance Plans**

- A. Active clergy and lay employee self-insured programs High, Middle, and H.S.A. programs
- B. Early Retiree self- insured programs High and Middle programs
- C. Retired clergy fully insured medical supplement

### **Definitions**

- A. “Under Episcopal appointment within this Conference.” For purposes of the HIP, “under Episcopal appointment within this Conference” means clergy appointed by the Bishop of this Conference.
- B. “Years of Service.” For purposes of the HIP, “years of service” shall include years served under appointment either on a full-time basis or a less than full-time basis, as recognized by the General Board of Pensions. Years will be determined under the appointment year basis. Years served under appointment after retirement will not count toward the HIP subsidy. If a retired clergy member returns to the effective relationship under the provisions of the Discipline, years served while in such effective relationship will count toward the HIP subsidy. Years of service credited towards the subsidy paid by the Holston Conference shall be years served while appointed within the Holston Conference.
- C. Members of the Annual Conference taking honorable location or terminating their Conference relationship for any reason shall not be eligible to continue in the Conference insurance program.

- D. Change in status. It is the responsibility of the plan participant to notify the Conference immediately if an event occurs that has an impact on the continued participation of a spouse, retiree, person on incapacity, or dependent child. Failure to notify the Conference of a change will result in additional costs or the loss of future benefit opportunities. This would include a divorce, qualification for Medicare, or reduction of hours.
- E. Blended premium rate. This is the rate developed by the Conference Board of Pensions and Health Benefits that generates the premium revenue to fund the existing program for active clergy members. This rate does not distinguish between a pastor being enrolled in the employee only, employee plus one or family program. This rate shall be developed annually based upon the number of participants in each group and will be utilized for directly invoicing the church.

#### **Health Insurance Plan Eligibility**

The following individuals are eligible to participate in the HIP. See the section below for Financial Responsibility. In order to qualify for the receipt of health insurance benefits, a participant must be considered full-time based upon the number of hours or his/her salary in accordance with the minimum salary associated with their classification as adopted by the Annual Conference each year. For lay employees, it requires 30 hours per week and for active clergy, it must be at 75% of the minimum salary for their classification as denoted on line #4 of the pastor's support worksheet on file at the Holston Conference.

#### **1. Active Clergy Eligibility**

- a. Clergy – Every active clergy member under Episcopal appointment within this Conference, including full, probationary, associate, local pastors and members of another denomination or conference, must be enrolled in the active clergy HIP, except where equivalent coverage is available under a spouse's group plan and proof of other creditable group coverage is provided.
  - (i.) Incapacity Leave - Clergy appointed to incapacity leave are eligible and must be enrolled in the HIP.
  - (ii.) Family Leave, Leave of Absence, Sabbatical Leave, Appointed to School - Clergy appointed to any of these categories are eligible and may participate in the HIP.
- b. Clergy Spouse and Dependent Children – If the active clergy member is enrolled in the HIP, the clergy's spouse and unmarried dependent children under the age of 26 or disabled dependent, providing such disabled person(s) are not eligible for Medicare or other government sponsored healthcare programs are eligible to participate in the HIP.
- c. Surviving Spouse and Dependent Children – If an active clergy covered under the HIP dies, the surviving spouse and dependent children of that clergy person are eligible and may choose to participate in the HIP. If the surviving spouse remarries, the surviving spouse and the dependent children are no longer eligible for health insurance benefits through the HIP.
- d. Divorced Spouse – The divorced spouse will be allowed to participate in the HIP under the terms of COBRA as outlined within this policy document and in

compliance with all regulations that apply to COBRA coverage. The rate schedule will be in accordance with the schedule for lay participants.

## 2. Retired Clergy Eligibility

If you are appointed to a local church within the Holston Conference then you would be on the active health insurance program, if you meet the qualifications. If you retire, you can only receive a subsidy towards the purchase of the Conference medical supplement as a part of the group program, and no longer be a part of the active program unless qualifying for early retiree plans.

- a. Clergy - A clergy member who retires under the rules of the Discipline while under Episcopal appointment within this Conference shall be eligible to participate in the HIP.
  - (i.) Medicare Eligible - All retiree HIP subsidies are calculated based on Medicare eligibility and participation in Medicare Parts A and B. All Medicare eligible retirees must be enrolled in Medicare Parts A and B.
  - (ii.) Not Medicare Eligible - Retirees who are not Medicare eligible may participate in the active clergy HIP, but may pay more for premiums than under a Medicare eligible plan.
- b. Spouse - The spouse of an eligible clergy must have been married to the retired clergy at the date of retirement to be eligible to participate in the HIP.
  - (i.) Medicare Eligible - Spouse HIP subsidies are calculated based on Medicare eligibility and participation in Medicare Parts A and B. All Medicare eligible spouses must be enrolled in Medicare Parts A and B.
  - (ii.) Not Medicare Eligible - Spouses who are not Medicare eligible may participate in the active clergy HIP, but may pay more for premiums than under a Medicare eligible plan.
- c. Surviving Spouse - At the time that the participant became a surviving spouse, the participant must have been enrolled in the HIP.
  - (i.) Medicare Eligible - Surviving spouse HIP subsidies are calculated based on Medicare eligibility and participation in Medicare Part A and B. All Medicare eligible surviving spouses must be enrolled in Medicare Parts A and B.
  - (ii.) Not Medicare Eligible - Surviving spouse who are not Medicare eligible may participate in the active clergy HIP, but may pay more for premiums than under a Medicare eligible plan.
  - (iii.) Surviving Spouse Remarries - If a surviving spouse remarries, the surviving spouse is no longer eligible to participate in the HIP.
- d. Divorced Spouse - The divorced spouse of a retired clergy may participate in the HIP under the terms of COBRA coverage under the schedule for lay participants, if not MEDICARE eligible. Coverage under the Conference sponsored MEDICARE supplement is not available.
- e. Dependent Children - If the retired clergy member is a participant in the active clergy program and is enrolled in the HIP, the clergy's spouse and unmarried dependent children under the age of 26 or disabled dependent, providing such

disabled person(s) are not eligible for Medicare or other government sponsored healthcare programs are eligible to participate in the HIP.

- f. Early retirement-In order to qualify for early retiree rates and participation, a clergy participant must be able to immediately draw retirement benefits from the General Board of Pensions. If a clergy participant is unable to begin drawing benefits upon retirement status, continuation coverage and the associated rates will be implemented if coverage is desired.

### **Continuation Coverage**

Active clergy participants in the HIP who have their hours reduced at the request of the Cabinet can continue to have access to the plan. The participants will pay 100% of the cost of health insurance, plus a 2% administrative fee. If any other individual enrolled in the HIP (including lay employees, their spouses and dependent children) loses HIP coverage due to a loss in eligibility resulting from a termination of employment or clergy appointment, reduction in hours of employment, death, divorce or legal separation, Medicare entitlement, or a child's loss of dependent eligibility, such individual may continue to participate in the HIP for the period of time and under the conditions set forth in the Consolidated Budget Reconciliation Act of 1985 (COBRA). Although the HIP is not subject to COBRA, it is the intent of the Conference to allow eligible individuals to continue participation in the HIP under COBRA-like coverage. An individual who elects to continue coverage pursuant to this paragraph will be responsible for timely payment of the full cost of the HIP premiums at Lay Plan Rates, plus a 2% administrative fee, on the first day of each month. If payment is not received within 30 days of the due date, coverage will be terminated retroactive to the due date of the missed payment (i.e., the first of the month for which the payment was due).

### **Financial Responsibility for Health Insurance**

The Board of Pensions and Health Benefits is responsible for annually reviewing the HIP premiums and establishing the financial obligations of the parties. Effective January 1, 2011, the Board of Pensions shall annually determine the premium rates for all participants in the various health insurance plans. Such premium rates shall be published in the Book of Reports, Conference Journal, or mailed to the participants in the program.

#### **1. Active Clergy Members**

The local church or salary paying unit is responsible for payment of the blended premium rate for all appointed clergy, which will be developed each year and included in the report from the Conference Board of Pensions and Health Benefits, and the remaining costs of the selected program will be invoiced to the local church or local salary paying unit and include the pastor's portion of the health insurance premium.

#### **2. Active Lay Employees**

The local church or salary paying unit is responsible for submitting the entire amount (100%) of the premium to the Holston Conference. Any type of employee cost sharing plan as may be necessary to manage their local benefit costs may be established, so long as it is offered to each eligible employee in a consistent manner that does not discriminate on the basis of job title, hours worked, or classification. Lay employees are not eligible for HIP benefits after retirement or termination of employment with a

Holston Conference related agency or institution, except as provided for “COBRA-like” coverage.

### 3. Incapacity Leave

Clergy appointed to incapacity leave must be enrolled in the HIP, until they become Medicare eligible. The premium for clergy appointed to incapacity leave will be the responsibility of the Board of Pensions and Health Benefits, and will be split between the Conference and the participant. The Conference will pay 60% of the cost and the clergy member will be responsible for the remaining 40%.

4. Family Leave, Leave of Absence, Sabbatical Leave, Appointed to School Clergy appointed to any of these categories may participate in the HIP. The premium is at the participant’s sole cost, under the provisions established for continuation coverage.

### 5. Clergy Retirees

a. The Board of Pensions and Health Benefits is responsible for subsidizing a portion of the health insurance premiums of the HIP for retirees, as described in the document below.

b. The retiree is responsible for paying the unsubsidized portion of the health insurance premiums of the HIP, in accordance with the premium schedule.

(1) Medicare Eligible – For Medicare-eligible retired clergy, spouses and surviving spouses, the subsidy will be subtracted from the adopted premium rate to determine the amount the retiree shall be responsible for paying.

(2) Not Medicare Eligible – For retired clergy, spouses, surviving spouses and dependent children who are not eligible for Medicare, the subsidy will be subtracted from the premium determined for Lay employee plans to determine the amount the retiree shall be responsible for paying.

c. The Board of Pensions and Health Benefits is under no obligation to subsidize any health insurance premiums for retirees unless specifically provided for below and reserves the right to recommend changes in the level of subsidization Changes and Amendments to the HIP.

d. Lay participants are not allowed to participate in the retiree health insurance program.

### 6. Extension Ministries

Participants appointed to extension ministries who remain on the Conference payroll will be responsible for payment of 40% of the premium amount, with the Conference paying the remaining 60%. Participants appointed to extension ministries who do not remain on the Conference payroll will be responsible for 100% of the premium amount. In this non-Conference, extension ministry case the participant is typically responsible for payment of 40% of the premium amount and the employer is responsible for the remaining 60%, so long as the Conference receives 100% of the adopted premium amount. While under appointment to a Conference endorsed or related entity, a participant will remain eligible for service credit for retiree coverage based upon their years of service as determined by the General Board of Pensions for service credit.

**7. Sabbatical or Leave of Absence**

Participants on an approved leave of absence will be responsible for payment of 100% of the premium amount. Participants on an approved sabbatical are responsible for payment of 40% of the premium amount; the Conference will pay the remaining 60% of the premium.

**8. Disability**

Participants approved by the General Board of Pensions and Health Benefits for incapacity leave are responsible for payment of 40% of the premium amount; the Conference will pay the remaining 60%. Once the participant qualifies for social Security Benefits, his/her share of the premium will follow the schedule established for retirees if they are eligible to participate as a retiree.

**Surviving Dependents**

Surviving dependents will be responsible for paying 40% of the total premium amount until such time as they qualify for Medicare, when their share will reduce to 15%. The Conference will pay the remaining shares in both cases.

HIP Subsidy for Retired Clergy (over 65) and Early retirees and their spouses Beginning January 1, 2012, the Board of Pensions and Health Benefits will subsidize the health insurance medical supplement and dental program for individuals who meet the eligibility criteria as set forth in the Health Insurance Plan Eligibility section, above, as follows. If a participant meets the eligibility criteria, but does not qualify for a subsidy; the participant may continue to participate in the HIP at the participant's sole cost.

1. For eligible retired clergy with at least 10 Years of Service under Episcopal appointment within this Conference during the 10 years immediately preceding such clergy's date of retirement the Board of Pensions and Health Benefits will subsidize a portion of the HIP health insurance premium as follows, with the participant responsible for paying the unsubsidized portion:

- (a) For the retired clergy and for each eligible spouse or dependent enrolled in the HIP, a subsidy will be provided in accordance with the schedule included in the 2010 Book of Reports and 2010 Conference Journal. Beginning in 2012, the amount of subsidy will be equal to two and a half percent (2.5%) multiplied by the total years of service, up to 30 years, with a maximum cost share of 75% times the adopted premium rate. The remaining balance would be paid by the participant.
- (b) If two eligible retired clergy are married to one another, the subsidy for each retired clergy (and their participating eligible dependents) will be based on the Years of Service of the retired clergy member with the greater number of years of service. Upon the death of either clergy, the subsidy shall continue to be calculated based on the greater number of Years of Service. If the clergy couple divorce, the subsidy for each clergy shall be based on each individual's Years of Service in accordance with the article above.
- (c) For a surviving spouse of a deceased clergy and their dependents, the subsidy will be calculated to make the participant payment one half of the amount of the

premium for a retired minister of the Conference, according to the schedule listed in above.

**Delinquencies:**

Billings for health insurance are processed the first of each month for the month of coverage. The bills for both the pastor's portion and the monthly amount directly invoiced to the salary paying unit shall become due and payable immediately, upon receipt. Unpaid balances that are still due after 30 days shall be subjected to a late fee of 1.5% of the outstanding balance due. Billings that are more than 60 days past due can result in termination of the health insurance coverage provided as a part of the HIP. If the premiums (including the amount directly invoiced) are not paid within 45 calendar days of the due date, a reminder will be sent to the participant with a copy to the District Superintendent (in the case of a clergy participant) noting the amount due. After a total of 60 calendar days past due, a letter will be sent indicating coverage will be terminated the first day of the next month unless the premiums are paid in full.

**Local Church, Related Agency, and Institution Participation Guidelines:**

All local churches, related agencies and institutions of the Annual Conference will be considered subgroups of the Conference for insurance purposes. The following requirements will apply:

- A. Participants and/or dependents must follow the current guidelines for eligibility and participation.
- B. New enrollments, terminations, and changes in coverage must be sent to the Conference within 15 calendar days for processing. Changes received after the current month's billing will be effective on the first day of the following month.
- C. Local churches, related agencies, and institutions must have 75% of their eligible Employees enrolled in the HIP. If they fall below 75%, there will be a grace period of one year for them to find other insurance coverage or reach the 75% enrollment. Local churches, related agencies and institutions who did not meet this guideline as of July 1, 2004, will be allowed to stay on the Conference insurance program, but no new employees can be enrolled unless the 75% enrollment guideline is followed. Employees covered under any creditable group insurance plan will be considered part of the 75% enrollment.
- D. Local churches, related agencies, and institutions are responsible for offering COBRA- Like Continuation Coverage, similar to Article III, to all employees leaving employment with them.
- E. Local churches, related agencies, and institutions are required to sign a sub-group contract form with the Conference.

**Changes and Amendments to the HIP**

The Board of Pensions and Health Benefits, as fiduciary of the Conference Program, is required to authorize changes to the above as it deems reasonable, fair, and within the best interests of the Conference. In order to adequately share information, any changes in the guidelines shall be published in the Book of Reports or mailed to each participant group prior to enactment of any changes in policies or guidelines.

The Conference Board of Pensions and Health Benefits will comply with all of the rules and requirements associated with the policies of our program administrator. This includes a requirement that all changes to coverage will be completed in writing on the appropriate forms.

**RESOLUTION FOR LESS THAN FULL-TIME MINISTERIAL PENSION  
PLAN (MPP) YEARS CREDIT FOR RETIREMENT AND LESS THAN FULL  
TIME YEARS CREDIT UNDER MPP AND  
CLERGY RETIREMENT SECURITY PROGRAM (CRSP) FOR HEALTH  
AND LIFE INSURANCE CREDIT**

WHEREAS, the General Board of Pension and Health Benefits (GBOPHB) counted less than full-time years for pension years credit for retirement years until 2009; and

WHEREAS, the Holston Annual Conference reported such years to participants; and

WHEREAS, allowing these years for those who wish to retire under ¶358.2a of *The Book of Discipline, 2012* with twenty years of service regardless of age, and ¶ 358.2b of *The Book of Discipline, 2012* with thirty years of credit regardless of age; and

WHEREAS, it has been our practice to include MPP credit for less than full-time years from January 1, 1982- December 31, 2006;

THEREFORE, be it resolved that the less than full-time years be counted for pension years for MPP years beginning January 1, 1982- December 31, 2006

AND BE IT FURTHER RESOLVED, that we will continue to count MPP credit for less than full-time years from January 1, 1982- December 31, 2006 to compute credit for service years under Health and Life Insurance for post-retirement insurance benefits;

AND THEREFORE, BE IT FURTHER RESOLVED, that less than full-time years under the Clergy Retirement Security Program be used for computing health and life insurance credit from January 1, 2007- June 30, 2009 since health and life insurance credit is linked to pension credit until June 30, 2009 at which time credit for post-retirement benefits is determined by enrollment in the insurance plans.

*Patty Muse, Chairperson  
Holston Conference Board of Pensions and Health Benefits.*

## Holston Conference

### 2014 Health Insurance Rates

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

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

H.S.A. MINISTERS			
	Individual Coverage*	Employee + Spouse**	Family Coverage***
Direct Invoice	\$685	\$685	\$685
Minister	\$90	\$95	\$130
<b>Total</b>	<b>\$775</b>	<b>\$780</b>	<b>\$815</b>
	<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
<b>Total</b>	<b>\$580</b>	<b>\$1,275</b>	<b>\$1,810</b>
VANCO Discount	(\$7)	(\$14)	(\$14)

MIDDLE PLAN LAY EMPLOYEES			
	Individual Coverage	Employee + Spouse	Family Coverage
Employer	\$340	\$750	\$1,065
Claimant	\$160	\$350	\$485
<b>Total</b>	<b>\$500</b>	<b>\$1,100</b>	<b>\$1,550</b>
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
<b>Total</b>	<b>\$430</b>	<b>\$845</b>	<b>\$1,195</b>
	<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
VANCO Discount	(\$7)	(\$14)	(\$14)

MIDDLE PLAN EARLY RETIREES - Minister			
	Individual Coverage	Employee + Spouse**	Family Coverage
Premium	\$515	\$1,120	\$1,580
VANCO Discount	(\$7)	(\$14)	(\$14)

## 2014 Medical Plan Coverages

	High Option		Middle Option		HSA Option	
	In Network	Out-of-Network	In Network	Out-of-Network	In Network	Out-of-Network
Deductible	\$1000 \$2000	\$2000 \$4000	\$1500 \$3000	\$3000 \$6000	\$2000 \$4000	\$4000 \$8000
Out of Pocket Maximum	\$3000 \$6000	\$6000 \$12000	\$4500 \$9000	\$9000 \$18000	\$6000 \$12,000	\$12,000 \$24,000
Coinsurance	85%	65%	80%	60%	70%	50%
Office Visit	\$25 per visit	65% after ded	\$30 per visit	60% after ded	Ded and Coins	Ded and Coins
Specialist	\$40 per visit	65% after ded	\$50 per visit	60% after ded	Ded and Coins	Ded and Coins
Hospital Service	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
Ambulatory Surgical Centers	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
Durable Medical Equipment	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
Emergency Care Services	85% after ded	85% after ded	80% after ded	80% after ded	Ded and Coins	Ded and Coins
Home Health Care limited to 60 visits per year	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
Hospice Care	100% after ded	65% after ded	100% after ded	60% after ded	Ded and Coins	Ded and Coins
Organ Transplants	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
Routine Diagnostic Lab, X-Ray & Injections	100%	65% after ded	100%	60% after ded	Ded and Coins	Ded and Coins
Rehab Therapy	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
Preventative Care	\$25 per visit	65% after ded	\$30 per visit	60% after ded	\$25 per visit	Ded and Coins
Chiropractic Services limited to 30 visits per year	\$40 per visit	65% after ded	\$50 per visit	60% after ded	Ded and Coins	Ded and Coins
Skilled Nursing	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
Therapeutic Services limited to 30-36 visits per therapy per year	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
Special Accident Benefit	100%	100%	100%	100%	Ded and Coins	Ded and Coins
Behavioral Health	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
- Inpatient 30 days per year	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
- Outpatient 40 visits per year	85% after ded	65% after ded	80% after ded	60% after ded	Ded and Coins	Ded and Coins
Prescription Drug* - Retail (30 day supply) - Mail Order Drug	\$15 \$35 \$50 102 - day supply - 2x copayment amount	No Limit	\$25 \$40 \$75 102 - day supply - 2x co-payment amount	No Limit	\$25 \$40 \$75 102 - day supply - 2x co-payment amount	*Co-pays apply for Prescriptions occurs only after deductible is met
Lifetime Maximum	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit
<b>Ministers</b>	Participant	Church	Participant	Church	Participant	Church/Conference
Individual Coverage	\$230	\$685	\$160	\$685	\$90	\$685
Employee + Spouse	\$510	\$685	\$350	\$685	\$95	\$685
Family	\$725	\$685	\$485	\$685	\$130	\$685
<b>Lay Members</b>	Participant	Church	Participant	Church	Participant	Church/Conference
Individual Coverage	\$230	\$350	\$160	\$340	\$90	\$340
Employee + Spouse	\$510	\$765	\$350	\$750	\$95	\$750
Family	\$725	\$1,085	\$485	\$1,065	\$130	\$1,065

### PERSONNEL RESOURCES COMMITTEE

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 Personnel Resources Committee (“PRC”) gratefully recognizes that the committed individuals who have been called to ministry in leadership, administrative and support positions in Holston Conference have continued their diligent work amidst several key transitions in Conference leadership. Standing on a strong foundation of commitment to the continued development of creating vital congregations throughout the Conference, the personnel that make up the Holston Conference staff have strengthened their focus on helping develop, encourage and lend assistance to local churches and ministries throughout Holston Conference.

The PRC continues to insure that the Conference staff is equipped with the resources and support they need to fulfill this call to ministry through administration. In evaluating the needs of Conference personnel, the PRC takes into consideration benefits, compensation, administrative support and the resources necessary to help guide, plan and administer the connectional ministries that assist local boards, agencies and churches vitalize local congregations.

The PRC also perseveres to enhance the work environment for Holston Conference staff. Accordingly, we have created a new subcommittee with the designated purpose of assessing staff needs and addressing concerns that might detract from a supportive and productive workplace. It also seeks ways to recognize the contributions – and sacrifices of Conference employees as they invest their time to the ministry of the Church.

In furtherance of creating a vital workplace for ministry among Conference employees, the PRC has undertaken a thorough review and revision of the Conference Employee Handbook to insure continued compliance with all applicable legal obligations as well as policies that give clear guidance to employees on established roles and procedures. Effective ministry relies upon healthy working relationships and the PRC is dedicated to nurturing collaborative work among its employees.

A practical dimension to the work of the PRC is to facilitate the transition of employees into and out of the Conference office. Recognizing that God leads persons into various forms of ministry at various times, the PRC works to help employees make this a smooth transition. In the past year, the PRC has been most visibly active in leading the search for a new Conference Treasurer, but it has also been in consultation with Conference leadership in creating and revising positions within the Conference staff structure to insure continued effectiveness and efficiency in the ministries of Holston Conference.

Our abiding vision remains to nurture an efficient and productive team of Conference personnel that supports and enhances our collective call to transform and create vital congregations throughout Holston Conference.

*Michael A. Eastridge, Chair*

## COUNCIL ON FINANCE AND ADMINISTRATION

### RECOMMENDATIONS AND GUIDELINES

#### 2014 Apportionments

The Conference Council on Finance and Administration (CCFA) is recommending the continuation of an income based approach for funding the Conference budget for 2014. 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 (Advance specials, 5<sup>th</sup> 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. Designated Funds are not related to operating expenses of the Church. 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 10<sup>th</sup> of the subsequent month for the collections received from the prior month.

#### CAUSES BEYOND THOSE INCLUDED IN CONFERENCE BUDGET

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 Special 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 2014 will be \$93,148 which is a 2% increase over the 2013 salary. District Superintendents have not had an increase in pay since 2008. Although the formula for figuring District Superintendents salary has not changed, the cabinet has forgone using the formula as conditions in local church finances have been difficult since the economic downturn.
- 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 all advanced specials 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 Book of Discipline - 2012, ¶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 2013 Conference Journal has been contracted with United Graphics, Inc., of Knoxville Tennessee. The price of the 2013 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 2014 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 2012 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 insure that they are meeting all of the requirements as outlined by the Internal Revenue Service to maintain the tax-exempt status

*~ Terry Muse, President*

*Jeff Lambert, Vice President*

*Jane Taylor, Secretary*

*Rick Cherry, Treasurer*

**HOLSTON ANNUAL CONFERENCE  
BENEVOLENT GIVING COMPARISON**

<b>Categories</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
3000 - Peace With Justice	\$ 4,339.53	\$ 4,532.09	\$ 3,695.70	\$ 4,754.84
3100 - Native American Ministries	\$ 4,161.53	\$ 4,536.72	\$ 4,789.47	\$ 5,114.05
3200 - World Communion	\$ 7,395.04	\$ 9,788.71	\$ 11,009.14	\$ 11,257.19
3300 - One Great Hour	\$ 33,373.64	\$ 38,903.27	\$ 54,930.80	\$ 35,825.35
3400 - Methodist Student	\$ 5,459.93	\$ 4,472.27	\$ 4,920.55	\$ 3,961.25
3500 - Youth Service Fund	\$ 812.82	\$ 1,603.48	\$ 1,325.15	\$ 2,024.00
3600 - Human Relations Day	\$ 3,639.51	\$ 4,432.25	\$ 4,081.35	\$ 4,619.85
4000 - AC Special Sunday Offerings	\$ 313.00	\$ 770.00	\$ 482.00	\$ 599.16
5000 - International Advance Specials	\$ 286,760.00	\$ 141,644.12	\$ 133,745.37	\$ 126,911.04
5100 - United States Advance Specials	\$ 109,907.34	\$ 108,343.71	\$ 114,977.74	\$ 128,231.28
5200 - UMCOR	\$ 228,857.05	\$ 373,877.19	\$ 984,973.34	\$ 93,002.02
6000 - Conference Initiated Specials	\$ 1,047,332.99	\$ 1,109,281.69	\$ 1,055,799.60	\$ 1,098,718.11
7200 - World Service Special Gifts	\$ 267.20	\$ 395.00	\$ 50.00	\$ -
<b>Total Benevolences</b>	<b>\$ 1,732,619.58</b>	<b>\$ 1,802,580.50</b>	<b>\$ 2,374,780.21</b>	<b>\$ 1,515,018.14</b>

Holston Conference Membership Statistics - January 1, 2012 - December 31, 2012														
DISTRICT NAME	1	2a	2b	2c	3	4	5a	5b	5c	6	7	8	9	10
	Total Professing Members at Close of Last Year - 2011	Received on Profession of Faith	Restored by Affirmation	Correct Previous Years' Reporting Errors of Professing Membership Numbers by Addition	Transferred In from Other UM Churches	Transferred In from Non-UM Churches	Removed by Charge Conference Action	Withdrawn from Professing Membership	Correct Previous Years' Reporting Errors of Professing Membership Numbers by Subtraction	Transferred Out from Other UM Churches	Transferred Out from Non-UM Churches	Removed by Death	Total Professing Members at Close of this Year - 2012	Gain (Loss) in EOY Membership during 2012
ABINGDON DISTRICT	11,614	154	5	47	48	41	28	20	76	35	36	178	11,536	(78)
BIG STONE GAP DISTRICT	5,689	86	1	0	25	20	0	22	23	15	62	83	5,616	(73)
CHATTANOOGA DISTRICT	21,534	319	17	25	230	211	270	73	13	129	82	257	21,512	(22)
CLEVELAND DISTRICT	12,369	142	8	3	176	79	2	44	33	145	42	154	12,357	(12)
JOHNSON CITY DISTRICT	12,824	142	8	19	111	92	0	20	19	62	28	154	12,913	89
KINGSFORT DISTRICT*	12,536	121	1	3	71	72	45	35	21	57	98	187	12,361	(175)
KNOXVILLE DISTRICT*	24,917	288	49	11	221	188	63	43	82	134	57	245	25,050	133
MARYVILLE DISTRICT	14,335	267	1	159	130	118	10	31	138	95	69	182	14,485	150
MORRISTOWN DISTRICT*	13,901	194	1	19	119	107	41	27	45	94	83	201	13,850	(51)
OAK RIDGE DISTRICT*	14,598	217	24	3	149	134	8	18	29	84	43	187	14,756	158
TAZEWELL DISTRICT	7,450	86	1	2	20	23	0	28	4	20	34	133	7,363	(87)
WYTHEVILLE DISTRICT	13,815	163	13	1	73	47	4	8	48	43	32	218	13,759	(56)
DISTRICT TOTALS - 2012:	165,582	2,179	129	292	1,373	1,132	471	369	531	913	666	2,179	165,558	(24)

\*An adjustment was made (+ or -) to the Column #1 total for indicated Districts, due to the moving of churches from one District to another.



**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
Cabinet	\$1,961,568.25	\$1,695,377.00	\$1,588,748.00	\$1,626,170.00
Communications	\$201,348.03	\$215,778.00	\$219,186.00	\$221,682.00
Information Technology	\$113,695.76	\$106,381.00	\$106,381.00	\$108,195.00
Ministry Teams	\$1,006,541.00	\$1,044,166.00	\$1,064,867.00	\$1,090,867.00
Annual Conference	\$75,026.97	\$84,148.00	\$76,000.00	\$76,000.00
Commission on Archives and History	\$10,107.50	\$26,040.00	\$25,450.00	\$25,450.00
Board of Ordained Ministry	\$184,443.48	\$185,642.00	\$180,513.00	\$183,691.00
Board of Higher Education	\$772,495.09	\$775,967.00	\$707,743.00	\$785,010.00
Groups Related to the Cabinet and BOM	\$169,151.03	\$314,625.00	\$282,176.00	\$296,063.00
Financial Services	\$3,739,396.64	\$3,735,794.00	\$3,658,094.00	\$3,712,102.00
Lay Ministries	\$1,199.94	\$1,595.00	\$1,600.00	\$1,600.00
Pensions/Trustees/Eq Comp/Episcopal	\$1,220,800.96	\$1,219,076.00	\$1,554,583.00	\$1,601,648.00
Congregational Development	\$541,441.12	\$542,336.00	\$489,744.00	\$491,957.00
<b>Totals</b>	<b>\$9,997,215.77</b>	<b>\$9,946,925.00</b>	<b>\$9,955,085.00</b>	<b>\$10,220,434.00</b>
				\$265,349.00 Increase

Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests

CABINET	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
APPOINTMENT CABINET				
Meeting Expenses	\$20,223	\$17,345	\$17,345	\$20,250
Travel, Meals, Lodging	\$98,228	\$92,541	\$92,541	\$99,100
Sub-total Meeting/Meals/Travel	\$118,451	\$109,886	\$109,886	\$119,350
Sustentation Payments - Salary Supplements	\$107,543	\$62,442	\$62,442	\$62,442
Transition Funds	\$204,241	\$99,249	\$0	\$0
Counseling	\$5,629	\$11,009	\$6,000	\$6,000
Moving Expenses	\$9,123	\$9,745	\$6,750	\$6,750
New DS Training	\$1,253	\$442	\$1,000	\$1,000
Miscellaneous Expense	\$274	\$134	\$200	\$200
Sub-total Cabinet	\$328,063	\$183,021	\$76,392	\$76,392
Salaries and Benefits	\$1,515,054	\$1,402,470	\$1,402,470	\$1,430,428
Sub-total Cabinet Salaries	\$1,515,054	\$1,402,470	\$1,402,470	\$1,430,428
<b>Total Cabinet</b>	<b>\$1,961,568</b>	<b>\$1,695,377</b>	<b>\$1,588,748</b>	<b>\$1,626,170</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>COMMUNICATIONS MINISTRY TEAM</b>				
General & Administration				
Meeting & Travel Expenses	\$37	\$1,000	\$1,000	\$500
Postage	\$0	\$0	\$0	
Dues & Subscriptions	\$636	\$700	\$700	\$700
Continuing Ed and Training	\$0	\$200	\$200	\$800
Communications Hardware/Equipment	\$0	\$120	\$120	\$3,500
Communications Software	\$104	\$1,100	\$1,100	
Postage	\$2	\$330	\$330	\$100
Travel - Communications	\$2,412	\$1,700	\$1,700	\$2,200
Miscellaneous Expense	\$331	\$660	\$660	\$660
Sub-total - General & Admin	\$3,523	\$5,810	\$5,810	\$8,460
Publication Expenses				
Meals & Travel	\$4,072	\$4,500	\$3,000	\$3,500
E-mail hosting for the Call 2	\$816	\$894	\$1,000	\$1,000
Postage	\$0	\$1,600	\$1,600	\$0
Design & Printing	\$0	\$4,000	\$4,000	\$1,000
Free Lance Writing/Photo/Misc.	\$376	\$1,500	\$1,500	\$1,500
Sub-total Publications Expense	\$5,264	\$12,494	\$11,100	\$7,000
Web/Internet Development Expenses	\$538	\$198	\$5,000	\$5,000
Sub-total Communications	\$538	\$198	\$5,000	\$5,000
Salaries and Benefits	\$192,024	\$197,276	\$197,276	\$201,222
Sub-total Communications Salary	\$192,024	\$197,276	\$197,276	\$201,222
<b>Total Communications</b>	<b>\$201,348</b>	<b>\$215,778</b>	<b>\$219,186</b>	<b>\$221,682</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>INFORMATION TECHNOLOGY</b>				
Travel-Director-Information Technology	\$3,970	\$1,602	\$1,602	\$2,000
Internet T-1 Charges - JC	\$4,029	\$0	\$0	
Office Supplies	\$596	\$289	\$289	\$300
Service/Support	\$11,641	\$9,633	\$9,633	\$9,700
Web Page Hosting	\$5,867	\$5,041	\$5,041	\$6,000
License & Fees - Domain Renewal	\$344	\$184	\$184	\$350
Software Purchases	\$9,116	\$8,944	\$8,944	\$9,000
Hardware Purchases/Past Leases	\$18,423	\$18,885	\$18,885	\$18,885
Maintenance	\$1,886	\$2,937	\$2,937	\$2,937
Web-Member Clicks	\$2,929	\$1,000	\$1,000	\$0
<b>Sub-total Information Technology</b>	<b>\$58,801</b>	<b>\$48,515</b>	<b>\$48,515</b>	<b>\$49,172</b>
Salaries and Benefits	\$54,895	\$57,866	\$57,866	\$59,023
<b>Sub-total Information Technology Salaries</b>	<b>\$54,895</b>	<b>\$57,866</b>	<b>\$57,866</b>	<b>\$59,023</b>
<b>Total Information Technology</b>	<b>\$113,696</b>	<b>\$106,381</b>	<b>\$106,381</b>	<b>\$108,195</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>MINISTRY TEAMS</b>				
<b>DISCIPLESHIP TEAM</b>				
<b>General &amp; Administration</b>				
Meetings, Meals, Travel Expense	\$1,039	\$500	\$500	\$500
General Church Quadrennial Training Event	\$0	\$3,500	\$3,500	\$0
Future Discipleship Programs	\$3,000	\$4,000	\$4,000	\$4,000
African American Ministry Team	\$200	\$3,500	\$3,500	\$3,500
Postage	\$1,500	\$2,980	\$2,980	\$2,980
Travel - Director - Connectional Ministries	\$10,841	\$9,925	\$9,925	\$10,000
<b>Sub-total - Discipleship Team</b>	<b>\$16,580</b>	<b>\$24,405</b>	<b>\$24,405</b>	<b>\$20,980</b>
<b>Audio Visual Library</b>				
Postage	\$24	\$0	\$0	\$0
Inventory Purchases	\$126	\$0	\$0	\$0
<b>Sub-total Audio Visual</b>	<b>\$150</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL DISCIPLESHIP TEAM</b>	<b>\$16,730</b>	<b>\$24,405</b>	<b>\$24,405</b>	<b>\$20,980</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>MISSIONS MINISTRY TEAMS</b>				
Meeting Expense	\$135	\$200	\$200	\$200
Travel-Coordinator-Missions	\$1,077	\$1,000	\$1,000	\$1,000
Design & Printing	\$5,721	\$0	\$0	\$0
Volunteer Labor Coordinator	\$7,500	\$7,500	\$7,500	\$7,500
<b>Sub-total</b>	<b>\$14,432</b>	<b>\$8,700</b>	<b>\$8,700</b>	<b>\$8,700</b>
<b>General &amp; Administration</b>				
<b>Southeast Jurisdiction Programs</b>				
UMVIM Office	\$1,500	\$1,500	\$1,500	\$1,500
<b>Sub-total</b>	<b>\$1,500</b>	<b>\$1,500</b>	<b>\$1,500</b>	<b>\$1,500</b>
<b>In-Conference Ministries</b>				
Meet the Missionaries	\$148	\$325	\$325	\$325
Disaster Training Event	\$199	\$200	\$200	\$200
Church & Community Workers	\$77,225	\$76,000	\$76,000	\$91,000
Transaction Fees-online cc's	\$10	\$0	\$0	\$0
<b>Sub-total</b>	<b>\$77,582</b>	<b>\$76,525</b>	<b>\$76,525</b>	<b>\$91,525</b>
<b>Volunteers in Mission</b>				
VIM Committee	\$271	\$400	\$400	\$400
Mission Intern Team	\$6,000	\$6,000	\$6,000	\$6,000
<b>Sub-total</b>	<b>\$6,271</b>	<b>\$6,400</b>	<b>\$6,400</b>	<b>\$6,400</b>
<b>Native American Ministries "The Gathering"</b>				
Native American Ministries	\$4,000	\$4,000	\$4,000	\$4,000
<b>TOTAL MISSIONS MINISTRY TEAM</b>	<b>\$103,785</b>	<b>\$97,125</b>	<b>\$97,125</b>	<b>\$112,125</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>NURTURE MINISTRY TEAM</b>				
Meals & Travel	\$36	\$250	\$250	\$250
Leadership Holston	\$1,375	\$2,000	\$2,000	\$2,000
<b>Children's Ministry</b>				
Meeting Expenses	\$61	\$250	\$250	\$250
Consultations and Workshops	\$50	\$400	\$400	\$900
Design & Printing	\$0	\$595	\$595	\$195
Education Resources	\$99	\$300	\$300	\$200
March Forth for Children (LEAD Kids)	\$2,600	\$2,600	\$2,600	\$2,600
Children's Day	\$1,200	\$1,200	\$1,200	\$1,200
Travel - Coordinator - Childrens Ministries	\$4,895	\$6,500	\$6,000	\$6,000
<b>Sub-total Children's Ministry Team</b>	<b>\$10,315</b>	<b>\$14,095</b>	<b>\$13,595</b>	<b>\$13,595</b>
<b>Youth Council (Transfer to Designated Accounts)</b>				
Operating CCYM T/O Designated	\$24,220	\$24,220	\$26,220	\$25,500
Postage	\$0	\$2,000	\$0	\$0
Travel - Coordinator - Youth Ministries	\$5,093	\$6,000	\$6,000	\$6,000
<b>Sub-total Council on Youth Ministries</b>	<b>\$29,313</b>	<b>\$32,220</b>	<b>\$32,220</b>	<b>\$31,500</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>Adult Ministry Teams</b>				
Older Adult Ministry	\$1,013	\$1,000	\$1,000	\$1,500
Travel - Coordinator - Older Adult Ministries	\$2,286	\$3,500	\$3,500	\$3,000
Young Adult Meals and Travel	\$42	\$100	\$100	\$500
Young Adult Annual Conference Mission and Event	\$0	\$300	\$300	\$0
Young Adult Ministry Grants	\$0	\$0	\$0	\$1,000
Young Adult Missions and Outreach	\$1,000	\$500	\$500	\$0
Young Adult Leadership and Transitions Retreats	\$0	\$1,000	\$1,000	\$0
Clergy/Spouse Retreat	\$2,000	\$2,000	\$2,000	\$3,000
<b>Sub-total Adult Ministry</b>	<b>\$6,342</b>	<b>\$8,400</b>	<b>\$8,400</b>	<b>\$9,000</b>
<b>Camp &amp; Retreat Ministries</b>				
T/O to Designated Camping Account	\$56,400	\$56,400	\$56,400	\$56,400
<b>Sub-total - Camping Staff &amp; Support/Benefits</b>	<b>\$56,400</b>	<b>\$56,400</b>	<b>\$56,400</b>	<b>\$56,400</b>
<b>Staff Support and Benefits</b>				
Salaries and Benefits T/O Designated	\$357,399	\$357,399	\$378,600	\$386,172
<b>Sub-total Camping Staff Support &amp; Benefits</b>	<b>\$357,399</b>	<b>\$357,399</b>	<b>\$378,600</b>	<b>\$386,172</b>
<b>TOTAL NURTURE TEAM</b>	<b>\$459,769</b>	<b>\$468,514</b>	<b>\$489,215</b>	<b>\$496,667</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>OUTREACH ADVOCACY TEAM</b>				
Meetings, Meals, Travel Expenses	\$202	\$700	\$700	\$700
<b>Annual Conference Programs</b>				
Annual Conference Event	\$199	\$150	\$150	\$0
Emerging Ministries	\$0	\$0	\$0	\$1,400
Training and Networking Events	\$1,813	\$2,112	\$2,112	\$2,112
<b>Sub-total</b>	<b>\$2,215</b>	<b>\$2,962</b>	<b>\$2,962</b>	<b>\$4,212</b>
<b>Agencies Funded by Holston Conference</b>				
Appalachian Development Committee	\$3,052	\$3,052	\$3,052	\$3,052
Virginia Interfaith Center for Public Policy	\$2,407	\$2,407	\$2,407	\$2,500
Virginia Chaplaincy Service	\$23,085	\$23,085	\$23,085	\$23,085
W. S. Hight PACE Ministry Chattanooga	\$992	\$992	\$992	\$0
Poverty Action Team	\$7,498	\$7,500	\$7,500	\$7,500
<b>Sub-total</b>	<b>\$37,034</b>	<b>\$37,036</b>	<b>\$37,036</b>	<b>\$36,137</b>
<b>Grants/Scholarships within Holston Conference</b>				
COSROW Program Funds	\$0	\$200	\$200	\$0
Holston Camp Scholarships	\$3,970	\$3,970	\$3,970	\$3,970
Handicap Accessibility Grants	\$1,984	\$1,985	\$1,985	\$1,985
<b>Sub-total</b>	<b>\$5,954</b>	<b>\$6,155</b>	<b>\$6,155</b>	<b>\$5,955</b>
<b>Religion and Race Ministries</b>				
Ethnic Camping Scholarships	\$2,779	\$2,779	\$2,779	\$2,779
Religion and Race Programs	\$0	\$200	\$200	\$150
Meeting Expenses	\$0	\$200	\$200	\$0
<b>Sub-Total</b>	<b>\$2,779</b>	<b>\$3,179</b>	<b>\$3,179</b>	<b>\$2,929</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>Sub Team Seed Money</b>				
Prision Ministry	\$0	\$2,977	\$2,977	\$3,000
Ethnic Minority Local Church Relations	\$4,962	\$4,962	\$4,962	\$4,962
Strength for the Journey	\$0	\$0	\$0	\$5,000
Creation Care Task Force	\$540	\$992	\$992	\$992
<b>Sub-total</b>	<b>\$5,502</b>	<b>\$8,931</b>	<b>\$8,931</b>	<b>\$13,954</b>
<b>STEWARDSHIP MINISTRY TEAM</b>				
Meeting Expenses	\$210	\$400	\$400	\$400
Postage	\$115	\$500	\$500	\$500
Reeves (TX) Reunion	\$450	\$500	\$500	\$500
Clergy Financial Workshop Honorarium	\$0	\$0	\$0	\$3,000
Clergy Financial Workshop Fees	\$2,500	\$2,500	\$2,500	\$0
Clergy Financial Workshop Travel	\$10,965	\$11,000	\$11,000	\$1,000
Clergy Financial Workshop Expenses	\$0	\$0	\$0	\$750
Clergy Financial Workshop Housing/Meals	\$4,603	\$4,000	\$4,000	\$9,500
Stewardship Staff Travel	\$1,052	\$1,300	\$1,300	\$1,000
Stewardship Staff Training	\$0	\$0	\$0	\$500
Stewardship Materials/Supplies	\$136	\$300	\$300	\$300
Holston Financial Workshop	\$1,001	\$1,750	\$1,750	\$1,750
District Training Event	\$0	\$2,000	\$2,000	\$2,000
Pastor's Mailing	\$514	\$750	\$750	\$750
Cliff Christopher - Meals	\$21	\$0	\$0	\$0
<b>Total Stewardship Ministry Team</b>	<b>\$21,565</b>	<b>\$25,000</b>	<b>\$25,000</b>	<b>\$21,950</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>WITNESS MINISTRY TEAM</b>				
Meeting Expenses	\$48	\$400	\$400	\$400
Evangelism-NCD	\$973	\$1,500	\$1,500	\$1,500
Smaller Membership Churches/Rural Churches	\$2,500	\$3,500	\$3,500	\$3,500
Church Program Grants	\$25,000	\$31,000	\$31,000	\$31,000
Hispanic Ministries	\$71,065	\$79,500	\$79,500	\$79,500
<b>TOTAL WITNESS MINISTRY TEAM</b>	<b>\$99,586</b>	<b>\$115,900</b>	<b>\$115,900</b>	<b>\$115,900</b>
<b>sub-total Ministry Teams</b>	<b>\$174,634</b>	<b>\$199,163</b>	<b>\$199,163</b>	<b>\$201,037</b>
Salaries and Benefits	\$251,622	\$254,959	\$254,959	\$260,058
<b>Sub-Total Ministry Team Salaries</b>	<b>\$251,622</b>	<b>\$254,959</b>	<b>\$254,959</b>	<b>\$260,058</b>
<b>Total Ministry Teams</b>	<b>\$1,006,541</b>	<b>\$1,044,166</b>	<b>\$1,064,867</b>	<b>\$1,090,867</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>Annual Conference</b>				
Meeting Expense	\$1,164	\$1,092	\$1,092	\$1,092
At-Large Delegates Expense	\$24,921	\$41,000	\$40,105	\$40,105
Conference Leaders Housing	\$10,378	\$16,872	\$16,873	\$16,873
Postage	\$3,367	\$4,218	\$2,109	\$2,109
Printing	\$12,827	\$5,955	\$2,977	\$2,977
Supplies/Materials	\$2,435	\$2,481	\$2,481	\$2,481
Program Expense	\$8,728	\$7,940	\$7,940	\$7,940
Honorariums	\$4,437	\$2,481	\$2,000	\$2,000
Stoles & Bibles for Ordained	\$1,427	\$1,687	\$0	\$0
Miscellaneous Expense	\$1,803	\$422	\$423	\$423
Ice Cream Social Event	\$3,540	\$0	\$0	\$0
<b>Total Annual Conference Sessions</b>	<b>\$75,027</b>	<b>\$84,148</b>	<b>\$76,000</b>	<b>\$76,000</b>

**COMMISSION ON ARCHIVES & HISTORY**

Meals & Travel	\$158	\$500	\$250	\$250
Supplies/ Resources	\$0	\$340	\$0	\$0
Contractual Services	\$9,750	\$25,000	\$25,000	\$25,000
Membership Dues	\$200	\$200	\$200	\$200
<b>Total Commission on Archives &amp; History</b>	<b>\$10,108</b>	<b>\$26,040</b>	<b>\$25,450</b>	<b>\$25,450</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>BOARD OF ORDAINED MINISTRY</b>				
<b>COMMITTEES/TASK GROUPS</b>				
Contractual Wages	\$550	\$0	\$0	\$0
Meeting Expense	\$602	\$500	\$500	\$500
Travel/Meals/Lodging	\$2,335	\$2,000	\$2,000	\$2,000
Travel-Director-Clergy Services & Conf Sec.	\$1,553	\$3,000	\$3,000	\$3,000
Regional & National Meetings	\$702	\$600	\$600	\$600
Postage	\$439	\$500	\$500	\$500
<b>subtotal</b>	<b>\$6,181</b>	<b>\$6,600</b>	<b>\$6,600</b>	<b>\$6,600</b>
<b>Guidance &amp; Support</b>				
Candidacy Programs Materials	\$0	\$400	\$400	\$400
Clergy & Probationary Mentoring	\$0	\$500	\$500	\$500
<b>subtotal</b>	<b>\$0</b>	<b>\$900</b>	<b>\$900</b>	<b>\$900</b>
<b>Candidate's Preparation</b>				
Ministerial Assessment	\$21,744	\$17,000	\$13,000	\$13,000
Licensing School	\$0	\$100	\$100	\$100
Interviews	\$381	\$500		
Bishop's Ordination Retreat	\$0	\$400		
Ordination	\$150	\$850		
Seminary Visits	\$0	\$1,000	\$1,000	\$1,000
<b>subtotal</b>	<b>\$22,275</b>	<b>\$19,850</b>	<b>\$14,100</b>	<b>\$14,100</b>
<b>sub-total Board of Ordained Ministry</b>				
Salaries and Benefits	\$28,456	\$27,350	\$21,600	\$21,600
	\$155,987	\$158,292	\$158,913	\$162,091
<b>Sub-total BOM Salaries</b>	<b>\$155,987</b>	<b>\$158,292</b>	<b>\$158,913</b>	<b>\$162,091</b>
<b>Total Board of Ordained Ministry</b>	<b>\$184,443</b>	<b>\$185,642</b>	<b>\$180,513</b>	<b>\$183,691</b>

Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>BOARD OF HIGHER ED &amp; CAMPUS MINISTRY</b>				
<b>General and Administrative</b>				
Meeting, Meals, Travel Expense	\$522	\$1,350	\$1,350	\$1,350
BHE/ Ministers Retreat	\$275	\$100	\$100	\$100
Campus Ministry Opportunities for Students	\$0	\$1,000	\$1,000	\$1,000
<b>Sub-total General &amp; Administrative</b>	<b>\$797</b>	<b>\$2,450</b>	<b>\$2,450</b>	<b>\$2,450</b>

**Wesley Foundations Programs**

ETSU	\$22,797	\$22,797	\$22,797	\$22,797
Radford University	\$22,797	\$22,797	\$22,797	\$22,797
UT Chattanooga	\$22,797	\$22,797	\$22,797	\$22,797
UT Knoxville	\$22,797	\$22,797	\$22,797	\$22,797
UVA College at Wise	\$22,797	\$22,797	\$22,797	\$22,797
<b>Sub-total Wesley Foundation Program</b>	<b>\$113,985</b>	<b>\$113,985</b>	<b>\$113,985</b>	<b>\$113,985</b>
Capital Improvements	\$52,001	\$50,000	\$0	\$50,000
<b>Sub-total Capital Improvements</b>	<b>\$52,001</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$50,000</b>
<b>Sub-total Salaries</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Subtotal Wesley Foundations</b>	<b>\$166,783</b>	<b>\$166,435</b>	<b>\$116,435</b>	<b>\$166,435</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>Conference Colleges</b>				
Emory & Henry	\$74,735	\$74,735	\$68,068	\$74,735
Hiwassee	\$74,735	\$74,735	\$68,068	\$74,735
Tennessee Wesleyan	\$74,735	\$74,735	\$68,068	\$74,735
E & H Campus Ministry	\$7,940	\$7,940	\$7,940	\$7,940
Hiwassee Campus Ministry	\$7,940	\$7,940	\$7,940	\$7,940
TWC Campus Ministry	\$7,940	\$7,940	\$7,940	\$7,940
<b>Sub-total - Conference Colleges</b>	<b>\$248,025</b>	<b>\$248,025</b>	<b>\$228,024</b>	<b>\$248,025</b>
<b>Total Board of Higher Education</b>	<b>\$414,808</b>	<b>\$414,460</b>	<b>\$344,459</b>	<b>\$414,460</b>
Salaries and Benefits	\$357,687	\$361,507	\$363,284	\$370,550
<b>Sub-total Board of Higher Ed Salaries</b>	<b>\$357,687</b>	<b>\$361,507</b>	<b>\$363,284</b>	<b>\$370,550</b>
<b>Total Board of Higher Education</b>	<b>\$772,495</b>	<b>\$775,967</b>	<b>\$707,743</b>	<b>\$785,010</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>GROUPS RELATED TO THE CABINET &amp; BOM</b>				
<b>ORDERS</b>				
Office Expense	\$25	\$893	\$600	\$600
Meetings & Travel	\$25	\$992	\$200	\$200
Travel-Steward of Clergy Concerns	\$709	\$2,109	\$200	\$200
Support for Regions	\$0	\$1,489	\$0	\$0
Programs/Events	\$0	\$0	\$0	\$600
Clergy Connection	\$0	\$992	\$0	\$0
Postage	\$0	\$397	\$100	\$100
Clergy Women Retreat	\$0	\$496	\$100	\$100
Minister's Spouse Retreat	\$0	\$496	\$100	\$100
Partner's in Crisis	\$0	\$496	\$100	\$100
Marriage Enrichment	\$0	\$496	\$396	\$396
<b>TOTAL ORDERS</b>	<b>\$759</b>	<b>\$8,856</b>	<b>\$1,796</b>	<b>\$2,396</b>
<b>WESLEY LEADERSHIP INSTITUTE</b>				
T/O to Designated Account	\$0	\$25,760	\$3,640	\$12,000
<b>Total Transfer to Wesley Institute</b>	<b>\$0</b>	<b>\$25,760</b>	<b>\$3,640</b>	<b>\$12,000</b>
<b>TOTAL - ORDERS, WESLEY INSTITUTE &amp; STAFF</b>	<b>\$759</b>	<b>\$34,616</b>	<b>\$5,436</b>	<b>\$14,396</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>PASTORAL COUNSELING CENTER</b>				
<b>Travel/Lodging/Meals</b>				
Travel/Lodging/Meals-Director	\$8,353	\$8,674	\$8,600	\$8,600
Travel/Lodging/Meals-Assoc. Director	\$171	\$298	\$300	\$300
<b>Continuing Education</b>				
Continuing Education-Director	\$4,355	\$3,970	\$2,500	\$2,500
Supervisory Committee	\$43	\$992	\$500	\$500
Staff Supervisor	\$721	\$715	\$780	\$780
Testing	\$0	\$253	\$0	\$0
Telephone	\$2,021	\$2,382	\$3,560	\$3,560
Office Supplies	\$766	\$744	\$750	\$750
Office Rent/Utilities/Maintenance	\$9,900	\$10,000	\$10,000	\$10,000
Office Equipment/Renovation	\$277	\$496	\$400	\$400
Advocacy Training	\$38	\$3,462	\$1,500	\$1,500
CWART	\$0	\$0	\$500	\$500
Misc/Contingency/Testing	\$0	\$397	\$890	\$890
Professional Fees	\$208	\$888	\$100	\$100
<b>subtotal - Pastoral Counseling Office</b>	<b>\$26,853</b>	<b>\$33,271</b>	<b>\$30,380</b>	<b>\$30,380</b>
<b>Total Groups Related to CAB &amp; BOM</b>	<b>\$27,612</b>	<b>\$67,887</b>	<b>\$35,816</b>	<b>\$44,776</b>
Salaries and Benefits	\$140,780	\$246,738	\$246,360	\$251,287
<b>Sub-total Groups Related Salaries</b>	<b>\$140,780</b>	<b>\$246,738</b>	<b>\$246,360</b>	<b>\$251,287</b>
<b>Total Groups Related to the Cabinet/BOM</b>	<b>\$169,151</b>	<b>\$314,625</b>	<b>\$282,176</b>	<b>\$296,063</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>GENERAL CHURCH APPORTIONMENTS</b>				
World Service	\$1,580,084	\$1,580,084	\$1,540,124	\$1,582,593
Black College Fund	\$209,096	\$209,096	\$210,903	\$216,719
Africa University Fund	\$46,797	\$46,797	\$47,196	\$48,498
General Administration Fund	\$180,462	\$180,462	\$185,844	\$190,989
Interdenominational Cooperative Fund	\$41,497	\$41,497	\$41,332	\$42,472
Episcopal Fund	\$481,300	\$481,300	\$446,311	\$462,114
Ministrial Education Fund	\$524,242	\$524,242	\$528,749	\$543,329
<b>subtotal - General Church Apportionments</b>	<b>\$3,063,478</b>	<b>\$3,063,478</b>	<b>\$3,000,459</b>	<b>\$3,086,714</b>
Jurisdictional Conference Fund	\$131,525	\$131,485	\$65,743	\$65,743
<b>TOTAL GEN/JURIS CHURCH APPORTIONMENTS</b>	<b>\$3,195,003</b>	<b>\$3,194,963</b>	<b>\$3,066,202</b>	<b>\$3,152,457</b>
<b>Travel</b>				
Financial Services Travel	\$7,198	\$7,200	\$7,444	\$7,444
Training	\$4,196	\$0	\$0	\$2,500
Structural Study	\$9,391	\$0	\$75,000	\$0

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>CONFERENCE OFFICES</b>				
Office Supplies-Alcoa	\$9,079	\$10,500	\$10,500	\$10,500
Postage-Alcoa	\$11,165	\$5,955	\$5,809	\$5,809
Printing-JC	\$276	\$0	\$0	\$0
Printing-Alcoa	\$1,338	\$750	\$750	\$750
General Conference Shared Costs	\$25,799	\$26,317	\$0	\$0
Cellular Telephone	\$11,536	\$9,400	\$9,400	\$9,400
Office Rent-Alcoa	\$115,000	\$115,000	\$115,000	\$148,944
Maintenance Agreement Charges	\$90	\$500	\$1,000	\$1,000
Copier, Postage Machine Lease	\$7,561	\$12,000	\$13,400	\$13,400
Staff Meetings/Relations	\$118	\$3,500	\$3,500	\$3,500
Personnel Resource Team	\$1,396	\$250	\$250	\$250
Nominations Committee Meeting	\$482	\$400	\$400	\$400
CFA Meeting Expense	\$293	\$1,000	\$500	\$500
Legal Expense	\$0	\$1,000	\$500	\$500
Audit Expense	\$24,150	\$24,025	\$25,203	\$25,203
Miscellaneous Expense	\$20	\$100	\$100	\$100
<b>subtotal Conference Offices</b>	<b>\$229,089</b>	<b>\$217,897</b>	<b>\$268,756</b>	<b>\$230,200</b>
<b>CONFERENCE JOURNALS</b>				
Transfer to Journal Fund	\$7,574	\$7,500	\$7,702	\$7,702
<b>Total Conference Administration</b>	<b>\$236,663</b>	<b>\$225,397</b>	<b>\$7,702</b>	<b>\$7,702</b>
Salaries & Benefits	\$307,731	\$315,434	\$315,343	\$321,743
<b>Sub-total Administration Salaries</b>	<b>\$307,731</b>	<b>\$315,434</b>	<b>\$315,343</b>	<b>\$321,743</b>
<b>Total CFA (with Gcfa Apport)</b>	<b>\$3,739,397</b>	<b>\$3,735,794</b>	<b>\$3,658,003</b>	<b>\$3,712,102</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>BOARD OF LAY MINISTRY</b>				
Meeting Expense	\$556	\$1,000	\$1,000	\$1,000
Dues & Subscriptions	\$200	\$100	\$100	\$100
Assoc. Meeting Expenses	\$444	\$495	\$500	\$500
<b>TOTAL BOARD OF LAITY</b>	<b>\$1,200</b>	<b>\$1,595</b>	<b>\$1,600</b>	<b>\$1,600</b>
<b>PENSIONS/TRUSTEES/EQ COMP/EPISCOPAL</b>				
<b>BOARD OF PENSIONS/HEALTH BENEFITS</b>				
Retiree Health Insurance	\$1,000,000	\$1,000,000	\$1,340,000	\$1,340,000
<b>Total Board of Pensions</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,340,000</b>	<b>\$1,340,000</b>
<b>Board Of Trustees</b>				
Meals & Travel	\$1,165	\$500	\$500	\$500
Episcopal Residence-Trustees	\$19,803	\$0	\$0	\$0
PPTY, LIAB, Auto Insurance	\$14,991	\$35,000	\$35,000	\$35,000
D & O Insurance	\$30,713	\$16,000	\$16,000	\$16,000
Umbrella/B & M Insurance	\$663	\$3,500	\$3,500	\$3,500
Worker's Comp Insurance	\$20,502	\$10,000	\$6,998	\$6,998
Miscellaneous Expense	\$900	\$0	\$0	\$0
<b>TOTAL BOARD OF TRUSTEES</b>	<b>\$88,737</b>	<b>\$65,000</b>	<b>\$61,998</b>	<b>\$61,998</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>COMMISSION ON EQUITABLE COMPENSATION</b>				
Salary Supplements	\$84,417	\$80,950	\$80,950	\$120,000
Supplements-Dependent Children	\$0	\$2,000	\$2,000	\$2,000
Supplements-Mission Aid	\$35,244	\$50,500	\$50,500	\$50,500
Supplements-Cooperative Parish	\$6,700	\$2,550	\$2,550	\$2,550
Meeting Expense	\$61	\$500	\$500	\$500
<b>subtotal</b>	<b>\$126,421</b>	<b>\$136,500</b>	<b>\$136,500</b>	<b>\$175,550</b>
Preservation of Historic Shrines	\$50	\$0	\$0	\$0
<b>CONFERENCE COMMITTEE ON EPISCOPACY</b>				
Meeting, Meal, & Travel Expense	\$1,074	\$992	\$1,000	\$1,000
Meeting Expense	\$98	\$99	\$100	\$100
<b>TOTAL CONF COMMITTEE ON EPISCOPACY</b>	<b>\$1,222</b>	<b>\$1,091</b>	<b>\$1,100</b>	<b>\$1,100</b>
<b>EPISCOPAL RESIDENCE COMMITTEE</b>				
Episcopal Residence	\$8,458	\$28,500	\$13,000	\$13,000
<b>TOTAL EPISCOPAL RESIDENCE COMMITTEE</b>	<b>\$8,458</b>	<b>\$28,500</b>	<b>\$13,000</b>	<b>\$13,000</b>
<b>EPISCOPAL DISCRETIONARY FUND</b>				
Bishop's Discretionary Fund	(\$1,289)	\$1,985	\$1,985	\$10,000
<b>TOTAL EPISCOPAL DISCRETIONARY FUND</b>	<b>(\$1,289)</b>	<b>\$1,985</b>	<b>\$1,985</b>	<b>\$10,000</b>
Preservation of Historic Shrines	(\$2,749)	\$0	\$0	\$0
<b>TOTAL PENSIONS/TRUSETTS/EQ COMP/EPIS</b>	<b>\$1,220,801</b>	<b>\$1,219,076</b>	<b>\$1,554,583</b>	<b>\$1,601,648</b>

**Holston Conference of The United Methodist Church  
Proposed 2014 Budget Requests**

	2012 Actual YTD	2012 Approved Budget	2013 Approved Budget	2014 Requested Budget
<b>CONGREGATIONAL DEVELOPMENT</b>				
Special Ministries Salary Fund	\$94,000	\$94,000	\$94,000	\$94,000
<b>Congregational Development Team</b>				
Postage	\$4	\$200	\$100	\$100
Travel - Director - Church Dev/Stewardship	\$5,502	\$7,000	\$7,000	\$7,000
Be-A-Builder Mailings/Promotion	\$0	\$1,000	\$500	\$500
New Church Strategy Support	\$1,420	\$4,000	\$0	\$4,000
Strategic Revitalization	\$5,774	\$3,000	\$0	\$3,000
Natural Church Development	\$450	\$1,500	\$500	\$500
Leadership Training	\$19,994	\$18,000	\$11,500	\$18,000
Meetings, Meals, Travel Expense	\$275	\$500	\$500	\$500
Design & Printing	\$236	\$500	\$500	\$500
Demographics/Research/Planning	\$10,108	\$9,000	\$9,000	\$10,100
Miscellaneous Expense	\$143	\$500	\$500	\$500
<b>Sub-total Congregational Development Team</b>	<b>\$137,904</b>	<b>\$139,200</b>	<b>\$124,100</b>	<b>\$138,700</b>
Church Extension Grants	\$292,892	\$292,492	\$255,000	\$240,400
<b>TOTAL CONGREGATIONAL DEVELOPMENT</b>	<b>\$430,797</b>	<b>\$431,692</b>	<b>\$379,100</b>	<b>\$379,100</b>
Salaries and Benefits	\$110,644	\$110,644	\$110,644	\$112,857
<b>Sub-total Congregational Dev Salaries</b>	<b>\$110,644</b>	<b>\$110,644</b>	<b>\$110,644</b>	<b>\$112,857</b>
<b>Total Congregational Development</b>	<b>\$541,441</b>	<b>\$542,336</b>	<b>\$489,744</b>	<b>\$491,957</b>
<b>Totals</b>	<b>\$9,997,215.77</b>	<b>\$9,946,925.00</b>	<b>\$9,955,085.00</b>	<b>\$10,220,434.00</b>

**2012 FIVE STAR CHURCHES**

REPORTS 299

*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.*

**□□in□□on District**

410204 Abingdon	410625 Emory	411152 Quarry
416702 Aldersgate, Bristol	410341 First, Bristol	421036 Roberts Chapel
410135 Brumley Gap	410807 First, Marion	410977 Shady Grove
410044 Byars Cobbs	410922 First, Mountain City	410385 South Bristol
410124 Carvosso	410762 Lebanon Memorial	410408 State Street
410523 Chilhowie	410534 Lebanon, Chilhowie	410272 Three Springs
410567 Damascus	410795 Mountain View,	410421 Trinity, Bristol
410875 Davis Memorial	Abingdon	421071 Wesley, Saltville
965893 Ebenezer	410556 Mountain View,	410237 Wyndale
422224 Elizabeth	Chilhowie	

**□i□ □ton□ □□□ District**

411287 Appalachia	965687 Hales Chapel	411961 St Paul
411436 Crab Orchard	411573 Ingles Chapel	411447 Tacoma
412214 Culbertson's Chapel	412191 Midway Memorial	411323 Trinity, Big Stone Gap
411802 First, Pennington Gap	412156 Mt Vernon	
411607 Gate City	412010 Pleasant Hill	

**Ch□tt□noo□□ District**

413047 Brooks Memorial	413025 Looney's Creek	412522 St John
413721 Burks	Chapel	412783 St Marks
412943 Chapel Hill	412602 McFarland	413300 Sulphur Springs
412681 Christ	413060 New Salem	413322 Trenton
414144 Fairview	413127 Pikeville	412863 White Oak
413151 Grace	412646 Red Bank	412497 Whiteside
412987 Hixson	413162 Rising Fawn	
413242 Holly Avenue	413184 Sand Mountain	

**C□□□□□□n□ District**

413628 Allen Memorial	413880 First, Copperhill	414361 Spring City
413606 Apison	414166 Goodfield	413663 Trinity, Athens
413787 Big Spring	413641 Keith Memorial	414417 Wesley Memorial,
413743 Calhoun	413878 McDonald	Cleveland
413798 Chilcutt	414474 Mt Zion	414100 Wesley Memorial,
414190 Concord	414224 Ooltewah	Etowah
414007 Decatur	414496 Savannah	414075 Wesleyanna
413823 First, Cleveland	414304 Soddy	

**Johnson City District**

416096 Bethesda	416518 Edgefield	416303 Munsey Memorial
415866 Bluff City	416438 Embreeville	416462 Piney Flats
415902 Cedar Grove	416347 Fairhaven	415855 Rockhold
416085 Centenary Erwin	415981 First Elizabethton	416451 Seviars
415924 Chuckey	395734 Jearoldstown	416358 Wesley Memorial
415946 Clear Springs	416382 Limestone	

**FIVE STAR CHURCHES (Continued)****Kingsport District**

416781 Adams Chapel	417067 First Broad Street	417262 Mountain View
417502 Amis Chapel	417488 First Surgoinville	417227 Mt Carmel
416770 Blountville	416941 Glen Alpine	417353 Okolona
416930 Cameron	416963 Grange Hall	417581 Otes
417240 Colonial Heights	416974 Hermon	417375 Pactolus
417284 Community	417001 Kendricks Creek	417400 Rock Springs
416837 Cross	417023 Kingsley	416792 Salem
417034 Crossroads	417331 Logan's Chapel	417103 St Luke
416861 Elm Springs	417182 Mafair	966000 St Mark
416906 Emory Kingsport	416850 McFerrin	417320 Vermont
416928 Fall Branch	417205 Morrison Chapel	

**Knoxville District**

417945 Bearden	419102 Hendron's Chapel	418608 Middlebrook Pike
395973 Bookwalter	418222 Inskip	418665 Powell
418038 Christ, Knoxville	966410 Lennon-Seney	396055 Sand Branch
418027 Church Street	418288 Macedonia, Knoxville	418370 St Mark, Knoxville
395995 Fairview, Knoxville	418585 Mascot	

**Maryville District**

418905 Binfield	419204 Green Meadow	419501 St John
419363 Broadway	419181 Loudon	419807 Tuckaleechee
419385 Bungalow	419534 Middle Creek	419454 Union Grove
419033 Cedar Bluff	419647 Mountain View	419820 Vonore
419055 Eden	419545 New Salem	419773 Walden's Creek
418927 First, Alcoa	419567 Oakland	419842 Walland
419066 First, Gatlinburg	419465 Peck's Memorial	419751 Wears Valley
419443 First, Maryville	419682 Pleasant Hill,	
419011 Fox	Sevierville	

**Morristown District**

420225 Asbury	420544 First Newport	419977 New Market
420271 Bales Chapel	420761 First White Pine	420236 Noe's Chapel
966396 Boyd Chapel	441262 Glendale	420588 Panther Springs
395211 Bradburn Hill	419922 Harmon's Valley	420577 Pleasant Valley
420566 Bybee	419294 Harned's Chapel	419944 Romeo
420486 Carter's Chapel	420282 Hills Union	420156 Seahorn's Chapel
420145 Caton's Grove	418938 Joppa	420180 Shady Grove
420670 Cedar Grove	420737 Lawson's Chapel	418951 Shiloh, Rutledge
Rutledge	420635 Love's Memorial	965973 Tate Chapel
420384 Centenary	419911 Mary's Chapel	420590 Wesley's Chapel,
420123 Chestnut Hill	396090 McCampbell	Dandridge
420214 Economy	420497 Mt Pleasant ,	420043 Wesley's Chapel,
396135 Edward's Chapel	Greeneville	Greeneville
420065 First Bulls Gap	395871 Mt Zion	

**Oak Ridge District**

414680 Beaver Ridge	414884 Concord Knox	414760 Martel
414851 Bell's Campground	414986 Harriman	415206 Moore's Gap
414703 Bradbury	415343 Kern Memorial	414736 Rugby Road
415558 Cawood	415046 Kingston	415503 Solway

**FIVE STAR CHURCHES (Continued)****□ □ □ e □ ell District**

421685	Clearview	421218	Green Valley, Eggleston	421776	Shady Grove, Pearisburg
421754	Eatons Chapel	421413	Midway	421787	Thessalia
421264	Ebenezer, Bluefield	421572	New Hope Union	421060	Virginia Avenue, Bluefield
421322	First, Honaker	421606	North Tazewell	421355	Wesley's Chapel, Eggleston
421504	First, Richlands	421721	Pine Grove, Bastian		
421710	Green Valley, Bastian	965530	Bethel, Bluefield		

**Wytheville District**

	Asbury	423002	Fort Chiswell	422177	Mt Zion
422587	Atkins Memorial	422895	Foster Falls	965665	New Mt Olive
422361	Belspring	418530	Gladeville	418118	Parrott
417956	Bethel	422656	Glenwood	418131	Rockford
421856	Bethel	422964	Grahams Forge	422645	St Paul
422714	Camp Bethel	422190	Lebanon	422601	Thornsprng
422064	Cold Springs	422793	Leonard Memorial	422736	Willis
421982	Dublin	422758	Liberty Hill		
422521	Fairlawn	422281	Max Meadows		
422086	First Galax	418095	Morgan's Chapel		
422406	First Pulaski	417978	Mt Mitchell		
422053	Floyd	422326	Mt Pleasant		

Have you  
visited the displays  
in the Harrell Center  
Auditorium today?



## *Consolidated Financial Statements*

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH,  
INCORPORATED

Year Ended December 31, 2012

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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 consolidated financial statements of Holston Annual Conference of the United Methodist Church, Incorporated, which comprise the consolidated statement of financial position as of December 31, 2012, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated 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, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note N, the net assets of Holston Annual Conference of the United Methodist Church, Incorporated have been restated as of December 31, 2011. Our opinion is not modified with respect to this matter.

A handwritten signature in cursive script that reads "Mitchell Emert & Hill".

October 30, 2013

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

December 31, 2012

**ASSETS**

Cash		\$ 3,506,049
Investments:		
Money market accounts	\$ 248,716	
Pooled mutual funds	35,408,276	
Notes receivable	<u>739,886</u>	36,396,878
Apportionments receivable		1,021,005
Accounts receivable		51,273
Prepaid expenses		15,245
Property and equipment, net of accumulated depreciation		<u>4,184,080</u>
		<u><u>\$ 45,174,531</u></u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable	\$ 571,187
Due to affiliated organizations	1,982,061
Amounts held for others	292,769
Accrued liabilities	48,760
Note payable	1,464,979
Postretirement benefit obligation	<u>25,039,634</u>
	29,399,391

**NET ASSETS**

Unrestricted	\$ 11,470,034	
Temporarily restricted	4,197,394	
Permanently restricted	<u>107,710</u>	<u>15,775,139</u>
		<u><u>\$ 45,174,531</u></u>

See the accompanying notes to the consolidated financial statements.



HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**CONSOLIDATED STATEMENT OF ACTIVITIES**

Year Ended December 31, 2012

	<u>Unrestricted</u>
<b>SUPPORT AND REVENUE</b>	
Apportionments from member churches	\$ 9,561,570
Contributions	3,827,733
Registration and fees	2,273,259
Pension and insurance payments	10,433,433
Investment income	3,677,043
Miscellaneous income	553,474
	<u>30,326,512</u>
Net assets released from restrictions	110,081
	<u>30,436,593</u>
<b>EXPENSES</b>	
General and jurisdictional apportionments	3,883,778
Appointment cabinet	1,641,691
Ministry teams	816,054
Conference missions	1,474,981
Youth council	410,503
Camping and retreat ministries	2,906,696
Board of Higher Learning	730,976
Outreach advocacy	699,086
Board of Ordained Ministry	156,809
Wesley Institute	16,616
Conference administration	1,066,995
Health care	11,726,317
Pension	6,003,431
Other	361,376
	<u>31,895,310</u>
<b>CHANGE IN NET ASSETS</b>	(1,458,717)
<b>NET ASSETS AT THE BEGINNING OF THE YEAR, as restated</b>	<u>12,928,750</u>
<b>NET ASSETS AT THE END OF THE YEAR</b>	<u><u>\$ 11,470,034</u></u>

See the accompanying notes to the consolidated financial statements.

Temporarily Restricted	Permanently Restricted	Totals
\$ 0	\$ 0	\$ 9,561,570
149,892	0	3,977,625
0	0	2,273,259
0	0	10,433,433
278,374	0	3,955,417
0	0	553,474
428,266	0	30,754,778
(110,081)	0	0
318,185	0	30,754,778
0	0	3,883,778
0	0	1,641,691
0	0	816,054
0	0	1,474,981
0	0	410,503
0	0	2,906,696
0	0	730,976
0	0	699,086
0	0	156,809
0	0	16,616
0	0	1,066,995
0	0	11,726,317
0	0	6,003,431
0	0	361,376
0	0	31,895,310
318,185	0	(1,140,532)
3,879,209	107,710	16,915,670
<u>\$ 4,197,394</u>	<u>\$ 107,710</u>	<u>\$ 15,775,139</u>

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**CONSOLIDATED STATEMENT OF CASH FLOWS**

Year Ended December 31, 2012

**CASH PROVIDED(USED) BY OPERATING ACTIVITIES**

Change in net assets		\$ (1,140,532)
Adjustments to reconcile change in net assets to net cash (used) by operating activities:		
Depreciation	\$ 86,981	
Donated property	(46,500)	
Gain on sale of property	(201,406)	
Unrealized gain on investments	(2,229,185)	
Decrease in:		
Apportionments receivable	100,554	
Prepaid expenses	212,969	
Increase in:		
Accounts payable	54,972	
Due to affiliated organizations	933,663	
Amounts held for others	(334,414)	
Accrued liabilities	41,496	
Postretirement benefit obligation	<u>1,373,663</u>	<u>(7,206)</u>
<b>NET CASH (USED) BY OPERATING ACTIVITIES</b>		<b>(1,147,738)</b>

**CASH PROVIDED(USED) BY INVESTING ACTIVITIES**

Decrease in investments	1,673,687	
Decrease in notes receivable	852,979	
Purchase of property	(356,984)	
Proceeds from sale of property	<u>356,239</u>	
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<b>2,525,921</b>

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
(continued)

Year Ended December 31, 2012

<b>CASH PROVIDED(USED) BY FINANCING ACTIVITIES</b>	
Principal payments on long-term debt	<u>(58,232)</u>
<b>NET INCREASE IN CASH</b>	1,319,951
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>2,434,812</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>\$ 3,754,765</u>

See the accompanying notes to the consolidated financial statements.

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2012

**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. During the year ended December 31, 2012, Holston Conference Holding Company, Inc. (the Holding Company), was formed for the purpose of receiving, holding, managing, selling and otherwise disposing of real property, fixed assets and furnishings of United Methodist Churches and other related organizations operating under the authority or governance of the Conference. The Holding Company is a separate legal entity operating under the authority of the Conference. The activities of the Holding Company have been included in the consolidated financial statements of the Conference.

**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, health insurance liabilities, allocation of expenses, and contingencies, among others.

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

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, 2012, cash and cash equivalents consisted of the following:

Cash	\$ 3,506,049
Investments: Money market accounts	<u>248,716</u>
	<u>\$ 3,754,765</u>

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, 2012 was \$86,981.

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, 2012 was \$88,987.

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

At December 31, 2012, property and equipment consisted of the following:

Land	\$ 526,629
Buildings	3,724,250
Property held for sale	518,500
Equipment	<u>106,412</u>
	4,875,791
Less accumulated depreciation	<u>(691,711)</u>
	<u>\$ 4,184,080</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.

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.

Allowance for uncollectible receivables

Allowance for uncollectible receivables is provided based upon historical trends. Allowance for uncollectible receivables at December 31, 2012 was \$530,718.

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

**NOTE C - INVESTMENTS**

Investments at December 31, 2012 consisted of the following:

Money market accounts		\$ 248,716
Pooled mutual funds		35,408,276
Notes receivable from member churches:		
Current	\$ 543,379	
Less: allowance for uncollectible	(530,718)	
Long-term	376,894	
Other note receivable:		
Current	17,501	
Long-term	<u>332,829</u>	<u>739,886</u>
		<u>\$ 36,396,878</u>

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

*Level 1:* Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Conference has the ability to access.

*Level 2:* Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

Investments in equity securities, debt securities and pooled mutual funds are reported in the accompanying financial statements at fair value. Of the total investments, \$12,948,722 was held at the Holston Conference Foundation and \$23,628,543 was held at the General Board of Pensions. All investment held with the Holston Conference Foundation are valued using quoted prices in active markets for identical assets (Level 1). Fair value for all investments held with the General Board of Pensions has been calculated based on the net assets of the underlying pool of securities. For further information regarding the fair value measurement and types of investments held by the General Board of Pension see the annual report of the General Board of Pension.

		<u>Fair Value Measurements Using</u>	
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Inputs Other than Quoted Prices that are Observable for the Asset or Liability (Level 2)
	<u>Fair Value</u>		
Money market accounts	\$ 248,716	\$ 248,716	\$ 0
Pooled mutual funds	35,408,276	11,779,733	23,628,543
Notes receivable	<u>739,886</u>	<u>739,886</u>	<u>0</u>
	<u>\$ 36,396,878</u>	<u>\$ 12,768,335</u>	<u>\$ 23,628,543</u>

Realized and unrealized gains and losses are determined on the basis of specific identification. Investment income for the year ended December 31, 2012 consisted of the following:

Interest and dividends	\$ 201,041
Realized gain	1,530,138
Unrealized gain	2,229,185
Expenses	<u>(4,947)</u>
	<u>\$ 3,955,417</u>

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

**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 \$ 1,464,979

Future maturities of long-term debt are as follows:

Year ended <u>December 31,</u>	
2013	\$ 63,731
2014	67,628
2015	71,764
2016	76,152
2017	80,809
Thereafter	<u>1,104,895</u>
	<u>\$ 1,464,979</u>

Interest paid during the year was \$90,722, none of which was capitalized.

**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.

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

**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, 2012, 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>
---	-------------------

Temporarily restricted net assets are available for the following purposes:

Builders Club loans	\$ 2,742,540
Builders Club grants	50,979
College Scholarship	1,147,251
Annual Conference Offering-Sudan	131,246
Annual Conference Offering-India	30,635
Annual Conference Offering-Alaska	3,289
Camping Endowment	<u>91,454</u>
	<u>\$ 4,197,394</u>

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

Unrestricted net assets are designated by the Conference for the following purposes:

Pension	\$ 11,060,162
Camping	734,983
Camping endowment	535,887
Ministerial Education Fund	274,771
Mission Sudan	158,937
Superannuate endowment	106,394
Resurrection	105,873
Aids fund scholarships	71,759
Wesley Leadership Institute	63,910
Disaster relief	55,432
Episcopal office	50,809
New churches	47,063
Change for Children	45,582
General Operation CCYM	45,478
Student Kits - Shipping	41,468
Communications	30,188
Jubilation	29,131
Volunteer labor	28,989
Hardin Valley Road project	27,019
Divine Rhythm	23,524
Hispanic Ministries	18,767
Holston Conference CEF	18,015
Witness Ministries future programs	16,159
Employee benefits (AFLAC)	15,156
Youth Service Fund	14,947
Equipment reserve	9,281
Cabinet Courtesy Fund	9,033
Junior High Assembly	8,870
Peace with Justice	7,681
Conference Journals	7,320
Pastor transition	6,081
Older Adult Ministries	6,035
Bishop's overseas travel	6,000
Audio visual	5,628

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

Local pastors school	4,073
Calling All Men	3,881
Appalachia Trail outreach ministries	2,901
March Forth for Children	2,447
Call to Ministry	1,747
Abolishing Poverty Conference	1,721
Vietnam	1,325
Operation Classroom	1,260
Christian Education Day	1,210
Hope for Today - India	1,034
Other	4,404
	<u>13,712,333</u>
Undesignated(deficit)	<u>(2,242,299)</u>
	<u>\$ 11,470,034</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 grants	\$ 18,750
College Scholarship	32,512
Annual Conference Offering-Sudan	55,055
Camping	<u>3,764</u>
	<u>\$ 110,081</u>

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

**NOTE I - PENSION PLANS**

The Conference and its local churches participate in three separate multiemployer pension plans covering substantially all clergy and eligible 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 multi-employer 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 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 risks of participating in a multi-employer defined benefit pension plans are different from single-employer plans in the following respects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be required to be borne by the remaining participating employers.
- If the Conference chooses to stop participating in one of its multiemployer plans, it may be required to pay a withdrawal liability to the plan.

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

Contributions to the various plans during the year ended December 31, 2012 were as follows:

Pre-82	\$ 1,395,344
CRSP - Defined Benefit	3,161,048
CRSP - Defined Contribution	<u>770,000</u>
	<u>\$ 5,326,392</u>

As church plans, all pension plans the Conference participates in are exempt from Titles I and IV of the Employee Retirement Income Security Act of 1974 and, therefore, not subject to Pension Benefit Guaranty Corporation requirements. The plans may be terminated by the sponsor at any time. Upon termination of these plans, the sponsor has the authority to distribute the plan assets in accordance with the terms of the respective plan documents.

Following is funding information related to the three plans based on the actuarial valuations performed as of January 1, 2012 to establish contribution rates for the year ending December 31, 2014. Because the Conference controls some aspects that affect funding levels of the Pre-82 Plan, an actuarial valuation to determine conference-specific contributions and therefore information presented below represents only the Conference's portion of the Pre-82 plan's assets, liability and funded status. The MPP and CRSP-Defined Benefit plan information is not obtained on a conference specific basis and the amounts reported below cover the entire plan and all participating conferences.

	<u>Pre-82</u>	<u>MPP</u>	<u>CRSP – DB</u>
Actuarial value of assets	\$ 21,140,333	\$ 2,638,990,333	\$ 744,301,757
Funding liability	<u>(29,641,434)</u>	<u>(2,537,597,348)</u>	<u>(737,164,227)</u>
Funded status	\$ (8,501,101)	\$ 101,392,985	\$ 7,137,530
Funded ratio	71%	104%	101%

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 9% 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.

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

**NOTE J - POSTRETIREMENT BENEFITS**

The Conference has elected to provide 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, 2012, the unfunded postretirement benefit obligation liability amount was \$25,039,634.

The change in accumulated postretirement benefit obligation for the year ended December 31, 2012 was:

Active employees not fully eligible to retire	\$ 7,174,781
Active employees fully eligible to retire	7,828,243
Retirees	<u>8,662,947</u>
Unfunded postretirement benefit obligation at January 1, 2012	23,665,971
Current year activity:	
Service cost	\$ 688,574
Interest cost	1,438,665
Benefits paid	<u>(753,576)</u>
	<u>1,373,663</u>
Unfunded postretirement benefit obligation at December 31, 2012	<u>\$ 25,039,634</u>

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

The unfunded post retirement benefit obligation consists of:

Active employees not fully eligible to retire	\$ 8,335,156
Active employees fully eligible to retire	8,234,551
Retirees	<u>8,469,927</u>
	<u>\$ 25,039,634</u>

The unfunded postretirement benefit obligation at December 31, 2012 is \$25,039,634 of which, \$810,497 is a current liability and \$24,229,137 is a noncurrent liability. Unrecognized amounts and amortization amounts in the following year consist of prior service cost. A medical trend rate of 8.0% is anticipated during the year ended December 31, 2012 and an ultimate trend rate of 5% is anticipated to be achieved by the year ending December 31, 2018. 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>
2013	\$ 810,497
2014	860,736
2015	949,717
2016	1,016,449
2017	1,094,965
2018 to 2021	6,652,511

For nonfunded plans, employer contributions equal benefit payments for the next fiscal year.

These estimates are based on facts as they existed as of December 31, 2012. Historically, these benefits have been provided, however, the Conference could elect to change the level of future benefits.

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

**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, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Net assets at the beginning of the year	\$ 29,377	\$ 26,629
Received from General Council	77,300	76,000
Expenses:		
Salaries and related expenses	\$ 34,077	\$ 36,552
Office expenses	16,904	32,025
Other	<u>4,837</u>	<u>4,674</u>
	<u>55,818</u>	<u>73,251</u>
Net assets at the end of the year	<u>\$ 50,859</u>	<u>\$ 29,377</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 CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

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 CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

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 CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

Changes in endowment net assets for the year ended December 31, 2012 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	\$ 86,041	\$ 15,031,675	\$ 15,225,427
Contributions	0	0	3,050	3,050
Investment return:				
Investment income	0	1,536	47,739	49,275
Net appreciation (realized and unrealized)	0	7,640	1,917,096	1,924,736
Other changes:				
Transfers out	<u>0</u>	<u>(3,764)</u>	<u>(3,146,659)</u>	<u>(3,150,423)</u>
Endowment net assets at the end of the year	<u>\$ 107,710</u>	<u>\$ 91,454</u>	<u>\$ 13,852,901</u>	<u>\$ 14,052,065</u>

Endowment net assets are presented in the accompanying financial statements as investments.

**NOTE N - RESTATEMENT**

Net assets at the beginning of the year have been restated to correct an error in the computation of the other post-employment benefit (OPEB) obligation previously reported and to record a liability that was not previously recorded:

Balance at December 31, 2011, as originally reported	\$ 19,411,834
Correction to OPEB obligation computation	(1,981,815)
Unrecorded liability	<u>(514,349)</u>
Balance at January 1, 2012, as restated	<u>\$ 16,915,670</u>

HOLSTON ANNUAL CONFERENCE OF  
THE UNITED METHODIST CHURCH, INCORPORATED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(continued)

December 31, 2012

**NOTE O - SUBSEQUENT EVENTS**

Subsequent events have been evaluated through October 30, 2013, the date which the financial statements were available to be issued.

### COMMITTEE ON THE EPISCOPACY

*“Blessings! Godspeed! We’ll miss you!”*

*“Blessings! Welcome! We’re glad you are here!”*

Those two statements sum up the work of the Committee on Episcopacy this year! We said farewell to Bishop James E. Swanson, Sr., as he prepared to receive his assignment from the Southeastern Jurisdictional Committee on Episcopacy. Last annual conference was filled with lots of tears and laughter as we remembered the good work that Bishop Swanson did and the special memories made with the entire Swanson family.

We then focused on welcoming our new bishop, “whoever he or she may be,” as we would say. Plans for Consecration Service and receptions and preparing the residence were underway. We were thrilled to hear that Bishop Mary Virginia Taylor was coming home. We shifted from saying “Bishop Whomever” in our planning to saying, “Dindy!” then, “Oops! We mean Bishop Taylor!”

We are thankful to Concord United Methodist Church in the Oak Ridge District and to State Street United Methodist Church in the Abingdon District for the hospitality they offered in hosting the receptions for Bishop Taylor and Rev. Rusty Taylor. We are also thankful to Mary Frances Tucker and her committee (Episcopal Residence Committee) in the work they did to transition from the old residence to the new residence.

Bishop Taylor not only brings with her knowledge of the Holston Conference but eight years of episcopal service in the South Carolina Conference. We welcome her experience and wisdom and look forward to serving with her and being guided by her leadership.

Beyond serving the Holston Area, Bishop Taylor is currently President of the College of Bishops for the Southeastern Jurisdiction. She also serves on the Board of Trustees for Emory University and is vice-chair of the Lake Junaluska Board of Directors. Bishop Taylor has also been named by the Council of Bishops to be on the Sexual Ethics Committee for the denomination which is an inter-agency group. She has plans to travel to Budapest this fall to meet with the Committee on Central Conference Matters.

In Holston, Bishop Taylor has been focusing her first year around the following questions as she meets with conference leadership:

- What do you see as the greatest challenges facing the Annual Conference?  
Why do you think this is?
- What do you see as the greatest possibilities for growth, the most fertile fields to make more disciples, engage our communities and be vital congregations?  
What do we need to help make that happen?
- What do you think my priorities need to be as a bishop?

We look forward to continuing to work with Bishop Taylor and assist her as she forms answers to these questions and leads the Holston Area. Our committee members keep Bishop Taylor in our daily prayers and invite members of the Annual Conference to do the same.

Welcome home, Bishop Taylor! We are glad you are here!

*Submitted by Rev. Catherine Clark Nance, Chair*

### COMMISSION ON ARCHIVES AND HISTORY

The Commission rejoices that Roy L. Howard, Holston Conference Historian and President of the Holston Historical Society, was given the Ministry of Memory Award for 2012 by the Historical Society of The United Methodist Church in presentation ceremonies on May 15, 2012, at Gettysburg UMC, Gettysburg, Pa. The Award was presented by Rev. Daniel Swinson, President of the Board of Directors of the Historical Society, following a review of Roy's body of work by Grady Winegar. Founded in 2007, this is the first Ministry of Memory Award to recognize an individual in the Southeastern Jurisdiction.

The Commission celebrates with Emory & Henry College as it reviews 175 years in ministry in higher education. This milestone was recognized with the publication of *LEGACY & VISION: A PICTORIAL HISTORY OF EMORY & HENRY COLLEGE* by Robert J. Vejnar, II, Archivist for the College and Holston Conference. The book is filled with stunning pictures of the campus and the students, faculty, and staff who have made the Emory & Henry experience unique.

Throughout 2013, Lake Junaluska is celebrating 100 years of transforming lives. There are several signature events:

\*April 18, 2013, Stories by the Lakeshore with Donald Davis, renowned storyteller, whose father attended the first Junaluska meeting in 1913.

\*June 30-July 7, 2013, Lake Junaluska Homecoming (Centennial Week). A full schedule of dynamic speakers, worship, music, home tours and reunions.

\*August 3, 2013, The Light of the Lake, Premier performance of the Junaluska story on stage.

Leaders from Holston Conference played a large role in the beginning of Lake Junaluska. We celebrate the past, look to the future, seek to share the Junaluska experience for the generations which follow.

The Commission recommends two books about Junaluska, written in celebration of the Centennial: *THE ANTECHAMBER OF HEAVEN: A HISTORY OF LAKE JUNALUSKA ASSEMBLY* by Bill Lowry and *LAKE JUNALUSKA: IMAGES OF AMERICA* by Bill King.

The Commission has a Task Force conducting interviews of some of our Senior Leaders among the laity and clergy. The purpose of these interviews is to record their stories, impressions, and interpretations of significant events during their time in Holston.

The Commission has a Task Force offering Training Opportunities for Local Church Historians and for members of Archives and History Committees. Every church is asked to be vigilant in gathering and preserving pictures and stories on a constant basis.

Under the leadership of Robert J. Vejnar, II, the Holston archives at Emory & Henry have aided in numerous research requests and has this year received a significant number of books and papers from the estates of former Holston clergy. Having a professional archival depository is critical to our ministry of memory. Our digitized records allow us to share with other depositories and internet linkings allow us to have access to the holdings of other archives.

The Commission has approved efforts to seek Historical Site status in the Conference for Amis House near Rogersville, Tn. A resolution will likely be introduced in 2014. Amis House provided lodging for Bishop Francis Asbury several times as he visited Holston and sought to advance Methodism deeper into Kentucky in 1790. Other Historic Sites in Holston are being studied for recognition.

Commission Member Ron Matthews has put numerous historical photos of Holston people and places on our Holston.org website. There is a more extensive number of photos on Facebook under "Holston Methodist History." Contributions are welcome.

A very important piece of unfinished business for the Commission is the conversation between the Board of Trustees and the Commission on Archives and History regarding a Strategic Plan for the Maintenance and Support of our three Heritage Landmarks: Acuff Chapel, Cox House, and Keywood Marker. We need to consider the possibility of establishing societies for these Landmarks which could do fund raising, arrange annual celebrations, and generate more utilization of these treasures by our members and local churches.

*--Grady C. Winegar, Chair*

## **BOARD OF TRUSTEES**

### **2013 Annual Conference**

During the 2012-2013 Conference Year, the Board of Trustees of the Holston Conference has been very active managing properties, investments and risk on behalf of the Holston Annual Conference. In addition, the Board, through staff and members has provided extensive technical assistance and staff support to District Superintendents and churches of the Conference in matters related to church owned properties, cemetery operation, corporate and 501c3 filings, real property tax status, risk management, and Bank/Lending Institution relations. During this past year, the board 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. The Board, working closely with Congregational Development, District Boards of Church Building and Location and District Superintendents, will continue to strive to be effective stewards of the real property resources available to further the ministry of the Holston Conference.

### **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 Boards of Church Building and Location and 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, photo documentation, liability insurance coverage and written management plans for every identified discontinued or abandoned site throughout the Conference.
- Title and deed review for all properties held by the Conference and/or the Districts.
- Site visits to every Conference-held Historic Designated Site and completion of a “condition survey.”
- Complete evaluation of the Conference Liability Insurance Program related to vacant properties and solicitation of revised insurance quotations.
- Assist Districts and individual churches in the implementation of a step-by-step procedure for the consideration and eventual sale of Church/Charge owned Parsonages.
- Assisted several churches in inserting standard “Trust Clause” language into Church, District and Conference-held property where said clause had been omitted.
- Completed a mortgage loan modification for the Holston Conference Center that will result in over \$125,000.00 in interest cost saving over the life of the existing mortgage agreement.
- Provided extensive staff support and technical assistance to three (3) Churches within the Conference that are currently in mortgage distress, successfully bringing two out of a “default position” and continuing to work with all three.
- Assisted two (2) churches in negotiating settlements for buyer default on property that the Churches were selling.
- Managed the rental of three former parsonages (from Discontinued Churches) as disposition of surplus property is considered by the District and the Conference.

During the past year more than \$525,000 of surplus property has been sold or is under contract to be sold for the benefit of Districts and Conference-wide new church development and revitalization. As part of these sales, special 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 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:

<b>Property Name District</b>	<b>Planned Disposition</b>
Bellamy's Chapel - BSG	Private Negotiated Sale
Cumbo - BSG	Action Sale Spring 2013
Marble City – KN	Under Contract for Sale
Oak Grove - AB	Under Contract for Sale
Robinette - BSG	To Be Held
Russell Chapel - BSG	Marketing for Sale
Trinity Lead Mine - WY	Under Contract for Sale
Trinity Dayton -CL	Under Contract for Sale
Washington Chapel - KI	Held by District
Andover – BSG	Pending Transfer – Reversion
Imboden – BSG	Pending Transfer – Reversion
Dunbar – BSG	Pending Transfer – Reversion
Bridle Creek Parsonage – WY (Conference Interest)	Transfer to the Charge
Cook Memorial – CL (Community Center)	Held by District – Risk Mang.
Harden Valley – OR	Held by District – Risk Mang.
Mt. Pleasant – AB	To Be Held
Mt Pleasant Parsonage – AB	To Be Held
Riceville – CL	Demolition Required
Riceville Parsonage- CL	Marketing for Sale
Smyth's Chapel – AB	Pending Transfer – Reversion
Trinity Dayton – CL	Under Contract for Sale
Trinity Dayton Parsonage – CL	Under Contract for Sale
West View – KN	Pending District Action
West View Parsonage – KN	Pending District Action
Shady Grove – CL	Pending District Action

#### **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 second 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 additional third floor improvements. 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. Two additional Real Estate Leasing Agents have been engaged and it has resulted in no leads. The Trustees have completed a direct marketing plan of the space with 5000 mailed and other direct advertizing. It has yielded no leads.

The Conference has taken advantage 1<sup>st</sup> floor file storage space and provided additional space for Connectional Ministry Storage.

At the request of the Extended Cabinet the Trustees are now developing the large open space on the first floor as common meeting space. Internet connection and furnishing are being researched with the hopes of having this space available 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 had planned to locate and purchase the new residence prior to the arrival of the anticipated new Resident Bishop in August of 2012. The purchase of the new Episcopal Residence was completed in the late spring of 2012 in Maryville TN at a cost of \$355,000.00. The purchased home has a tax appraised value of \$405,000, and an independent appraisal value of \$385,000 to \$400,000.

The former residence has been sold for \$387,000.00 after approximately \$20,000.00 worth of repairs required to make the property marketable. The Conference also paid an additional \$10,000.00 worth of cost associated with commissions and closing cost. In summary and general terms the up-grade of Episcopal Residence has been completed at no "out of pocket" cost to the Conference.

### **Real Property Tax Status**

Over the past year 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 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.

### **Assistance with Wesley Foundations Property and Risk Management**

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.

In the coming year the Board intends to assist the Wesley Foundations in evaluating their current insurance programs and risk management plans.

### **Matters of Insurance Conference Wide Workers Compensation Policy**

The Board of Trustees completed the process of evaluating the Conference Wide Workers Compensation Program and requested proposal for a new Conference Wide Insurance Program. Four complete quotations were received and the Trustees entered into a new agreement with Church Mutual Insurance Company. This new program will result in an immediate cost savings of over \$130,000 per year for churches now participating in the program. It will also double (from \$500,000 to \$1,000,000) the coverage for these churches. The program offer workers compensation insurance to all churches and all work classes with NO minimum premium cost.

With this new coverage in place, the Trustees will once again work with District and individual churches to make sure that all churches are enrolled in a Workers Compensation Insurance Program that meets the State requirements.

### **Conference Wide Property and General Liability Insurance Survey**

The Trustees have been working with and will continue to work with the 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.

The Trustee have completed a six month comprehensive evaluation of the current insurance coverage for all risks for the “Denomination Headquarters”, Mission Outreach programming, professional conduct insurance and District Office Operation. We have currently issued a Request for Proposals from four major insurance suppliers for a comprehensive package. The final objective of this major undertaking is to provide complete insurance and risk management at a reduced cost.

### **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, the Trustees have completed Handicapped Accessibility Surveys of nine District Offices and provided each District with a 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. This program has provided financial assistance resulting in full accessibility for the Big Stone Gap District Office. It is presently developing plans for accessibility to the Cleveland District Office.

### **Real Property Assets (Other Than Discontinued Church Holdings)**

- Holston Conference Center \$2,800,000
- New Episcopal Residence (Blount County) \$ 400,000 (Note 1)
- The ETSU Wesley Foundation \$1, 200,000 (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  
\$343,391

HC Ext-Gatlinburg Property #1220  
\$498,222

*Respectfully Submitted,  
Jim Wheeler, Chairman*

### HOLSTON CONFERENCE FOUNDATION

In many aspects, 2012 was a “white knuckle” year fraught with fear and terrifying news... European economic collapse, national election/fiscal cliff drama, Middle East unrest, drought, floods...oh my! Despite the doom-and-gloom headlines, the Holston Conference Foundation had a wonderful year financially and through our ministry-related activities. We have lots to celebrate! We awarded over \$250,000 in direct grants and scholarships and distributed over \$6 million back to churches, institutions, and ministries during the year. Even with record high distributions, we ended 2012 with a new all -time high in assets under management...over \$78 million!

While many struggle with record low CD's and nearly zero interest accounts, the Foundation added many new cemetery, parsonage, scholarship, endowment and other special-purpose accounts during the year from churches and ministries investing in our various options. We are happy to report that at the end of December our **BALANCED GROWTH FUND** was up **11.63%** YTD, **SHORT-TERM INCOME FUND** was up **2.18%** YTD, **INTERMEDIATE INCOME FUND** was up **4.58%** and the **EQUITY GROWTH FUND** was up **15.51%**. **Sure beats the current average one-year CD rate of .28% as recently reported by *Money* magazine!** We are thankful for each new account and the opportunity to serve. You can find details on our performance and investment on our website [www.holston.org/foundation](http://www.holston.org/foundation).

This year we added Paul Bowman, Director of Gift Planning, to our staff! While Paul is still learning faces and names he brings a fresh new skillset and enthusiasm for serving the Lord and our ministry to people and churches. Paul helped us launch *the Circuit Rider Dispatch* and created our new planned giving website [www.holstonlegacy.org](http://www.holstonlegacy.org) that is becoming quite popular for prospective donors, church leaders and others interested in legacy options. Visit the website to sign up for the FREE Circuit Rider Dispatch e-newsletter. The staff and board are glad to have Paul on our team.

2012 also brought a new Episcopal leader, Bishop Mary Virginia Taylor. Bishop Taylor serves on our Foundation Board and in turn Roger had the privilege of serving on the Holston Conference Extended Cabinet. While the Foundation is an independent entity serving churches, ministries and people directly, we are firmly a part of the mission and ministry of the Holston Conference and an integral part of the connection.

Bill Kilday, Director of Stewardship, led a new group of 20 select pastors in financial stewardship training with Dr. Michael Reeves in Texas. We also brought Dr. Reeves here for a very successful workshop for clergy and lay leaders and conducted a special reunion workshop for 50 pastors previously trained. We firmly believe in equipping and training our pastors in the importance of generosity as a spiritual and practical aspect of our faith. Twenty additional pastors will train with Dr. Reeves in March 2013 in Townsend, Tennessee.

Throughout the year we met with dozens of individuals at their invitation to explore and assist them in their own legacy and endowment plans. We assisted numerous churches and committees sharing sample documents, creating endowment programs, providing workshops, preaching, teaching and sharing our expertise in stewardship and planned

giving. The response has been amazing and we are thankful for the opportunity to scatter seeds, tend the fields and assist with the harvest.

2013 also brings to a close the faithful service of several key board members who left service due to term limits. David Goodson stepped down after serving as president for the past two years. We also say goodbye to Charles Stewart, Dick Timberlake, Tom Bowen and Ron Matthews, who each served in a variety of ways as active and passionate leaders for the past 9 years. We will miss their direct involvement on the board, but count on their continued friendship, support and blessing. We welcome John Bailes as our new president, Lynne Fugate as vice-president and Laurence Hesser, Charlie Harr and Sam Coulter to the Executive Committee. We also welcome new board members Mike Reynolds, Cheryl Light, Mike Hincer, Mike Stice, Mary Frances Tucker and Wanda Moody. We appreciate all our board members for their service.

With such an exciting and tumultuous year behind us, we look forward to 2013 with great anticipation of what the Lord will do in our ministry and service to others. We have new wells to dig and a new orphanage to build and equip in South Sudan. We are involved in a major campaign against Malaria and have clergy to train and seminarians in great need of scholarship support. We have many churches to equip and assist in creating effective endowment and planned giving programs. The needs are many, but God has blessed us to be a blessing to others.

We invite you to contact the Foundation should you or your church or ministry need our services or counsel.

- John Bailes, Board President  
- Roger Redding, Executive Director

## **HOLSTON UNITED METHODIST HOME FOR CHILDREN**

In 1895, Elizabeth Wiley heard the call of God to begin a work that has grown to be recognized as one of the finest ministries to children, youth and families in our area. She wanted the ministry to be the church without apology. She wanted to teach the love of God to all needy children in Holston Conference, the kind of love that assures children of a warm, loving place to live, an education to realize their God-given ability, and a faith that sustains them through life.

Today, 118 years later, children and young people continue to receive help through the many services provided by Holston Home. With offices in Abingdon, Bristol, Johnson City, Knoxville, Chattanooga and Greeneville, no child is left behind. This report is given in an effort to let you know how Holston Home has been blessed this past year by your Fifth Sunday giving, Advance Specials, special gifts for holidays, and miscellaneous gifts to benefit the children.

Some highlights of the year include:

- Friends of Children events were held very successfully in Knoxville, Tri-Cities, Abingdon, and Greeneville. We are planning to initiate a Friends of Children lunch in Cleveland. These events are held for the purpose of recognizing persons who have helped Holston Home during the year and making new friends for the children. They are also used to raise some funds for special projects and operation.
- Two groups of NOMADS (retired volunteers in mission) helped to complete the restoration of the Superintendent's house, the only building remaining on the old campus, and building fences for the equestrian program. The house, built in 1928, has been restored to its original condition and will be used by the Development Department. The NOMADS are a vital part of Holston Home and our volunteer program. We also have many church groups that come to help us.
- Fifth Sunday offerings and Advance Specials grow each year. During this past year, 666 churches responded to the ministry to help needy children through Holston Home.
- During the year care was provided for more than 700 children. Thirty-nine children completed 12 years of school by receiving a high school diploma or GED and 63 children made a profession of faith in Christ and 69 were baptized.
- Holston Home was reaccredited by the Council on Accreditation. National accreditation measures the agency's policies, practices, and operations against national best practice standards and tests our commitment to high quality services and ethical practices.
- Beacon School is monitored by the Department of Education. Title I monitoring for the 2011-2012 year was approved for future funding.

- Art Masker, President and CEO of Holston Home, has announced his retirement after 40 years of service and 14 years as President/CEO. During Art's tenure as President, the total Holston Home campus was rebuilt and a modern barn was built to replace the barn which burned. A new building on Newport Highway in Greeneville houses Small Miracles, a community child care program. Even with the financial ups and downs, in the last 14 years, under Art's leadership, Holston Home's net assets increased by approximately \$9 million. In the last 40 years, Art has received numerous recognitions from state and national organizations, including "Administrator of the Year" award for the Child and Family Division of the United Methodist Association of Health and Welfare Ministries.
- Bradley Williams, Executive Vice President/Chief Operating Officer and employee of Holston Home for the past 10 years, will succeed Masker as President/CEO.
- Dave Ford, Vice President of Support Services/Chief Financial Officer, retired after 30 years of faithful service.

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 the Greeneville campus and experience firsthand the transformation and redemption that are 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.

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...." (NLB) The record of Holston Home's ministry to children, youth and families, the prayers and free-will gifts of Holston Conference United Methodists in the pew, the great work of Holston Home Ambassadors, and the support of the pastors prove that Methodists in Holston Conference really care for the orphans of the living who need our love.

*Rev. Charles A. Hutchins, VP for Development & Church Relations*

*Mary Margaret Denton, Chair, Board of Trustees*

#### UNITED METHODIST WOMEN

Since the 2012 Annual Conference, United Methodist Women have been busy doing the work of living out our purpose. The women of Holston met our Pledge to Mission of \$338,035.00.

Women all over the conference assembled at the Conference School of Christian Mission, now known as the Mission Education Event. Many good comments were made about this meeting in Bristol, VA at State Street U.M. Church, July 26-28, 2012. Mission studies included: Immigration in the Bible, Haiti, and Poverty.

August 11, 2012, we met at Kodak U. M. Church near Pigeon Forge, TN for the Social Action Workshop, sponsored by United Methodist Women. Program participants were: Aryn Faughnan, a volunteer for "Free the Girls", (collecting and counting bras) and educating audiences about human trafficking; Ted Francisco as Director of Homeland Security; and Brittney Thomas, a Kentucky State Director of "Not for Sale" campaign.

We were blessed to have Rev. Lauri Jo Cranford, pastor of Sulphur Springs U.M. Church, as speaker for the Annual Meeting in September, 2012. Leslie Foxx Mabe, from St Paul U.M. Church, and Bryon Underwood, of Marion First U.M. Church in Abingdon District, were the musicians.

The Sisters in Service event on March 3-4, 2013 was held at the River Plantation Convention Center in Sevierville, TN. Rev. Beth Tipton and Anthony Keys were the speaker and music leader for this event. The 100 persons who came were spiritually lifted.

The Spiritual Enrichment Experience was held April 26-27, 2013, with Rev. Rosemary Brown, from Nashville, TN, our keynote speaker. Rhonda Catanzaro and Teena Broom provided the wonderful music. This was an outstanding weekend for United Methodist Women.

Conference United Methodist Women have appointed two very capable young hispanic women, Araceli Ruiz and Kayce Castinar, to lead the way for two events in 2013. Our very first multicultural event took place on May 11, 2013, at First Pulaski U.M. Church. Our theme was "The Amour of God", Ephesians 6:10. We were very excited to be a part of this historic event.

The 2012 Special Mission Project was designated for Henderson Settlement. Donations to this project was approximately \$25,000.

"HELP MISSION COME ALIVE" is our goal for women of Holston. 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, Conference President*

#### UNITED METHODIST MEN

The annual report of the Holston Conference of United Methodist Men is focused on two different viewpoints: ***Organization and Structure & Goals and Objectives***

From the standpoint of organization and structure we reaffirm our commitment that every man in every church and charge in the Holston Conference is a member of the UMM and remains a vital part of our organizations and our desire to partner with clergy, form vital congregations, develop and encourage spiritual growth and to strengthen existing outreach and to form new outreach into our communities. Whether a member of an organized and chartered group or not these men and their families represent the core of our ministry.

Charters are the measure of our members and the core of support for the partner ministry and support to the General Commission on United Methodist Men. It is through charters and the work of local church groups that the UMM continue to support a vital *Scouting Ministry* in many churches. Scouting, which includes all the Youth Serving Organizations is an important part of developing our young leaders for the future and impacting the lives of families. *The Society of St. Andrew* had one of its best years in 2012 and in Holston it is a truly important ministry based on the

biblical principal of gleaning, providing fresh produce and food to many families and agencies that would otherwise be thrown away. The *Disciple Bible Outreach Ministry or DBOM* has officially become the prison outreach ministry of the Holston Conference and is one of the partner ministries supported by UMM. Based on the Disciple One model DBOM takes the 34 week disciple training into the prison environment in a way that can truly change and impact life. The *Strength for Service* has developed a new devotional, *God & Community*, designed specifically for the men and women who server our communities and first responders, law enforcement, health care, and Fire and Emergency Medical Services. The *Amachi Program of the Big Brothers/Big Sisters* works with children of incarcerated parents to provide mentorship and encouragement.

The local church organizations work through the partner ministries, supporting them through charter fees and their efforts. Additionally, these organizations are finding many other creative and impactful ways to reach out to their church and communities and share the love of Jesus. If we were to measure the work and compassion of the Holston UMM by numbers and charters alone it would paint an inaccurate picture of a shrinking organization. There are challenges in our organizational structure: Four of our twelve districts are without a District President, numbers of chartered groups have gone down slightly since the 2012 Annual Conference, and many organizations face declining numbers.

Perhaps because of these very challenges we are encouraged and finding new and creative ways to embrace change and re-envision a spirit led future. The Goals and Objectives of Holston UMM are centered around the purpose statement: ***United Methodist Men exists to declare the centrality of Christ in every man's life; Holston Conference seeks to fulfill this purpose by becoming a faithful and welcoming community that knows Christ, shares Christ, and serves others.***

The Executive Board of the Holston UMM are working to strengthen and develop local church organizations. In addition, efforts are being made to improve communications and information sharing, to identify new and creative ways to share Jesus Christ with others, to develop leadership and discipleship training and opportunities to empower men to improve and develop ministry, and to strengthen and develop our evangelism outreach through our annual program ***Calling all Men*** which over the last six years has reached thousands of men and continues to grow and has the potential to reach the hearts of many men this year on August 3rd and August 10th. (Callingallmen.net)

Programs such as *Understanding Men's Ministry*, a two day workshop based on the principals developed by Man in the Mirror, are providing opportunities to teach men how to become better witnesses, leaders, and to build lasting outreach in their church and communities

Another goal is to hold a District meeting or conference in each of the twelve districts each calendar year giving men a way to fellowship, network, share, and encourage on a district level. Developing strong and committed district leaders in each district is key to remaining vital partners with our districts, churches, clergy, and communities for the purpose of sharing the love of Jesus Christ.

Simply put, the goal is to ensure each man in every church or charge in Holston knows the love of Christ Jesus and knows that they are not alone, but united with men all over Holston Conference in our efforts to share Jesus and transform the world!

-Eric Knoefel, President

### **BOARD OF HIGHER EDUCATION AND CAMPUS MINISTRY**

Our task is to facilitate the Church's involvement in higher education as a ministry of the Gospel of Jesus Christ. The mission is to involve all individuals related to higher education and to influence the direction of institutions of higher education, including speaking a prophetic word.

Because life is sacred, the mission involves the whole person: body, mind, and spirit in relation to others and all of God's creation. Toward this end, the final goal of Holston conference involvement in higher education is the transformation of persons and society into God's image.

Therefore, this Board relates to the three United Methodist institutions of higher education in the Conference –

- Hiwassee College
- Tennessee Wesleyan College
- Emory and Henry College

and supervises and administers the ministries on these colleges and on the Wesley Foundations on the campuses of state-related universities within the bounds of Holston Conference-

- University of Tennessee, Knoxville
- University of Tennessee, Chattanooga
- East Tennessee State University
- Radford University
- University of Virginia, Wise

The current generation of college students is the largest since the Baby Boom, but the lowest percentage to grow up in church. Eighty percent of college students have never had significant church experience. Significant life choices are made during college.

Students are searching for meaning and purpose in life and have expectation that college will help them develop emotionally and spiritually. We have a great opportunity to impact the lives of students. Holston conference supports campus ministry through our conference colleges and the campus ministries and chaplains on those campuses. Wesley Foundations at state universities are ministering effectively.

Our goal is to nurture these communities of faith, develop new expressions of ministry on campus, and connect congregations and resources for ministry. This is a great challenge and important to develop support from conference churches. The ministry to students is more important than ever.

The reports of these ministries are included in the book of reports.

*Drew Henry, Chair*

### EMORY & HENRY COLLEGE CAMPUS MINISTRY

Grace and peace to you from the Office of Spiritual Life at Emory & Henry College! The 2012-13 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 fourth 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-dying extravaganza and the musical artists "Taylor and Chad" 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 "Love God – Love Your Neighbor – Love Yourself."

Get Centered, a Taize-style worship experience, began its fourth 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 new and returning students to its beginning of the year picnic on the lawn of Memorial Chapel. Weekly CCF meetings have continued throughout the fall and spring semesters with activities that have included trivia challenges, game nights, karaoke, and pumpkin carving. The group has also participated in programs on topics such as religious diversity and community unity. "Will Sing For Food" presented an opportunity for students to exhibit their "talents" while collecting donations to support area food pantries.

Spiritual Life Housing continues to be an important campus ministry, 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 sponsors a lively worship service called "The Echo," which features music, games, and an inspiring speaker.

Kerygma's year began with a retreat with 12 participants at Camp Dickenson in early September featuring the Rev. Will Lauderback as speaker. Regular meetings have included persons in the ministry (professors, area pastors, missionaries, 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 Christian Studies for all students. This group has maintained steady participation this year as our only co-ed Bible/book study.

During the fall semester, members studied the book of Romans, and in the spring, they examined C.S. Lewis' *Mere Christianity*.

For the second consecutive year, several Student Groups joined together to host a concert by Christian Artist Coffey Anderson. Kerygma, Campus Christian Fellowship and Higher Ground contributed to an inspirational night of music and entertainment just before spring break.

The Theme of Emory & Henry's 2011 Martin Luther King, Jr. Celebration was "Building Tomorrow Together." The event began on Saturday morning with an event co-sponsored by The Appalachian Center for Public Policy and Community Service. Working with the organization "Stop Hunger Now," fifty volunteers packaged over 10,000 meals for hungry persons around the world. Sunday evening featured a jazz concert. Then on Monday morning, Mohammed Bilal, diversity specialist, was the keynote speaker. The day continued with several breakout sessions, a celebration dinner, and a poetry reading led by Mr. Bilal. This event was attended by a record number of students, faculty and staff, as well as by persons from the surrounding community.

In January, Emory & Henry was well represented at Divine Rhythm, Holston Conference's young adult event in Gatlinburg, Tennessee.

Over Spring Break, twenty persons represented the College on an alternative spring break mission to El Salvador. Hosted by missionaries David and Debbie Hawk, this group led programs for area school students in Jucuapa, and participated in service projects to improve the schools' physical facilities. The team also had the opportunity to join 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. I am grateful to have the opportunity to support student groups and to attend to the spiritual 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 is vital and growing at Hiwassee College. The student leadership team is centered in the Christian Student Movement and provides many avenues of spiritual growth and worship. This past year has been one of transition and change in leadership. The Rev. Betty Furches left Hiwassee for another appointment in the Holston Conference. The Rev. Dawn Chesser came as the new chaplain in June, 2012. The Rev. Chesser led in chapel services and worked with CSM throughout the fall and winter. She was appointed to serve the entire United Methodist Church on the General Board of Discipleship as Director of Preaching Ministries. The students and college community are proud of Rev. Chesser's new work on behalf of the General Church. Since her departure in January, Alan Eleazar has served as the chaplain.

CSM in cooperation with the chaplain sponsored and/or participated in:

- Weekly required Chapel worship services
- Praise Team which provided worship and music leadership
- Divine Rhythm

- Weekly CSM meetings (praise/worship, Bible studies, prayer time, and recreation)
- Weekly Bible Studies
- Relay for Life – Monroe County
- Buddy's Race for the Cure
- Music Leadership for Young Life of Monroe County

Students and faculty continue to work together for the spiritual growth and development as disciples of Jesus Christ so that the world may be transformed. Students are involved in mission and ministry locally, regionally, and world-wide.

### TENNESSEE WESLEYAN COLLEGE CAMPUS MINISTRY

The clergy leadership at TWC changed as William McDonald became the chair of the Religion and Philosophy Department after serving for fifteen years as Chaplain, and Chris Dover assumed the Chaplain's role after six years of part-time teaching. This transition was accompanied by the physical relocation of the Religion Department and Chaplain's offices from Sherman Hall to the second floor of Old College, the college's oldest building. With the addition of a newly-renovated third-floor Student Chapel to the already existing 'Upper Room', or Campus Ministry Room on the second floor, a very physical reminder has been given of the centrality of spiritual life on the TWC campus.

The various campus ministries groups (Wesleyan Christian Fellowship, Baptist Campus Ministries, and Fellowship of Christian Athletes) have worked closely together this year, sponsoring a 'Campus Ministry Day' in July (designed to introduce freshmen to campus ministry before school started), assisting freshmen and their families on 'move-in' day, and participating as a combined group in Lip Sync, the annual Homecoming talent show.

Pre-Seminary and Church Vocations students have met monthly for dinner with Rev. Dover and Rev. McDonald, and several of these individuals traveled to Chattanooga to see "Screwtape on Stage," a dramatic recreation of C. S. Lewis' *Screwtape Letters*.

Chapel and chapel convocations continue to be an important part of our campus ministry efforts, with the number of weekly chapel services expanding to three. In addition to the 'traditional' Tuesday service, a Wednesday chapel/communion service at noon has been well-received by faculty and staff, and a student chapel, featuring student leadership in preaching and music, has been established on Thursday mornings. Chapel convocation services have focused on a variety of topics, such as the 'Blessing of the Backpacks' at the beginning of the school year, emphasizing the stewardship of our time and gifts. Guest speakers this year have included Rev. Jim Harnish, pastor of Hyde Park UMC in Tampa, Florida, for the Fall Religion Lectures, and Dr. Steven O'Malley, John T. Seamands Professor of Methodist Holiness History at Asbury Theological Seminary, for the Heritage Day lectures on March 13-14, 2013.

Several students interested in seminary education traveled in September to Asbury Seminary, to Duke, Wesley, and Drew Seminaries in October on the "East Coast Seminary Tour," and to Vanderbilt Seminary in February. Five students and faculty interested in missions participated in the Urbana 2012 Student Missions convention in December in St. Louis, MO. And fifteen students, many of them freshmen, participated in the Divine Rhythm event in February in Gatlinburg.

This year's Spring Break features a "Missions Trio", with three different short-term mission opportunities being offered. Half a dozen students joined BCM to work

at a church in Lexington, KY; fifteen students and staff went with FCA to work with Appalachian Service Project in Jonesville, Virginia; and ten students, faculty, and staff worked with the United Methodist Volunteers in Mission at the Methodist Camp in near Ciudad Quesad, Costa Rica. The latter trip included three Vacation Bible School sessions in local churches and schools, the distribution of athletic equipment and school supplies, and general repairs to the camp.

We give thanks for the continued support of the Holston Conference for campus ministry at TWC, and look forward to increasing opportunities for service and ministry .

-Christopher Dover, College Chaplain  
Tennessee Wesleyan College



We have had another very good year at ETSU Wesley Foundation. I will be completing my third year and look forward with anticipation for future years of service as director. Campus ministry is a vital service of the United Methodist Church on our campus. I greatly appreciate the support we receive from the Holston Conference and the three districts that support ETSU Wesley (Kingsport, Johnson City and Morristown Districts). Without your support we could not offer this ministry for our students at ETSU. Thank you!

Some highlights from the year include:

- Averaging 47 in attendance for our Tuesday night worship service throughout the fall and early spring semesters.
- The annual barbeque and auction netted \$20,713.13 this year. Since 2001, we have raised \$263,074.43 through our annual barbeque and auction!! Thank you for your support and continued support for the next one! The date is set for September 28, 2013. Hold this date!
- We have two worship services each week. Our regular worship service is on Tuesday night. We have a meal that is served at 5:30 pm followed by praise music and worship with word and communion. We also offer service on Sunday night once a month with student led devotions, worship and prayer time.
- Our leadership team consists of five interns. Each intern has a ministry focus that supports the ministry of ETSU Wesley. The five areas of focus are: Discipleship, Recreation, Mission/Outreach, Freshmen ministries, and Communications. Each ministry area has a team of four to six team members. Interns meet weekly with the director and each intern in turn meets weekly with their team. Discipleship is encouraged through the spiritual formation of the group through devotions and prayer. Also each group serves in their area of focus in ministry throughout the semester.
- We had another fantastic group of active freshmen join us this fall!
- We have continued with our fall ministry to freshmen and gearing up for this coming fall.
- Two mission trips. One for Spring break to Mountain T.O.P. in Altamont, TN and the other to Rural Mission at John's Island, SC.
- A fantastic worship band led by Chris Eger.
- 27 attended Divine Rhythm 2013!
- Helped with raising funds and building of the 6th ETSU Habitat House.
- Participated in the Shepherd's Breakfast and Relay 4 Life.
- In the fall, students raised \$500.00 for Mexico Ministry Mission in Chiapas, Mexico led by Gary and Pat Allmon, donated several pairs of shoes for "Soles for Souls", donated clothing and food for John Sevier Center in Johnson City and also served a Thanksgiving meal for the residents there.
- Helped support Garratt Hammonds and Grayson Fleetwood, current Wesley Students, on an 11-month mission experience with the World Race Adventures in Mission.
- Had a Super Bowl Party where we raised \$1,029.89 for "Imagine No Malaria" More fund raising events are being planned to raise more funds for INM.
- Donated \$2,000 for Buffalo Mountain Camp Recovery.
- 3 alumni are presently attending seminary preparing for ministry. Two of them are projected to be appointed in Holston at this Annual Conference. ETSU Wesley has the Bedford Transou Trust Fund that pays for their books while attending seminary.

Our challenge that is before us is to find even more ways to reach out to the students on campus and offer Christ to them. With this challenge and opportunity we have formulated a mission statement to:

*Encourage students to grow deeper in their relationship with Christ through community, discipleship, outreach, and servanthood.*

I am so thankful for this 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 the building of a culture of discipleship here on the campus of East Tennessee State University.

-John Ousley, Director

### RADFORD WESLEY FOUNDATION

One hundred years ago the first Wesley Foundation ministry opened its doors to college students to be the head and heart of the United Methodist Church or in the words of John Wesley “to unite the two so long divided - knowledge and vital piety.” Today across the US and the world there are over 400 Wesley Foundations successfully connecting college students with the love of Jesus Christ through programs and ministry that offer creative and unique opportunities on state college and university campuses.

The Wesley Foundations in Holston are five distinctively different ministries led by five equally unique Campus Ministers. And yet, each offers hospitality and sanctuary, acceptance and soul-searching study, local and global mission outreach, worship and opportunities for developing and sharing faith to all. Most of the students at Radford University come from beyond rather than within the bounds of Holston. Offering ministry to those other than our own enhances Holston’s mission field in the same way missions to Africa does. College students may not be physically hungry or poor or ill, but they are spiritually hungry, searching and in need of Christian people, place and environment to explore and flesh out the barrage of new situations college-life offers.

In Holston each local congregation has an assigned Wesley Foundation it supports through its District giving. My prayer is that everyone in Holston will come to understand that while campus ministry may serve those with more money and privilege than some other missions, we are nonetheless reaching out to those who are searching for spiritual and life-changing answers which they WILL find in drug and alcohol –laden secular settings or in Campus Ministry.

Noah Webster defined the word **hospitality** as “The act or practice of receiving and entertaining strangers or guests without reward”. Holston offers hospitality to students from many places through thought-provoking discussions, student-led worship, feeding the hungry, working at the local women’s shelter, tutoring children, developing leadership skills, worship in local UM churches, spiritual retreats and much more through the Wesley Foundation. The author of Hebrews tells us, “***Do not forget to show hospitality to strangers, for by so doing some people have shown hospitality to angels without knowing it.***” *Heb. 13:2 NIV*

Thank you, Holston, for allowing us to reach out to those *stranger-angels* who come to Holston to receive a life-changing college experience.

God  
bless,

Martee Buchanan, Director

### Greetings from your United Methodist Campus ministry in Chattanooga!

It was a melancholy fall for us here in Chattanooga as we began the 2012-13 academic year. As is the way with all campus ministries, students graduate and move on to new parts of their life. Some go to grad school, some find jobs in far off cities and some get married, following their loves to new horizons. In all of this, God is good and does new things in the space left by the old. A new crop of friends have found their way into the Wesley Center and the work goes on.

Wonderful things are happening here in Chattanooga. Students participate in programming events like Wesley Outdoors, led by our new intern, David Hall. Our Intramural group also participated in the Color Me Chattanooga Color Run, a fundraiser for the Signal Centers of Chattanooga. We travelled to Lake Junaluska this fall on retreat and in January we joined with hundreds of young adults from all around Holston for Divine Rhythm.

This may the Wesley Center Returned to the Atlantic coast for a mission trip. Traditionally, we like to end the academic year this way. Staying at Epworth By the Sea on St. Simons Island, GA, our group struck out into the surrounding area of Brunswick ministering through local agencies. We helped the **Salvation Army** feed the hungry and assisted **Operation Bed Spread** in its mission to make sure school aged children get a good night's rest.

More importantly, all of these things move us more closely to our larger goal of helping young adults come to grips with the call of God in their lives. In this we are continuing to bear fruit. Jacob, our former intern is now leading Youth and Young adults at Brainerd UMC. Rebekah Wilson (UTC '09) is ministering to the youth at Signal Crest UMC. Katie Taylor has just completed her first year at Asbury Theological Seminary where she is working towards an M.A. in Pastoral Counseling. Justin Keating (UTC '11) is now a certified candidate and has completed Local Pastors Licensing School. He hopes to enter Seminary this fall. Alex Walker is right behind him and will hopefully be a certified candidate by Annual Conference. Even more go on to be highly engaged lay people in local congregations elsewhere.

How does this happen? 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, and through events and other programs which help us to meet new people. Partnerships with local churches such as First Centenary, helps us offer programming which engages young adults. Rev. Brian Davis and Jeff Blake have worked with the Wesley Center to create a unique worship experience that encourages participants to relax and consider all of these big questions God is asking.

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



**REPORT OF THE DIRECTOR/CAMPUS MINISTER  
THE WESLEY FOUNDATION AT UTK**

Greetings to you from your Wesley Foundation at the University of Tennessee at Knoxville! This has been a year of wonderful growth in our 91st year of campus ministry at UTK and the centennial celebration of the ministry of Wesley Foundations in the United States. We have welcomed many new first-year and graduate students into the life of the Wesley Foundation who have become active student-leaders in this community. 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. Our worship times have been lively and joyful times to gather and see what God is doing. Our worship band has grown, and its unique, modern-folk style has added a lot to our time together. We also enjoy fellowship times through our Friday Night Stuff program, 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 began our academic year with a visioning retreat with our Board of Directors and our students. This intentional time apart has invigorated us and given us new ideas upon which we can build and even stronger ministry.

We have seen a great deal of growth in our graduate student population and in our ethnic diversity. It has been a joy to ask at dinner time if we have enough tables and chairs to accommodate everyone.

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.

Our students have been planning fundraising events and exploring ways to become active volunteers in community service agencies in the Knoxville area. We have worked with Lost Sheep Ministry, Second Harvest Food Bank, Knox Area Rescue Ministries, F.I.S.H. Food Pantry, and area local churches who provide helping services to the community. We have also worked hard to raise money for the Imagine No Malaria effort. We held "Penny Wars" which helped to fund a \$1000 donation to INM. We have also partnered with Beaver Ridge UMC to co-host the first "Skeeter Run" 5k Run/Walk.

It has been a joy to partner with area United Methodist congregations for service and spiritual development. We partnered with Cokesbury UMC for their Cokesbury In Action service event, Lincoln Park UMC in their work to establish a community garden, and First UMC's Paradigm young adult ministry. The strength of our connectional system has shown that we can do so much more together.

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*

### THE WESLEY FOUNDATION AT UVa-WISE

Collegiate ministry is an ever-changing mission field. The Pew Research Center noted in October 2012 that one-third of 18-29 year olds now claim no religious affiliation. This statistic is expected to increase with younger generations and has been labeled the rise of the “nones.” The college campus is a field ripe for harvest and it is critical that our outreach continue through our Wesley Foundations and collegiate ministries. THANK YOU Holston Conference for continuing to connect the Church and the world by funding and reaching out to colleges through the Wesley Foundation ministries. The care and nurturing of young disciples of Jesus Christ is foundational to the future of the United Methodist Church.

The past year at the Wesley Foundation at UVa-Wise has been phenomenal. The heart of student ministries at Wise is a call to action. Participants are encouraged to change the world by changing their lives and seeking a closer relationship with Jesus Christ. The University of Virginia’s College at Wise awarded the Wesley Foundation with the highly esteemed Jewell B. Worley Caretaker Award for Commitment in April 2012. The coveted award is given to one student organization annually by UVa-Wise’s only secret society, the 7Cs. The Wesley Foundation was recognized for ongoing service and outreach ministries and the impact students make on the campus and in the community. Wesley Foundation students put their faith into action this year through many missions and outreach opportunities including adopting 5 Angel Tree children, partnering with the local domestic violence and homelessness shelter for a variety of projects, doing weekend home repair with Appalachia Service Project, and going on an alternative spring break mission trip to the Dominican Republic.

Students at the Wesley Foundation act with love as a response to their commitment to follow Jesus Christ. Their theme for this year has been Matthew 3:8 CEB: “Produce fruit that shows you have changed your hearts and lives.” Students are hungry for a deeper relationship with God. Through weekly worship services, student-led small groups, drama group, and in-depth Bible study, students have strived become more Christ-like as their faith grows and is nurtured. Students have also participated in spiritual retreats such as Divine Rhythm. This year 28 attended the Divine Rhythm retreat – the most ever from UVa-Wise!

The Wesley Foundation is the United Methodist Church on campus. You can be proud of how Wesley Foundation students are reaching out to their peers and professors with the good news of Jesus Christ. The harvest is ripe and so many young adults are seeking meaning and fulfillment. As students search for significance and purpose, Wesley Foundation students and I will be ready to offer the grace and love of Jesus Christ in relevant and meaningful ways. We will continue offering Christ and a home-away-from-home so that students, faculty and staff at UVa-Wise may come to know the saving grace of our Lord.

I am extremely grateful to serve as the Director of the Wesley Foundation at UVa-Wise. God is doing great things in the lives of these young adults. This generation is rising up to answer the call that God has placed upon their lives. Pray for these college students who are leading the United Methodist Church into a new era. I am so excited to see how the Wesley Foundation students change the world as they are equipped and enabled to be lay and clergy leaders of our denomination.

~Rev. Beth Tipton, Director

### Asbury, Inc.

#### The Household Model: What is meant by, CULTURE TRANSFORMATION?

Asbury is embarking on a new initiative this year that will change forever the organization and the way services are provided to the elderly in Eastern Tennessee. Asbury will be undergoing a two to three year process of Culture Transformation with the assistance of a partner in the industry, *Action Pact*.

So what is meant by Culture Transformation?

Over the past several years, advocates of nursing home quality improvement—and many nursing home providers themselves—have been researching the best way to change both the reality and the negative perception that is often connected with a nursing home. The goal of Asbury's Culture Transformation is to change the nursing home into a setting that provides an improved quality of life that is "**Home**," a place where residents experience privacy, autonomy and comfort. This type of change requires a three-pronged approach if it is to become a meaningful and permanent part of an organization and includes: organization restructuring, intensive and ongoing training for all staff, and physical changes that promote the residents' wellbeing just as their own home did. It includes redefining of staff roles and encourages relationships with residents. The primary goal is to address the common feelings of isolation, boredom, loss of individuality and loneliness that are prevalent among most residents in nursing homes today.

The Culture Transformation movement today takes several different forms but all attempt to restore residents' sense of control of their life by creating as many choices as possible. Physical changes involve the creation of smaller, more homelike housing or neighborhoods, called "Households" that feature living spaces built around a core central area, a kitchen and separate bedrooms – just as we are used to in our own homes. Where a typical nursing home might be a facility with numerous rooms along long corridors and multiple-occupancy rooms, the newer versions have more open areas for residents to eat, socialize and relax and also offer more amenity choices. Certainly no home would be complete without an environment that welcomes pets, plants and children as a part of the household environment.

Operationally, Martin Dickmann of Action Pact describes the "Household Model" as an organization that is "about destroying decision-making silos and creating self-led teams from all disciplines to create a home environment that serves everyone." These teams work in neighborhoods or households with the same residents each day to better facilitate the sharing of information and decision making with the residents and with each other about everyday life needs.

At Asbury we are excited about the Culture Transformation journey that we have begun. True Culture Transformation takes time and a committed effort from **all** in the organization including: board members, residents, family members, as well as the staff. Our goal: to create **Home**. LaVrene Norton, one the cofounders of Action Pact and the Household Model, reminds us all that "Creating home as our sanctuary and the place that fosters graceful living happens naturally and subtly over time." We anticipate this journey to be a two-three year process but in reality it will be an ongoing part of Asbury for years to come.

I would like to invite you to join our journey. Please stop by and visit our communities in Maryville, Kingsport and Johnson City. See for yourself how Asbury, Inc. is changing the way we provide services for elders, support the Holston Conference Senior Ministries and the Asbury, Inc. mission to:

*Celebrate Life – Every day, through every circumstance, with every person, in every way.*

*Respectively submitted: Marge Shonnard, VP of Operations*

### LAKE JUNALUSKA ASSEMBLY, INC.

On June 25, 1913 the first conference was held at Lake Junaluska, NC. Several thousand people attended the event focused on raising awareness and money for the missionary movement of the Methodist Episcopal Church, South. Despite having no lodging facilities, no completed dam, but a nearly finished auditorium the participants were deeply inspired and gave generously for the work of the church. In today's dollars \$3.5 million were raised for missions. What a wonderful beginning that was for this amazing place that has served the United Methodist Church and its predecessor bodies for 100 years. We have much to be thankful for and we have much to be hopeful for as we celebrate our centennial year.

How grateful we are for the partnership we have had over the years with the Southeastern Jurisdiction of the United Methodist Church and with the annual conferences associated with it. We began as a place to serve the Church and we continue to do so today. While the relationship between Lake Junaluska and the SEJ continues to evolve we are excited about our ability to continue to strengthen the UMC through fulfilling our mission *to be a place of Christian hospitality where lives are transformed through renewal of soul, mind, and body*. Thank you for the generous support you have provided to Lake Junaluska over these 100 years with your prayers, your presence, your gifts, and your witness.

2012 was a wonderful year for Lake Junaluska. The highlight of the year for all of us was the Southeastern Jurisdictional Conference held in July. What a thrill it was for all of our staff to be responsible for providing great Christian hospitality as the delegates selected five new Bishops of the United Methodist Church. 2012 was a very good year for us financially. While we received \$750,000 less in operational apportionment support than we did in 2009 we ended the year with a balance of nearly \$100,000. The main message we tried to convey to the delegates who attended the SEJ Conference was that we have been good stewards of the resources that were provided. One symbolic and functional reflection of our mission of *renewal* was the presence of 100 new Lake Junaluska branded rocking chairs spread throughout the campus. Thousands of hours of *renewal* have taken place in these rockers in the last year.

The future is very bright for Lake Junaluska. Not only did we balance our budget in 2012 we are off to a great start in 2013 and believe that can continue to provide high quality service and experiences while living within our means. We have a renewed commitment to Christian hospitality. Our vision document states that we want to be *the standard against which other organizations measure themselves for Christian hospitality*. We have improved greatly in this area but we will get much better. We are streamlining systems and focusing extensively on the needs and desires of our guests.

A campus master plan has been approved by our Board of Directors that will include an addition to and renovation of historic Lambuth Inn, the complete renovation of Jones Dining Hall, the completion of the renovation of the Terrace Hotel, and the replacement of the Harrell Center. The first and most important project is Lambuth Inn. We will be adding a conference center to the north side of Lambuth that will accommodate up to 400 people. In addition, all of the sleeping, meeting, eating, and gathering spaces will be renovated. It is our hope that we can break ground on this project in 2013 and have it completed in early 2015.

Another very significant event occurring in 2013 may be the transfer of municipal services from Lake Junaluska Assembly to the town of Waynesville. Waynesville and Lake Junaluska have been inextricably linked together from the beginning and this transfer of municipal services is being pursued as a culmination of a yearlong process engaging all property owners and the leadership of the Southeastern Jurisdiction. The "DNA" of Lake Junaluska will not be changed as a result of this transfer, formally known as annexation.

Pick up a copy of our 2013 Program Book, if you do not already have one. Peruse its pages to relive some of the great history of Lake Junaluska and read about our bright future. Review the numerous activities planned for our centennial year and determine when you can come and visit us this year to be transformed and renewed in soul, mind, and body.

*Peace and Grace,*

*Jack Ewing, Executive Director and CEO*

### EMORY & HENRY COLLEGE

Earlier this year I announced that after nearly seven years as president of Emory & Henry College that I would retire at the end of June, 2013. It has been my privilege to lead the Holston Conference's oldest institution of higher education. As we prepare to celebrate the 176<sup>th</sup> anniversary of the founding of the College at Founders Day this spring, I fondly recall the many friendships Don and I have made along the way, the annual trips to Lake Junaluska, and the pride of having so many of our alumni making a positive difference in churches all across the Holston Conference and beyond.

For me, leading the Conference's flagship college has been a sacred trust. As we celebrate our successes over these last seven years, I hope that you will continue to support our Conference colleges and the good work they are doing.

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 in 2010 on a new \$5.5 million, 117 bed residence hall (Elm Hall), which has helped improve the residential experience for students. The building received LEED Silver certification.
- Construction of a second new residence hall (Hickory Hall) opens this spring using Passive Haus technology and geothermal heating and cooling, making this 119 bed facility a model of efficiency. This is the first commercial use of Passive Haus technology in the United States and is expected to reduce by 70% the cost of operation, which helps conserve limited resources and reduce our overall carbon footprint.
- The new Brooks Field House opened last fall in time for the first home football game. This completed 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.
- On April 19, we will break ground on a new \$21.8 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.

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 fourth 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 named to the 2012 President's Higher Education Community Service Honor Roll with distinction. In 2009, Emory & Henry was one of only six colleges or universities nationwide to win the President's Award, and remains the only Virginia college or university to ever be so honored.

- For the third 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 20th 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 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 again been named among the “Top 100 Liberal Arts Colleges and Universities” in the nation by *Washington Monthly*. Four Virginia institutions were included in the respected publication: Emory & Henry (33<sup>rd</sup>), Hollins University (35<sup>th</sup>), Washington and Lee (46<sup>th</sup>) and University of Richmond (82<sup>nd</sup>). Only Rhodes College (27<sup>th</sup>) and Fisk University (51<sup>st</sup>) made the list from Tennessee.
- The Virginia Foundation for Independent Colleges (VFIC) selected Dr. Michael Lane, associate professor of chemistry at Emory & Henry College, as the 2012 recipient of The Hiter H. Harris, Jr. Memorial Award for Excellence in Undergraduate Teaching. Lane joins a long list of E&H professors who over the last 24 years have won 14 state and national teaching awards. Among the awards given to E&H professors are seven state and national professor of the year honors from The Carnegie Foundation. Emory & Henry has been honored by this award, which is considered the most prestigious teaching award in higher education, more than any 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.” A new updated book says this about Emory & Henry: “Virginia has no shortage of familiar schools with robust reputations. But Emory & Henry, in the colorful hills of the state’s southwest corner does the finest job of them all of producing contributors to society.” Quite an endorsement!

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 and continues her strong leadership with our Martin Luther King Day activities. And finally, we are pleased that a number of our recent graduates are attending divinity school at such distinguished destinations as Princeton University, Duke University and Wesley Theological Seminary.

As we celebrate our 176<sup>th</sup> 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 176 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 165<sup>th</sup> year. With President Robin Tricoli, the college makes 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 is currently operating with membership in the Transnational Association of Christian Colleges and Schools as shown in the following notification: “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 allow the college to qualify for and receive access to both federal and state financial aid dollars – a benefit the college had not had since 2008.

The past year has been a time of many positives that position the college to move forward with renewed excitement and expectations:

- Continued increases in fall and spring enrollment;
- Continuation of successful baccalaureate programs;
- Increased retention rates over the past year because more students are choosing to remain and complete the baccalaureate degree at Hiwassee;
- Increases in transfer student enrollment;
- Implementation of dual enrollment offerings in the three Monroe County high schools (246 students registered for 27 classes during the 2012-2013 academic year);
- The inaugural class of 10 students in the dental hygiene program had a 100% graduation rate as well as a 100% pass rate on the state board exam for licensure;
- Continued strong enrollments in pre-professional programs, business, criminal justice, equine science, agriculture, and education;
- Concerted effort to provide educational experiences for military families;
- Launching of two online Associate of Applied Science programs – Business Entrepreneurship and Criminal Justice-Homeland Security Emphasis.

A revised 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, recreational opportunities, and educational venues. Volunteer groups have been on campus this year to work on facilities renovation and other projects around campus. A new roof has been installed on Tom Black Hall. All the interior walls, ceilings, and doors have been painted. New tile, light fixtures, furniture and mattresses were added to rooms and new faucets and fixtures have been installed in the bathrooms along with new showerheads, sinks, and commodes. The old carpet was removed from the lobby area and the tile underneath was stripped and polished. The kitchen area was expanded and new appliances were

installed, including cabinets, countertops, stove, sink, refrigerator and table. Computers have been donated and a computer lab is being set up to provide 24-hour access to the student residents of Tom Black. New heating and air conditioning systems have been installed to all four floors of the Hall.

Our auditorium is a centerpiece for community and college events. Major improvements are scheduled this summer for the auditorium, which will include new lighting, sound, paint, floors, ceiling and seating, along with other renovations. These improvements will benefit persons attending cultural events, theatre and music productions, lectures, high school commencements, and activities of the Monroe Area Council for the Arts.

Hiwassee College has taken a leading role in implementing both sustainability and green initiatives on campus. Paper products and aluminum cans are collected for recycling, campus gardens supply fresh fruits and vegetables for use in the Rymer Dining Hall, and "summer hours" were initiated in an effort to conserve energy. Hiwassee has begun growing their own vegetables and herbs by creating the "Farm to Table" garden. Produce grown in the garden will be served in the dining hall and any excess will be donated to the local food pantry. In one year, the college hopes to seasonally supply at least half of the produce used in the dining hall and on campus. In the last six months, Hiwassee College has recycled approximately 4,000 pounds of paper. This amounts to approximately 34 trees saved in just six months. Hiwassee College forestry students concluded that two acres of forest resources have been saved so far by the campus-wide recycling efforts. Hiwassee College has partnered with the Tennessee Valley Authority and EnerNOC to implement an energy savings initiative that is having significant results.

Over the past few years, the college has seen growth in the area of spiritual and leadership development. Students are given the opportunity for leadership development under the direction of experienced leaders in the community. The dental hygiene students have provided educational opportunities for students in multiple counties as well as serving on mission trips to share their skills. Recently, a team of dental students traveled to Ecuador on a mission trip. The group included a Hiwassee College Dental Instructor and a Hiwassee College student. In December, another group of Hiwassee students gave up their Christmas break to help build a church in Costa Rica.

Whether it is a summer camp, MACA performance, school visit, or college event, the doors at Hiwassee College are always open. This past year, the Monroe Area Council for the Arts began their exciting new season and along with it, their 20th anniversary of partnering with Hiwassee College to bring the citizens of Monroe County and surrounding areas many outstanding performances.

The summer of 2012 was a great year for camps at Hiwassee College. Over 300 students saw their way to campus to participate in one of 15 camps that were held here. Six overnight groups from all over the country made their way to Hiwassee College, including band, church, football, and civic organization camps. There were nine enrichment day camps organized by the Hiwassee College staff and faculty. With five swim camps, two soccer camps, one baseball camp, and one Nature-ific camp, there was something to interest most kids.

Open Doors of Tennessee is working with Hiwassee College to bring children with disabilities to campus for weekend stays. Kids from teenagers to early adults are getting first-hand experiences of what living on a college campus is all about.

With the help of a grant, the Boys & Girls Club of Monroe County is partnering with Hiwassee College to bring a program called, *Graduate To Go* to our area. Forty teens live on the campus of Hiwassee College for a one-week stay. They go through the admissions and financial aid processes as well as attend classes, eat in the cafeteria, and sleep in the residence halls. The goal is to introduce the students early to the college experience and to encourage them to get a college degree.

The Hiwassee College Tiger Games was an event held on the campus of Hiwassee College on April 12, 2012. It will be held again this April 11, 2013. Originally started in the 1960's, the Hiwassee College Tiger Games are an inter-school competition between the seniors from local high schools. The competition includes approximately 400 seniors from Sequoyah High School, Sweetwater High School and Tellico Plains High School. Parents are also invited to attend. The competition is based on four areas: attitude, academics, athletics and the arts. There are several important benefits for the students of Monroe County. First, each event encourages teamwork, fair play and a healthy competitive attitude. Students have the opportunity to practice the communication and leadership skills they will need once they graduate from high school. Many of the events also encourage a positive attitude towards health and fitness. Spending the day at Hiwassee College may also allow students to see themselves as future college students. Only 11% of people over the age of 25 in Monroe County hold a Bachelor's degree and the benefits of higher education are well documented.

For the second year in a row, Hiwassee College hosted the East Tennessee meeting of the Tennessee Renewable Energy and Economic Development Council (TREEDC). TREEDC is a statewide grassroots coalition of 92 city and county mayors who promote the economic development and environmental benefits of renewable energy for all communities in Tennessee. TREEDC was designed as an environmental economic development organization where environmentalists, energy centered companies, local governments, universities and entrepreneurs could work together to accelerate market development of renewable energy in Tennessee. The mission of TREEDC is to provide leadership in renewable energy and economic development by connecting technology and energy with sustainable rural economic development through a regional network of local communities that actively provide assistance, share ideas, resources and information to promote the development of renewable energy and economic development programs.

In an effort to increase enrollment, decrease the discount rate and lower student college loan debt burden, the Board of Trustees at Hiwassee College in Madisonville, Tennessee took the bold step to reduce its cost of attendance by \$6,000 per year, which equals \$24,000 in savings for a baccalaureate degree. Beginning with the fall semester of 2013, the tuition and fee rate for students at Hiwassee College will be \$13,320 per year regardless of what state they call home. The college has also reduced their room and board rate to \$6,320 dollars annually. A residential student could now attend Hiwassee College for \$19,640 per year including tuition, fees, room & board. By reducing the cost of attendance, Hiwassee College gives more students the opportunity to graduate with as little student loan debt as possible. Student debt burden falls heaviest on students from middle-income families. These families earn slightly too much money to qualify for financial aid benefits but not enough to afford the rising cost of a quality college education. For many middle-income students, loans are the only form of student aid available. Lowering a student's debt burden is part of the college's mission and strategic plan and is a responsible action for the college to take. The difference in revenue will be offset by an increase in enrollment.

There is renewed enthusiasm about the future at Hiwassee College. Through a period of reduced budgets, the college benefitted from a wonderful spirit of volunteerism as persons from Knoxville to Chattanooga and various other groups could be found on the campus painting, repairing bathrooms in residence halls, installing windows, landscaping, 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 are greatly appreciated.



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Annual Holston Conference Report

Tennessee Wesleyan College had a remarkable year in many ways. The Board of Trustees approved a new strategic plan which calls for several new academic programs including master's degrees, new undergraduate degrees, and several online and offsite programs. Each of these academic initiatives is designed to serve new and different students as the institution prepares for continuing shifts in the higher education landscape.

The college experienced record enrollment for fall 2012, which was fueled by several new offerings. TWC's liberal arts program continues to attract strong students who enjoy high acceptance rates into top graduate programs.

The Center for Servant Leadership continues to excel and achieve higher levels of impact in the region. In its third year, the Center matches students with service opportunities in the region. This past year, TWC students performed 10,000 hours of service in local non-profit agencies.

Tennessee Wesleyan's athletic program had a year for the record books. The college won several regional championships as well as a national championship in baseball. Despite these amazing results, we are most proud of our player's deeds off of the field. Tennessee Wesleyan was again awarded an athletic *Champions of Character* honor for its service, sportsmanship, and leadership in the greater community.

TWC's church vocations program has prepared students for careers in ministry for many years. This fall the college will launch a Center for Christian Education and Outreach, which will offer a workshop series online and onsite for lay church professionals. The first series of offerings will be announced in the fall of 2013.

The spirit of Tennessee Wesleyan College remains strong and vital as it strives to prepare students for a life of leadership and service in an ever-changing global community.

### AFRICA UNIVERSITY PROGRESS REPORT 2013

**Africa University is deeply grateful to the churches of the Holston Conference for their continuing generosity and commitment. We thank you for your 100% investment in the Africa University Fund (AUF) in 2012.** In total, 27 annual conferences met 100% of their asking to the AUF last year. Other annual conferences also increased their support and overall giving to the AUF reached a new record of 93.35%.

By consistently giving at 100%, the Holston Conference provides scholarships to aid needy students, vital teaching tools, and a great learning environment. You help to ensure that Africa University has dedicated faculty to inspire, train and nurture a generation of new leaders. More importantly, your contributions allow the university to plan with confidence, knowing that it can rely on the church's ongoing investment in the AUF to meet its day-to-day and operational expenses.

**Please continue to invest in the AUF at 100% of the asking, or higher.** The university is counting on the faithful giving of the Holston Conference because demand for an Africa University education is growing. More than 1,200 qualified applicants sought admission in August 2012. The university had space for only about 400 freshmen. Currently, women account for 52% of the total enrollment, which stands at 1,386 students. In addition, 25 African nations are represented in the student body.

**Scholarships and financial aid grants are vital to access.** More than 90% of the students at Africa University need assistance—scholarships, financial aid grants and work study—in order to pay their tuition and other fees. For the vast majority, a direct or endowed scholarship award made possible by your generosity is their only means of attending university.

Throughout 2012, the 20<sup>th</sup> anniversary celebrations highlighted the crucial role that Africa University is already playing in the life of our global church. The Rev. Dr. Laishi Bwalya, for example, is superintendent of the Zambia Provisional Conference and a member of the Connectional Table of The United Methodist Church for 2013-2016. Africa University graduates serve as directors on general agency boards and in regional leadership roles. Across Africa, graduates are helping to eradicate hunger, poverty, disease, conflict and hopelessness. When disaster strikes, they lead the church's efforts to mitigate suffering and help communities rebound.

**Africa University is making a profound difference and it hasn't even reached its full potential.** For every graduate, there are hundreds of gifted persons who are praying to be equipped to serve. That's why Africa University is doubling its efforts to raise scholarships and develop more online distance learning programs.

**We thank the Holston Conference for believing and investing in Africa University.** You have helped to establish the university on a firm footing. Help us to build on that foundation in ways that will continue to make disciples of Jesus Christ who transform communities.

**Please pray without ceasing for your Africa University. Changing Africa: Learning here. Living here. Leading here. Serving God. All the time. Everywhere.**

*James H. Salley, Associate Vice Chancellor for Institutional Advancement*

### 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. 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 metropolitan area of Atlanta, Candler offers 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 478, with 365 seeking the Master of Divinity, 50 the Master of Theological Studies, 30 the Master of Theology, 18 the Doctor of Theology, and 15 enrolled as Special, Non-Degree students. The student population is 32 percent U.S. ethnic minority, 10 percent international, and 50 percent women. Half of MDiv students are United Methodist, with forty-three denominations represented in all programs. The median age of our entering class of MDiv students is 27, with 58 percent under thirty.

Candler remains steadfastly committed to making theological education financially feasible, dedicating nearly \$5 million to financial aid. Eighty percent of eligible students received Candler-based financial aid, with the average award covering 66 percent of tuition.

Construction preparations for the second phase of the Candler's new building got underway at the end of 2012 thanks to an extraordinary gift of \$15 million from the O. Wayne Rollins Foundation. The new building, which will house Pitts Theology Library, community space, additional classrooms and offices, group study areas, and the Wesley Teaching Chapel, will be completed in late spring of 2014 in time for Candler's Centennial Celebration. Candler's phase one building was named in memory of Rita Anne Rollins, the first grandchild of the foundation's namesake, in honor of its generous financial gift.

Candler had an excellent presence at the 2012 General Conference in Tampa. In addition to my attendance, Associate Dean Anne Burkholder took a class of 20 students so they could learn firsthand about United Methodist governance. Assistant Dean Mathew Pinson and Dr. Alice Rogers attended as delegates, and the Candler Singers, directed by Barbara Day Miller, performed at the General Board of Higher Education and Ministry reception and the plenary session.

We continue to emphasize preparing our students for leadership in an increasingly global context, and now offer 19 academic exchanges with theology schools

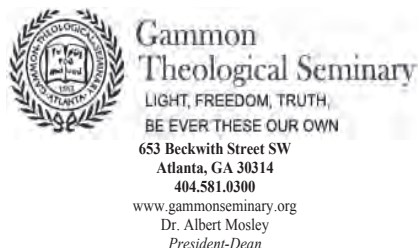
across five continents and 15 countries, including many related to The United Methodist Church. In addition to our ongoing summer internship program with the Methodist Church in the Bahamas, this year's travel seminars included the Middle East and World Methodist Evangelism Institute evangelism seminars to Zimbabwe, Peru, and Israel.

Our public events supported our commitment to strengthen the church by offering opportunities for clergy and lay people to hear fresh, new voices. Last fall we hosted Christian activist and bestselling author Shane Claiborne for two major addresses, "Jesus for President" and "Resurrecting Church," with nearly 1,000 in attendance. Our Spring Conference, "The Singing Church," gathered experts to lead an exploration of the best practices and emerging trends of congregational song.

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. Visit us in person in Atlanta or online at [candler.emory.edu](http://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*



**2012-2013 Academic Year Report**

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. Included below are just a few of the examples of how this great historic institution of the church has lived out its mission and furthered its vision:

- 1) In last year's report to this Annual Conference, we shared the great news of Gammon enrolling its largest entering class on record in the fall of 2011. This record was shattered as Gammon enrolled an even larger first year class in the fall of 2012. In fact, under the leadership of the current President, Dr. Albert D. Mosley, Gammon has experienced over an 80% increase in enrollment, and the average age of entering students continues to be younger and younger. Gammon is privileged to serve as a training ground for the next generation of prophetic leaders who will engage in the process of making disciples of Jesus Christ for the transformation of the world.
- 2) In August of 2012, Gammon hosted its first ever Racial Justice Institute. The Racial Justice Institute is a component of the Gammon Center for the Study of Religion and Race (a program funded by a generous grant from the General Commission on Religion and Race). Over 35 college students, professors, social activists, and community leaders from around the country gathered on Gammon's campus for a week-long intensive immersion experience that explored issues of health care reform, unemployment, affordable housing, immigration policy, and marriage/gender equality. The Racial Justice Institute concluded with a very successful Immigration Reform Rally on the steps of the Georgia State Capitol using GCORR's theme – *"Drop the I-Word: No Child of God is Illegal."* The Racial Justice Institute enabled Gammon to continue its great work of addressing issues of cultural competency, advocacy and education in areas that further racial justice and equity.
- 3) This past fall, in advance of the 2012 Presidential Election, Gammon launched a comprehensive Voter Registration/Voter Education Campaign in the Atlanta University Center. This campaign enabled Gammon students to register students at Morehouse College, Spelman College, Clark-Atlanta University, and the Interdenominational Theological Center. In addition to registering to over 500 previously unregistered college students, Gammon also sponsored a series of *Issues Sessions* that were designed to enlighten voters about the prevalent social, political, and economical issues in advance of them participating in the election process.

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.

### 2013 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 engaging, Drew develops religious leadership prepared for these ever-changing times. Drew welcomes people of all faiths, but we are particularly interested in building up the United Methodist ethos that is part of our historic Wesleyan heritage. **Drew offers 100% tuition scholarships to all United Methodists who meet all admissions requirements and have a 3.2 undergraduate GPA or higher.**

In June 2012, I was pleased to welcome to Drew's campus representatives from 8 of the 13 United Methodist seminaries, staff members from the General Board of Higher Education and Ministry and the General Board of Pension and Health Benefits, one Bishop, and representatives from three annual conferences. We hosted the first annual conference on Theological Education and Clergy Health co-sponsored by the Center for Clergy and Congregational Health and Wholeness at Drew and the Center for Health of the General Board of Pension and Health Benefits. This three-day conference addressed issues of the current poor state of clergy health in relationship to Theological Education in order to begin to understand the impact of seminaries on students' health.

It was also my pleasure to host the September 2012 Theological Conference at Drew entitled, *The Future of Christian Spirituality and Interreligious Interaction* in honor of Dr. Pyun, Sun Hwan. Over the course of the three days, an array of speakers from the U.S., Korea, and other countries engaged attendees and one another on topics such as "Interreligious Dialogue Versus Interreligious Theology," "The Future of Comparative Theology," and "Interreligious Theology, Liberation, and the Church."

It was also a great pleasure to welcome alumni/ae back to campus for the Tipple Vosburgh lectures in the fall. This year's topic was "Faith, Race, and Politics" which provided opportunities to hear the voices and visions of activists, scholars, and church leaders responding to this unique and timely dilemma.

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.

#### **Building up the United Methodist Connection**

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 Peggy Johnson of the Eastern PA and Peninsula Delaware Conference, taught a class entitled, *Topics in Pastoral Care: Disabilities and the Church*. Her class led worship recently in chapel and shared just how important this course was in forming a compassionate, inclusive and prophetic vision for the church. In January of 2014, Bishop Jane Middleton 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.

**United Methodist Deacon Liaison at Drew**

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.

**Bishop in Residence: Bishop Ernest Lyght**

It was with great joy and excitement that I announced the appointment of Retired Bishop Ernest S. Lyght as the Bishop-in-Residence at the Theological School beginning March 1, 2013. I anticipate this appointment to continue until 2015. In this position, Bishop Lyght will teach and mentor students and be a presence on campus.

**National Shalom Ministry of the UMC**

Communities of Shalom, now in its 6th year at Drew, completed its curricular redevelopment of ShalomZone Training, which is now available through a cadre of certified national and regional trainers under the leadership of national director, the Rev. Dr. Michael Christensen.

**Center for Clergy and Congregational Health and Wholeness**

In October 2012 Dean Ginny Samuel made a presentation to members of the AUMTS (Deans and Presidents of the 13 United Methodist Seminaries) about the state of clergy health. She was accompanied by a staff person from the General Board of Pension and Health Benefits, Anne Borish, and together they invited AUMTS members to participate in the longitudinal study. While there was a unanimous support for this study, thus far Drew and Duke Divinity School are the two participating seminaries. We expect that more seminaries will join the study in the coming years. This collaborative effort will support efforts to make needed changes in the structures and programs of an MDiv degree to encourage and support students' attention to their own health and well being.

In February we launched the Seminary to Ministry longitudinal study in partnership with the General Board of Pension and Health Benefits. This study will track MDiv students during their time in seminary and for the first five years in ministry. Results of the survey will be helpful to faculty in its revision of the MDiv curriculum as it informs them about the realities of student health and well being while they are at Drew.

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.

For more information about Drew, please visit us at: [www.drew.edu](http://www.drew.edu) or click on the QR code below:



Kah-Jin Jeffrey Kuan , Dean, Drew University Theological School



By Wendy J. Deichmann, President  
January 2013

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](http://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 are doing 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. Our hybrid/online UM Course of Study is expanding each semester, along with UM Certification offerings.

What's new at United? Three new professors joined our excellent team of faculty in 2012 and a search is underway for yet another. United and Aldersgate Renewal Ministries have developed a new partnership, and we have piloted a new certification program focused upon ministries with persons with disabilities. Each year, United's doctoral program adds new mentors and focus groups for advanced ministry study.

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 continues to grow, and we invite you to call or visit soon! For more information, please contact [admissions@united.edu](mailto:admissions@united.edu).

Thank you for your prayers, partnership, service and support in the ministry of Jesus Christ!

[www.united.edu](http://www.united.edu)

## Spirit Led, Renewing the Church!

United Theological Seminary • 4501 Denlinger Road • Dayton, Ohio 45426

**IMAGINE NO MALARIA RESOLUTION  
TO EXTEND THIS CAMPAIGN**

WHEREAS the 2012 Holston Annual Conference affirmed a partnership with the Imagine No Malaria campaign; and resolved to pursue a capital campaign targeted toward malaria ministries; and

WHEREAS, the goal of saving 100,000 lives (\$1,000,000), which has not been reached, is still within our reach; and

WHEREAS, several groups within this annual conference including the United Methodist Women, the United Methodist Youth through the Youth Service Fund, and the Holston Conference Children's Ministries through Change for Children are continuing their work through the end of this calendar year,

THEREFORE BE IT RESOLVED that the 2013 Holston Annual Conference should continue this partnership with the Imagine No Malaria campaign;

BE IT FURTHER RESOLVED that Holston Conference continue working toward the goal set by the Holston Conference Imagine No Malaria Task Force; and

BE IT FURTHER RESOLVED that this extension should continue until December 31, 2013.

-Imagine No Malaria Task Force, Andy Ferguson, Chairperson

**RESOLUTION TO 2013 HOLSTON ANNUAL CONFERENCE  
FOR ANNUAL ACCESSIBILITIES AUDITS AND PLAN FOR ACCESSIBILITY**

- Whereas, ¶2533.6 of The Book of Discipline of the United Methodist Church (2012) requires each local church Board of Trustees, in cooperation with the health and welfare ministries representative, to “conduct or cause to be conducted an annual accessibility audit of their buildings, grounds, and facilities to discover and identify what physical, architectural, and communication barriers exist that impede the full participation of people with disabilities and shall make plans and determine priorities for the elimination of all such barriers. The Accessibility Audit for churches should be used in filling out the annual church and/or charge conference reports.”; and
- Whereas, demographic trends nationally, including the Holston Conference in particular, indicate significant increases in the population of aging individuals, many of whom may require increasing levels of assistance for impaired ambulation, hearing and/or vision; and
- Whereas, observations of United Methodist Church buildings in the Holston Conference reveal that many pose physical barriers to persons with various types of physical, hearing and/or vision disabilities. Further, it is likely that many churches facilitate have no or only limited programmatic accessibility (communication and resources, in particular) for its members and visitors; and
- Whereas, as one means of response to these trends and observations, the Holston Conference Trustees (working in conjunction with Holston Conference Connectional

Ministry) has established and has available for the 2013 Conference year funds of \$25,000 to assist churches to make their facilities more handicap accessible;

Now, therefore, be it resolved that the 2013 Holston Annual Conference affirms the responsibility of all local church Boards of Trustees to complete an annual accessibility audit and report same as a part of the annual church and/or charge conference reports.

Be it further resolved that the Conference Trustees, in conjunction with Connectional Ministry, develop a Local Church Accessibility Audit procedure and Reporting Form to be included in the 2013 Charge Conference Packages and to be completed by the Boards of Trustees of each local church pursuant to ¶2533.6 of The Book of Discipline of the United Methodist Church (2012).

Be it further resolved that the Conference Trustees, in conjunction with Connectional Ministry, develop a District Office Accessibility Audit procedure and Reporting Form and that each District's Board of Trustees complete an audit of its District Office.

Be it further resolved that the Conference Trustees, in conjunction with Connectional Ministry, receive these completed Audit Forms from District Trustees and Local Church Trustees and provide the 2014 Annual Conference with a report on the state of handicap accessibility for the churches and District Offices within the Holston Conference.

Be it further resolved that said report to the 2014 Annual Conference shall include a proposed plan of action for making all primary worship areas in local churches and District Office offices areas handicap accessible.

Respectfully submitted, (date),

Mary Ellis Richardson and  
Stephen B. Richardson  
Members, Church Street United Methodist Church  
900 Henley at Main  
P.O. Box 1363  
Knoxville, Tennessee 37901

## **2012 GENERAL CONFERENCE The United Methodist Church**

### **Proposed Constitutional Amendment – I**

On April 30, 2012, at a session of the General Conference of The United Methodist Church held in Tampa, Florida, the following Constitutional Amendment was adopted by a recorded vote of 865 Yes, 50 No (Calendar Item 211, *DCA* p. 2340). It is now presented to the Annual Conferences for vote.

In the 2008 *Book of Discipline*, Division One, ¶ 6, *Article VI*, (2012 *Book of Discipline*, Division One, ¶ 6, *Article VI*)) amend by addition as follows:

After “it will” add “pray.”

If voted and so declared by the Council of Bishops, ¶ 6 (¶ 6) would read:

**Ecumenical Relations**—As part of the church universal, The United Methodist Church believes that the Lord of the church is calling Christians everywhere to strive toward unity; and therefore it will pray, seek, and work for unity at all levels of church life: through world relationships with other Methodist churches and united churches related to The Methodist Church or The Evangelical United Brethren Church, through councils of churches, and through plans of union and covenantal relationships with churches of Methodist or other denominational traditions.

AND

### **Proposed Constitutional Amendment – II**

On May 1, 2012, at a session of the General Conference of The United Methodist Church held in Tampa, Florida, the following Constitutional Amendment was adopted by a recorded vote of 731 Yes, 181 No (Calendar Item 205, *DCA* p. 2430). It is now presented to the Annual Conferences for vote.

In the 2008 *Book of Discipline*, Division Two, Section II, ¶ 14, *Article II*, (2012 *Book of Discipline*, Division Two, Section II, ¶ 14, *Article II*)) amend by deletion and addition as follows:

After “shall meet” delete “in the month of April or May” and after “duly authorized committees.” add a new sentence, “The change in the preceding sentence shall become effective at the close of General Conference in 2016.”

If voted and so declared by the Council of Bishops, ¶ 14 (¶ 14) would read:

The General Conference shall meet once in four years at such time and in such place as shall be determined by the General Conference or by its duly authorized committees. The change in the preceding sentence shall become effective at the close of General Conference in 2016.

A special session of the General Conference, possessing the authority and exercising all the powers of the General Conference, may be called by the Council of Bishops, or in such other manner as the General Conference may from time to time prescribe, to meet at such time and in such place as may be stated in the call. Such special session of the General Conference shall be composed of the delegates to the preceding General Conference or their lawful successors, except that when a particular annual conference or missionary conference shall prefer to have a new election it may do so. The purpose of such special session shall be stated in the call, and only such business shall be transacted as is in harmony with the purpose stated in such call unless the General Conference by a two-thirds vote shall determine that other business may be transacted.

AND

**Proposed Constitutional Amendment – III**

On May 3, 2012, at a session of the General Conference of The United Methodist Church held in Tampa, Florida, the following Constitutional Amendment was adopted by a recorded vote of 618 Yes, 306 No (Calendar Item 54, DCA pp. 2672-73). It is now presented to the Annual Conferences for vote.

In the 2008 *Book of Discipline*, Division Two, Section VI, ¶ 32, *Article I*, (2012 *Book of Discipline*, Division Two, Section VI, ¶ 32, *Article I*) amend by deletion and addition as follows:

After “director of Lay” delete “Speaking” and add “Servant”.

If voted and so declared by the Council of Bishops, ¶ 32 (¶ 32) would read:

The annual conference shall be composed of clergy and lay members. The clergy membership shall consist of deacons and elders in full connection, provisional members, associate members, and local pastors under appointment. The lay membership shall consist of professing lay members elected by each charge, the diaconal ministers, the active deaconesses, and home missionaries under episcopal appointment within the bounds of the annual conference, the conference president of United Methodist Women, the conference president of United Methodist Men, the conference lay leader, district lay leaders, the conference director of Lay Servant Ministries, conference secretary of Global Ministries (if lay), the president or equivalent officer of the conference young adult organization, the president of the conference youth organization, the chair of the annual conference college

student organization, and one young person between the ages of twelve (12) and seventeen (17) and one young person between the ages of eighteen (18) and thirty (30) from each district to be selected in such a manner as may be determined by the annual conference. In the annual conferences of the central conferences, the four-year participation and the two-year membership requirements may be waived by the annual conference for young persons under thirty (30) years of age. Such persons must be professing members of The United Methodist Church and active participants at the time of election. Each charge served by more than one clergy shall be entitled to as many lay members as there are clergy members. The lay members shall have been for the two years next preceding their election members of The United Methodist Church and shall have been active participants in The United Methodist Church for at least four years next preceding their election. If the lay membership should number less than the clergy members of the annual conference, the annual conference shall, by its own formula, provide for the election of additional lay members to equalize lay and clergy membership of the annual conference.

AND

**Proposed Constitutional Amendment – IV**

On May 1, 2012, at a session of the General Conference of The United Methodist Church held in Tampa, Florida, the following Constitutional Amendment was adopted by a recorded vote of 848 Yes, 57 No (Calendar Item 207, *DCA* p. 2431). It is now presented to the Annual Conferences for vote.

In the 2008 *Book of Discipline*, Division Two, Section VII, ¶ 40, *Article I*, (2012 *Book of Discipline*, Division Two, Section VII, ¶ 40, *Article I*) amend by deletion and addition, as follows:

Delete the first two words, “Changes in” and following “episcopal areas” delete “may be effected” and add “shall be determined” and after “and the central conferences” add “The authority of jurisdictional and central conferences provided herein is not circumscribed or limited by the authority provided to the College of Bishops to arrange a plan of episcopal supervision.”

If voted and so declared by the Council of Bishops, ¶ 40 (¶ 40) would read:

The number, names, and boundaries of the annual conferences and episcopal areas shall be determined by the jurisdictional conferences in the United States of America and by the central conferences outside the United States of America according to the provisions under the respective powers and pursuant to the respective structures of the jurisdictional and the central conferences. The authority of jurisdictional and central conferences provided herein is not circumscribed or limited by the authority provided to the College of Bishops to arrange a plan of episcopal supervision.

**Rationale for Proposed Constitutional Amendments  
The United Methodist Church  
Voted General Conference April-May 2012**

- I. (¶ 6) The proposed amendment acknowledges God's action in conferring the gift of the Church by including praying for unity among the tasks of the Church.
- II. (¶ 14) The proposed amendment would allow the General Conference to meet at other times during the calendar year on dates better suited for younger delegates and those with parenting responsibilities.
- III. (¶ 32) The proposed amendment removes the connotation that leadership training is only about preaching in order to develop skills and enhance the spiritual gifts of the laity.
- IV. (¶ 40) The proposed amendment gives the power of boundary decisions to jurisdictional and central conferences, bodies that include lay persons.