

Discernment Session # 6, Weston UMC – May 31, 2020

Today's topic:

- What are the expectations of the UMC for churches which plan to disaffiliate, specifically the New England Conference groups and committees?
- For example:
 - What would be the cost for a church to leave and to keep its building?
 - What happens to the pastor?
 - What is the process?
- Rev. Gary Shaw will join us for this session to offer a listening session.

Why we are doing this study:

RS – 19 – 211 - NEW ENGLAND ANNUAL CONFERENCE PROCEDURE FOR LOCAL CHURCH/MINISTRY SETTING DISCERNMENT ABOUT DISAFFILIATION FROM THE UNITED METHODIST CHURCH

Because the 2019 Called Session of the General Conference approved the minority report for petition 90066, “Minority Report on Disaffiliation,” and the Judicial Council ruled in decision 1379 (April 25, 2019) that the petition is constitutional as amended, and

Because this new paragraph in the *Discipline*, 2553, allows for a local church to disaffiliate from the denomination “over issues related to human sexuality,” and states that “annual conferences may develop additional standard terms that are not inconsistent with the standard form of this paragraph,” and

Because such a decision has significant impact on the local church or ministry setting, the community in which the ministry is located, the Annual Conference, and the strategy and witness of the Church of Jesus Christ in contexts local and regional, and therefore must be undertaken with the greatest sensitivity to matters both spiritual and temporal,

Therefore, the New England Annual Conference approves the following procedure to be included in our Conference Policies and Procedures, governing the process and conditions for churches and ministry settings within New England in discernment about disaffiliation from The United Methodist Church:

1. Before a District Superintendent may call for a church conference for disaffiliation, the local church or ministry setting shall undergo a discernment period of no shorter than eight months.
2. During this discernment period, the local church/ministry setting shall seek assessments of the impact of this action upon the church, community, and Conference from *at least* the NEAC Trustees, Cabinet, Treasurer, Council on Finance and Administration, Chancellor, Benefits Officer, and the Conference Board of Congregational and Community Development evaluating the strategic missional impact of the church/ministry setting. These conference entities must make an initial response to the request within 30 days or will be deemed to not impede the discernment process of the local church. The church/ministry setting shall also develop a statement articulating their theological and missional

foundations in seeking disaffiliation for reasons of conscience “related to human sexuality.” *

3. The local church or ministry setting shall hold a minimum of four listening sessions, advertised to and open to the full professing membership, at least two of which are also advertised to and open to those beyond professing membership, who participate in the ministries of the church/ministry setting. These sessions shall solicit the input of these constituents and shall report the findings of the assessments named in (2.) above. The sessions shall be facilitated by the District Superintendent or their designee, and may not be facilitated by the pastor, the hired or appointed staff, or any member or constituent of the church/ministry setting.

4. After the discernment period, the church conference, and an affirmative 2/3 vote of the professing members present, the Disaffiliation Agreement may be formulated in accordance with ¶2553, and shall include the recommendations and assessment from the Conference bodies named in (2.) above. It shall also include provision for how the community previously served by the church/ministry setting shall be served by The New England Annual Conference moving forward.

5. When presented to the Annual Conference for a vote, the Disaffiliation Agreement must be accompanied by a full report of the outlined process, the assessments and recommendations named in (2.) above, a summary of the financial and missional impact to the community, conference, and wider Church of the assets and ministries under consideration, and a recommendation for how the community previously served by the church/ministry setting shall be served by The New England Annual Conference moving forward.

* Seek input from:

1. NEAC Trustees – response from Rev. Mark Monson-Alley, chair
2. Cabinet – we spoke with DS Rev. Megan Stowe at our March 1st meeting, and she will join us for the next listening session
3. Treasurer – meeting with Bill Burnside
4. Council on Finance and Administration – support from Rev. Ralph Howe, Chair
5. Chancellor – meeting with Bill Hewig
6. Benefits Officer – meeting with Bill Burnside
7. Conference Board of Congregational and Community Development – no particular input at this point

1. NEAC Trustees – response from Rev. Mark Monson-Alley, chair, April 6, 2020

Hello Pat,

The Conference Trustees have completed work on a Proposed Disaffiliation Policy to present to Annual Conference when we meet next. It will appear in the Pre-Conference booklet, but I am sending it (see attachment) to congregations like yours that have indicated to the Conference Trustees that they have undertaken the discernment process leading to a decision by their congregations relative to disaffiliation from the United Methodist Church. I need to make absolutely clear that this policy is a PROPOSAL, and that it will be the Conference that will accept, alter or reject the policy. This is being sent to you and your church family as a response to your communication to us, and as just one tool for consideration in your discernment process. Please let me know if you have any questions.

Blessings on you and your church family through this Holy Week and Easter season!

Grace & peace,

Rev. Mark Monson Alley

Conference Board of Trustees President

Before getting to that, here are some additional comments from an April 17th email:

..., the Trustees have consulted with the Bishop and the Conference Chancellor and have subsequently approved a change to section #2 of the document [regarding timing of any church vote].... It is CERTAINLY not the Trustees' goal to make the process more difficult for any congregation who is discerning that disaffiliation is the direction they should go. Please let me know if you have any other questions. ...

Peace, Mark Monson Alley, President of the Conference Trustees

Proposed Disaffiliation Policy
New England Conference UMC
Conference Board of Trustees

Introduction – This Policy sets out a framework to be followed when a significant number of members of a congregation express a desire to leave the New England Annual Conference of the United Methodist Church (the “Annual Conference”), pursuant to the provisions of paragraph 2553 of The Book of Discipline of the United Methodist Church (“The Discipline”). It is the intent of this policy that

when a congregation chooses to leave the Annual Conference, it be allowed to do so in as amicable a manner as possible. The Annual Conference also recognizes a responsibility to members of a local church who want to remain part of the Annual Conference, even if they are in the minority of their congregation. Under the provisions of this policy, a local church shall have a limited right to exit the denomination to be completed prior to December 31, 2023. The right expires on December 31, 2023, and the provisions of this policy and paragraph 2553 shall not be used after that date. Applicability -- This policy will apply to all congregations within the New England Annual Conference, including ecumenical shared ministries within the meaning of para. 208 of the 2016 Book of Discipline and, in the case of such ecumenical shared ministry, it will govern to the extent that any such ministry owns or controls property subject to the Trust Clause, paragraphs 2501-2505 of the 2016 Book of Discipline, or has a pastor under appointment by the bishop.

1. Approval by Annual Conference – This policy shall be submitted to Annual Conference 2020 and shall require approval by a majority vote of the annual conference.
2. Time Limits - The vote by a local church conference to disaffiliate under this policy shall be made no later than April 1 of the year in which the local church intends to seek Annual Conference consent to disaffiliate, with the exception of 2020, when the latest date is June 1st. If, in following years, the decision is not made by April 1, the church may not request to disaffiliate until the next year's session of annual conference. The latest date by which a local church can elect to disaffiliate under this policy is April 1, 2023."
3. Decision Making Process – If the church council of a local church determines that the church wishes to consider disaffiliation, it shall notify its District Superintendent, after which the congregation shall engage in the process of discernment outlined in RS-19-211 (pages 139-141 of the 2019 New England Conference Journal). As stated in the Resolution, the decision to disaffiliate must be approved by a two-thirds (2/3) majority vote of the professing members of the local church present at the church conference.
4. Terms and Conditions - If the church conference votes to disaffiliate, the terms and conditions for that disaffiliation shall be established by the Board of Trustees of the New England Annual Conference (the "Trustees"), with the advice of the cabinet, the annual conference treasurer, the annual conference benefits officer,

the director of connectional ministries and the annual conference chancellor or associate chancellor. The terms and conditions, including the effective date of disaffiliation, shall be memorialized in a binding Disaffiliation Agreement between the annual conference and the trustees of the local church, acting on behalf of its members. That agreement must be consistent with the following provisions, but may contain additional requirements, as determined by the Trustees.

a) Terms of Disaffiliation Agreement - The Disaffiliation Agreement shall be consistent with the form to be developed by the General Council on Finance and Administration and may contain other terms as determined by the Trustees so long as they are not inconsistent with such form.

b) Pension Liabilities – A disaffiliating local church shall contribute a withdrawal liability in an amount equal to its pro rata share of any aggregate unfunded pension obligations, which obligations shall be determined pursuant to the withdrawal liability formula to be adopted at 2020 Annual Conference in accordance with the Petition Number 90016 enacted at General Conference 2019. It must also pay all pension and health care arrearages, if any.

c) Apportionments/Mission Shares - The local church shall pay any unpaid apportionments for the 12 months prior to the effective date of disaffiliation, as well as an additional equal amount representing 12 months of future apportionments.

d) Salary and Benefits – The local church shall pay its appointed clergy's compensation and benefits through the date on which its disaffiliation is effective.

e) Property - A disaffiliating local church shall have the right to retain its real and personal, tangible and intangible, property. All transfers of property shall be made prior to disaffiliation. All costs for transfer of title or other legal work, including any costs or fees incurred by the Annual Conference in connection with the disaffiliation, shall be borne by the disaffiliating local church.

f.) Grant Reimbursement – Any grant monies received by the disaffiliating church over the previous three (3) years from:

- 1.) The Conference: for Equitable Compensation, Hebrews 11, Urban Ministries, Together for Tomorrow Funds, and Missional Church Funds (Health Insurance, Pension, Property Insurance or Mission Share Relief) and/or
- 2.) The Conference Trustees: for removal of oil tanks, emergency repair of furnace, chimney repair or roof repair/replacement must be reimbursed.

g) Other Liabilities - A disaffiliating local church shall satisfy all other debts, loans, and liabilities, or assign and transfer them to its new entity, prior to disaffiliation.

h) All payments hereunder shall be made prior to the effective date of departure.

i) Once the disaffiliating local church has paid the annual conference all funds due under this policy and the agreement, and provided that there are no other outstanding liabilities or claims against the annual conference as a result of the disaffiliation, the Trustees shall release any claims that the annual conference may have under ¶ 2501 and other paragraphs of The Discipline commonly referred to as the trust clause.

6. Approval by Annual Conference - The Annual Conference shall vote whether to ratify any disaffiliation agreement at the next session of the Annual Conference following execution of such agreement. Ratification of such agreement shall require the approval by a simple majority of the members of the annual conference present and voting. No disaffiliation shall be effective until ratified by the Annual Conference.

7. Re-establishment of local church as a local United Methodist Church

a) If a local church that has disaffiliated determines that it wishes to re-enter the Annual Conference, it shall notify the Presiding Bishop. The decision to become a member of the Annual Conference can only be made with the consent of the Presiding Bishop and the Cabinet and in accordance with the provisions of paragraph 259 of The Discipline. In addition, the decision must be approved by a two-thirds (2/3) majority vote of the professing members of the local church present at a church conference called for this purpose.

b) If a local church is re-established as a local United Methodist Church, the Conference Treasurer shall determine the amount of any funds paid for pension liabilities pursuant to paragraph 5 hereof, plus any investment earnings and minus any investment losses, calculated in accordance with the Annual Conference pension liability policy to be adopted at the 2020 Annual Conference and any subsequent revisions. The balance, less any funds paid to cover pension obligations, shall be rebated to the local church within 6 months of the date it re-enters the Annual Conference.

8. General Conference action – The Annual Conference recognizes that future action by General Conference of the United Methodist Church may make it necessary or desirable to amend or revoke this policy, and that this policy is subject to revision or revocation by future Annual Conferences.

Rationale: This policy creates a consistent process for local churches who desire to disaffiliate from The United Methodist Church over disagreements related to human sexuality to receive their property while reducing the impact on the Annual Conference by paying their portion of conference pension liabilities, and other financial considerations. It is not intended to be an open-ended departure mechanism. The requirements related to timing of notice and payment of an additional 12 months' apportionments allow the annual conference to properly budget for departures. Funded ministries are not left unfunded by unplanned departures. This policy is also consistent with new paragraph 2553 of The Discipline, enacted at the 2019 Special Session of General Conference and with Judicial Council Decision 1379, upholding the constitutionality of said paragraph.

Additional information from 4/17/2020 email from Rev. Monson-Alley:

Re: possible expenses for a local church:

Relative to putting actual numbers with it, he said: ... from how I see it, it's a little like trying to nail jello to the wall. I don't know if this will be helpful or not. There are five possible expenses for a local church:

1. The pension liability – which I believe the Conference Board of Pensions and Health Benefits has calculated and sent out to you folks. Is that true? I have not seen the document, or the calculation tool. **See elsewhere – est. 11.1 x mission share amount**
2. If your church has been paying its Mission Shares right along, you would need to pay the same annual amount to cover the next twelve months. That's to say, if your Mission Shares were \$1,000 per month, and you've paid it right along – you would be required to pay an additional \$12,000 from the time of your disaffiliation (the same amount, even if the conference budget should increase for the following year). If you're behind in Mission Share payments, you'd have to "catch up," as well as pay the additional \$12,000. **For WUMC: \$37,908**

3. The church needs to be sure that the pastor's salary is current – if not, they need to bring it up to date. I hope this doesn't affect any of your churches, but if any of them are behind in paying the salary, they'd need to become current with that. I think that should apply to the pension payment, too, but that's not specifically included in the proposed policy. **\$0**
4. The church will need to cover any legal fees in transferring the title of the property to the congregation that is disaffiliating. I don't know for sure how much that would cost – I know Bernie Campbell has been doing some title work for the Conference Trustees, and that usually runs between \$500 and \$1,000 . . . but I wouldn't want you to count on that range exactly. **\$??**
5. And finally relating to grants, if you've not received any in the last three years, there would be no expense to this item. But if you've received Equitable Comp or any of the others on the list, those would need to be reimbursed – so the figure is something each local church should be able to come up with. Remember: it's just the past THREE years. **For WUMC: \$51,764**
[Mission Share Relief for 2018 (\$40,759 - \$20,826 = \$19,933), 2019 (\$41,228 - \$20,818 = \$20,410), and 2020 (\$37,908 - \$26,487 = \$11,421)]

I know that's not an exact accounting of the cost, but I hope it provides some clarity. Peace, Rev. Mark Monson-Alley, Chair of Conference Trustees

3, 5. Notes from a meeting with Conference leaders:

Meeting with DS Munson and others, Tuesday, May 5, 2020.

Discussion re: conduct of charge conference via Zoom / WebEx

DS asked if any of us had church by-laws, because they might supersede the Book of Discipline. None of us on the call have by-laws. (Ballard Vale does, but they're not planning to vote right now.)

First item is to discuss the process. (We'll know more about the electronic process and possible electronic voting as we get closer.)

Roll call of folks attending the virtual meeting: DS requests we send her a list of members marked up to show who we know will not be attending to cut down of the number of names she will have to go through for the roll call.

Election of charge conference secretary: DS requests that the congregation have someone primed and ready to be nominated.

The special charge conference is called for one purpose and one purpose only, the vote on the question of disaffiliation.

Members should already have a copy of the question to be voted and a copy of our theological statement.

The congregation will set up and host the meeting. Someone from the congregation is to handle the media controls; not the pastor/meeting leader.

Conference personnel are working on finding a polling site to process private (secret ballot) voting.

Affirmative votes from at least 2/3 of members present are needed for passage of the question.

Pension Liability

Rev. Mark Alley started by trying to explain to the “pension liability portion” of the funds expected to be paid by a church to the annual conference in order to leave the denomination. Our conference's total unfunded market pension liability - as of 4/1/2020 - is now \$90,396,698. Based upon the formula used to calculate the churches’ 2018 Mission Shares, each of the five churches has received its calculated share of the unfunded liability, but not less than \$25,000. See Rev. David Hoyt’s note attached at the bottom of this document.

The formula for calculating the unfunded market value is \$90,396,698 divided by the total 2018 mission shares of all the churches in the conference. Rev. Monson-Alley said the factor is 11.1. Therefore, 11.1 x mission shares of a given church.

So, what is “pension liability?”

The annual conference is self-financing its pension fund through Wespath, a not-for-profit organization. If Wespath had to dissolve, they would have to find another organization to handle the pension funds, a for-profit organization would in effect “buy the bundle of pensions.” The amount for the buy-out is based on the value of the stock market on a certain date, i.e. the first day of the current calendar quarter, April 1, 2020.

It was noted that the total unfunded market pension liability as of April 1, 2020 is \$90,396,698 as compared to about \$60,000,000 at the beginning of January, 2020. Bill Burnside, Conference Treasurer, advised that it would make sense to hold off disaffiliating until the market goes up.

The pension liability is only one component of the amount required to be paid to leave. A church will have to pay any arrearages, all mission shares for the current year and the next year, pay back any grants received in the last three years, and pay closing costs for real estate transfers and attorney fees. (There’s an upper limit on the amount the church would have to pay for the closing costs....)

Discussion was had about the unfairness of paying back conference grants. The very nature of grants is that they are given for a specific project and are meant to be spent on the specific project, which in all cases has been done as shown in church reports.

There was conversation about whether there is actually the ability to negotiate the terms. The conference folks said NO. Rev. Monson-Alley said "We can negotiate if that means writing a number on the form". We offered the understanding that the conference has the ability to charge what they wanted and we would hope they would consider reducing the fees recommended. There was no reply to that.

When asked about the June 1 date for a vote to go before AC - considering AC has been postponed, Rev. Monson-Alley said not to worry about the June 1 date.

When asked about the trustee resolution for financial implications above the pension formula, Rev. Monson-Alley states that he was under the misguided assumption that it had to be voted on at AC but that the GC Resolution 2553 did not require terms and conditions for disaffiliation and the trustees did not need to have an AC approval. Therefore, the trustees could set their own terms with 2553 as their guide.

DS read either RS211 or BOD paragraph 2553 about the when the departing church's agreement goes before AC for approval. It has subsequently been found in RS211: Point 4 describes the church conference vote followed by the "formulation" of a "disaffiliation agreement" containing all the financials etc. It is this agreement that is then brought to a vote at AC as described in point 5.

Also, under the process for the vote, they did not have answers to allowing people to vote by phone and having a couple on one device. This process does not allow for people to vote other than by phone and electronically. It would be up to us to see that all people could access the vote.

It was suggested that churches could ask for a consultation with Bill Burnside by sending him an email at neumc.com with a copy to his assistant Debbie.

Rev. Mark Monson-Alley closed the meeting with prayer.

6. BENEFITS OFFICER AND Board of Pensions information:
Note to 5 Churches by Rev. David Hoyt, Chair of CBOP

The 2019 General Conference of the United Methodist Church passed provisions whereby an annual conference could charge a departing local church a portion of the overall pension liability of the annual conference. The General Conference left it up to annual conferences to determine what that share should be.

In response, the Conference Board of Pensions of the New England Annual Conference has considered the matter and provides the following recommendation. We note that no payment is due from any church that remains in the New England Annual Conference; this recommendation would only apply to churches that choose to disaffiliate under the provisions passed by the General Conference and the New England Annual Conference.

OUR RECOMMENDATION

The Board of Pensions recommends that the pension liability shall be determined using the 2018 mission shares that we asked all of our churches to pay prior to reductions for Mission Share Relief and Mission Churches. These will create the factor used to calculate the portion of the overall liability owed by any individual church. The CBOP will request the latest estimate of unfunded liability from Wespath each quarter moving forward. The estimate of the total liability cannot be more than 3 months old at the time of the estimate. The minimum amount owed by any church will be \$25,000.

In the case of Federated churches, the calculation is similar to how we allocate mission shares. 100% of the amount is allocated to our 100% Methodist churches. A factor is calculated by dividing the total Market Liability by the total 2018 mission shares calculated for the 100% churches. This factor is then used to calculate a Federated church's liability.

A church shall pay their share of the liability in full before exiting the annual conference.

The Conference Board of Pensions shall keep funds received in execution of this policy in a separate fund, which shall be restricted for use only in meeting pension obligations.

If a departed church returns to the annual conference, they shall be due a rebate on funds paid in execution of this policy at the time they departed, less any funds paid to cover pension obligations. Investment earnings and losses shall be calculated as of the date of re-entry, and the pro-rata share refunded to the church within 6 months of its re-entrance to the annual conference.

NO CHURCH HAS TO PAY THESE AMOUNTS UNLESS THEY WISH TO DISAFFILIATE from the Annual Conference.

-New England Conference Board of Pensions”

In response to most recent requests about a pension liability number, the CBOP has taken the position that we will provide churches with the current pension liability figure, based on the Wespath projection of April 1, 2020.

The CBOP stipulates that this amount is subject to the adoption of the “PENSION LIABILITY PROPOSAL” to be presented to the Annual Conference; and further that the actual amount will be based on the most recent quarterly Wespath projection at the time of disaffiliation.

ADDITIONAL INFORMATION:

Regarding Insurance, From Feb. 7, 2020:

From: Patty Smith <psmith@fredcchurch.com>

Subject: UM Churches Disaffiliation Inquiry re Insurance

...I can share some information which may help you and others in your group who are evaluating this.

A group program is not as simple as writing an insurance policy for 10 churches. Because insurance policies are a legal contract, there needs to be some determination on who is the “first named insured” on a policy. Normally for a group, there is an entity which represents all in the group.

For our current program, that is the New England Conference UMC. You would need to consider if you would form any legal entity to represent your group and determine who the point person would be.

Other concerns for a group program would be who is paying the premium for the policy? If any one church which is part of the group did not pay their portion of the premium, it is possible that the policy would cancel for non payment, and that impacts the rest of the members of the group.

For the NE Conference, the Conference office pays the policy premium and is reimbursed by each church for their portion. If a church is in arrears on their insurance payment the policy is not in danger of being cancelled. The Conference is owed the premium, not the insurance carrier.

Payment of claims – which church name is on the claim check for losses? In our present program, to give you an idea, since the Conference pays the premium, if one church is in arrears and has a claim, the claim check is used to repay the premium owed to the Conference and any balance is then turned over to the church for the claim. This falls under the concept that if you are not paying your premium you should not be collecting claim money.

The workers compensation insurance portion of your costs would change substantially. Right now you benefit from large account credits which are applied to the rating on the workers compensation insurance. The state of Maine is presently a

6.5% credit. You also benefit from a group credit which is based off of the entire NE UMC Conference loss experience. This year that amounts to a 27% credit.

To give you an example ball park figure, Tuttle Road Workers Compensation premium for 1/1/2020 – 1/1/21 is \$408 through the NE Conference program. An individual policy for the church using the payrolls you reported for this year would be approximately \$700 - \$750 annual premium.

The Conference insurance program is primarily placed with Church Mutual Insurance Company. They also insure other UM Conferences around the country. We would like to have a conversation with them to find out how they will be approaching this topic. I'm certain they would be willing to write individual policies for individual churches. I don't know if they would have any premium considerations in place for those coming out of a group program.

Patricia W. Smith, CPCU, ARM, AAI, Senior Commercial Client Manager
FRED C. CHURCH, INC., www.fredchurch.com

Phone Conversation with Dale Jones from Wespath / Pastor Linda Brewster, 5/14/2020

Q What is the unfunded pension liability?

A: It is the number that is given to the conference quarterly based on a scenario – if NEAC decides to outsource the unfunded pension liability to an insurance company – the number is the additional money that the conference will need to pay the insurance company for the risk they are incurring.

Q: Does the unfunded pension liability grow with the current needs?

A: Ideally no. A new service (new clergy) does add additional pension liability every year but every year retired clergy die and it usually balances out. The number is changed mostly by fluctuations in the commercial interest rate market.

There are exceptions. In 2008-2009 when the economy tanked, the Annual Conferences had to pay down the additional pension liability that had become under funded in that year (2008). They had to pay extra to restore the funding.

Every year the Annual Conference makes a payment for the service (liability) for that year.

Q: CRSP Plan

A: This can impact the unfunded liability. It encompasses all the new service (new clergy). They add pension liability. If no one dies then the unfunded liability goes up.

Q: Is the money we are asked to pay required to go toward unfunded liability?

A: Dead silence – The proposal that was put forth to Annual Conferences intended for that money to be used for unfunded pension liability. WHY?

I explained briefly that we asked that question last night and the answer led us to believe it was not necessarily going to the unfunded pension liability and we had concerns about that.

A: It is the intent of the process of churches being asked to pay unfunded pension liability – that the annual conferences use the money for that purpose. He said

“The money should not be used for purposes other than pension payment. That can happen in several ways:

- Direct pension payment toward the unfunded liability (overpay 382 plan)
- They can put the money away for future liabilities...
 - o for the day when they might get out of pension business. They would need to come up with the 90 million.
 - o should they keep the obligation long term they may (probably will) before the end of the century experience some economic disaster and need to put money back into the plan – like in 2008.
 - o even if they don’t apply the money immediately to the pension plan, the money should be held for that purpose.

Q: Would Wespath be willing to continue to hold the unfunded pension liability for churches leaving the denomination?

A: Within the Protocol (Adam Hamilton) as well as other legislation that has been put forward, Wespath has embedded language about working with churches outside the UMC to continue to hold the unfunded pension liability. Wespath has also proposed it’s own legislation that mirrors that which is in the Protocol in case none of the resolutions pass. NOTE: It needs to pass at General Conference. Wespath resolution is Petition #20701 and it is called Pension Matters for Disability....

Dale references Jay Williams and the work he is doing to bring forward a liberationist movement. He said if there are 100+ churches across the country that go into Jay’s movement, they would fund the unfunded pension liability. In that case they would figure the liability for each church based on their pastoral history and transfer it from the AC to the new movement. There would be no payment to the conference for that money.

Q: Would you only work with 100+ churches.

A: We haven’t talked about 4 churches or 10 churches. We have talked about a 100 churches. With no General Conference this year we are all in limbo and that impacts what we can offer right now – before General Conference.

Q: When you talk about carving out the unfunded pension liability for each church – how do you do that?

A: We carve it out based on the clergy that make up the retired and active clergy of that particular church.

Q: Does 90 million sound right for the NEAC total unfunded pension liability?

A: "90 Million sounds BIG" The actuary sent out stuff to conferences recently. I'm not sure.

Q: Would the economy effect that number?

A: Yes. Things are in the worst possible place right now. If you could wait it would be better for you. 90 Million does sound BIG. I know that some annual conferences are incorporating retiree health benefits in that number. I don't know if your conference is doing that or not.

Q: Do you have a sense how the conferences are determining how much a church owes?

A: Mission shares is the most common way that conferences are using. Each conference may be doing it a bit differently. There is no one way. The conferences feel that the mission share is as good a measure as any of financial strength of the church. When conferences raise money for any connectional purpose, it is usually based similarly on mission shares.

Parting thought from Dale:

General Conference , if something passes, will create more flexibility. I expressed that he was optimistic.

Protocol: This attempts to enable churches to leave without a vote of the Annual Conference. A church could vote to separate, pay and leave. It gives a longer timeline for leaving and is less dependent on Annual Conference.