
B. CORPORATE SESSION REPORTS & RESOLUTIONS; GENERAL CONFERENCE – PROPOSED CONSTITUTIONAL AMENDMENTS

CORPORATE REPORTS

BOARD OF TRUSTEES

Rev. Virginia Carle, President

Conference Chancellor Mr. Lawrence McGaughey was recommended and elected as chancellor for the quadrennium.

In the election of trustees for the term ending in 2017, 518 ballots were cast; 509 were valid. Susan Bynum (Lay), Koonae Lee (Clergy), M. Myers Mermel (Lay), and Joseph Piccirillo (Clergy) were elected.

In the election of trustees for the term ending in 2016, Grace Bryant (Lay) was elected.

101. Following in the footsteps of Ms. Joyce Palevitz, immediate past president of the Board of Trustees, has been both rewarding and challenging. Rewarding because of the model for leadership and the commitment to the annual conference demonstrated by Joyce during her tenure as president; and challenging, because as she departed the board, our workload increased ten-fold, and the entire board was faced with moving into Mach-speed under a new leader! I would like to offer special thanks to Joyce for her ongoing availability to speak with this greenhorn and to give advice, support, and information. I'd also like to thank out-going members Mr. Michael Denny, who served the board faithfully for eight years, the most recent as our liaison to the conference center; and Ms. Rosemary Walker, who left the board to assume the leadership position of conference sessions coordinator.
102. I am overwhelmingly indebted to the members of the board who have committed long hours, both at meetings and in work beyond meetings, to ensure that the work entrusted to this board is accomplished with grace and integrity. Without their insights, lively debate, and conscientious responses, the workload of this year would have been disastrous. Thank you all, and God bless you for your time, your commitment, and your spirit!
103. I would like to acknowledge and thank Mr. Larry McGaughey for his fine work, guidance, and discernment on legal issues. Larry truly is a gift to the New York Annual Conference. **We enthusiastically recommend, on nomination from the bishop, the continuation of Mr. Lawrence McGaughey for the next quadrennium as conference chancellor on retainer.**
104. I would like to thank Mr. Ross Williams, whose wisdom and guidance through the miasma of things financial is the bedrock for a good portion of the work of the board.
105. I would be remiss not to acknowledge the support and encouragement of our Bishop Martin McLee. Bishop McLee attended his first NYAC Trustees meeting in November 2012 — likely the longest trustees meeting in the history of the annual conference — and worked with us until the end! His ongoing availability and insight are a rich blessing to the Board of Trustees.

106. The Board of Trustees is charged with representing the New York Annual Conference in matters of property, insurance, investment, and legal issues, under the authority of the annual conference (*Discipline* ¶ 2512). This board has grown to understand that its role is not solely fiduciary, but in large part also ministerial. Thus, our decisions are governed not only by dollars, but by the very real question, “What is the best thing we can do for Christ and for the annual conference in this decision?” We also have used the Internet more readily for some of our work, realizing that the Internet provides a more rapid response, and allows a quicker decision on time-sensitive issues which we have already discussed in our face-to-face meetings.
107. **Investments.** The trustees hold funds on deposit with the United Methodist Frontier Foundation. The funds are managed for accounts of the NY Annual Conference as well as trust accounts for local churches and other organizations within the conference. Sue Bynum, our treasurer, has spent countless hours tracking down additional sources of funds from vacated accounts within some of our discontinued churches, as well as researching possible uses of older funds under the NYS Prudent Investment of Institutional Funds Law (2011). The trustees receive regular reports on all funds within the Frontier Foundation, and carefully monitor and manage fund portfolios to ensure that both long-term growth and fixed-income objectives are met. This year, the trustees reallocated percentages of several of the funds in order to gain a better yield. The trustees are also striving, at the bishop’s request, to develop a special fund from which urgent needs within the conference can be addressed. To this end, a corporate resolution is being introduced at this session of the annual conference.
108. **Trust Funds.** Local churches and other organizations within the annual conference may deposit their funds, within the constraints of the original bequest, with the Frontier Foundation to be monitored by the Board of Trustees. The board works with the Frontier Foundation to specify the investment mix that best suits each account’s needs. Opening balance for the trust portfolio in 2012: \$1,194,115.00; year-end balance: \$1,205,564.
109. **Trustees Conference Center Fund.** This fund contains money received from the sale of the former center at Rye, NY, as well as additional money from the Conference Center fundraising program. At the 2011 annual conference session, a resolution was passed to re-direct the funds from the Bryant Avenue property to the current Soundview Avenue property for capital use. At the bishop’s request, the trustees have begun the task of procuring an architect for the purpose of ascertaining the priority list for current and future repairs/upgrades. Additionally through Ross’ guidance, we refinanced our current mortgage to gain a lower overall cost. Opening balance of the fund: \$390,336.00; year-end balance: \$415,470.
110. **NY Conference Perkins Learning Center Fund.** This fund provides monies for upgrading resources in the Learning Center. Opening balance: \$46,638.00; year-end balance \$42,034.
111. **Conference Permanent Endowment Fund.** At the 2002 annual conference, this fund was established to attract and receive gifts and bequests to the annual conference. Funds are to be used for operating needs of the conference. Opening balance: \$12,798.00; year-end balance: \$13,822.
112. **Sessions Woods and Darling Funds.** The income from this fund supports camping and retreat programs. This fund has been jointly managed with the

Camping & Retreats Board since 2008. Opening balance: \$135,860.00; year-end balance: \$35,491.

113. **New Church Growth and Development Fund.** This fund was transferred to the portfolio and management of Parish Development.
114. **Proceeds of Church Property Fund.** This fund was established in 2011 and holds the Board of Trustees' portion of proceeds from the sale of unused, abandoned or discontinued church property for which the NY Annual Conference owns or has taken title. Opening balance: \$425,506; year-end balance: \$127,829.
115. **Insurance.** The Insurance Committee consists of four persons: the conference treasurer, the chancellor, and two others, one of whom must be a trustee. During the year 2012, insurance for conference-owned properties was provided by Philadelphia Insurance Company. The use of this company ended 12/31/12; the new company is Church Mutual.
116. **Sale of Property.** The former West Settlement Church in Ashland, NY, which had been in dispute for five years, was settled and sold for a gross price of \$10,000.00, with the requirement of a plaque on the Historical Association's wall indicating that it was the former West Settlement ME/UM Church, and the dates of operation, plus a 7-year reverter.
117. The vacant lot at King Hill, NY was sold for a gross price of \$750.00

118. **Legal Matters**

Closed cases:

- NYAC v. Travelers (Hankins v. Light) - The law firm of Saul Zabell negotiated a settlement with Travelers over reimbursement of the Conference's legal fees in the Hankins v. Light case. The final settlement netted \$106,167 in reimbursement to the annual conference.
 - Castle Hts. IRS Tax Claim - An IRS claim for unpaid 1999 payroll taxes against the former Castle Heights UMC (discontinued and sold in 2003) came to light in 2010. The statute of limitations ran out in May 2102; thus our tax attorney (Duane Henning, Esq., from CA) advised us that the case is now closed.
119. Matter of Application of Methodist Episcopal Church Second Society (West Settlement) – This case was settled as part of the sale reported in ¶ 117 above.

The following civil litigation is active for the annual conference:

1. Lyons v. Grace UMC (Queens) – In this case the plaintiff alleges defamation, intentional emotional distress and conversion arising out of a report of suspected physical abuse of a child. The church defendants include the Grace UMC, the former pastor, several lay church members and the Long Island West District. The insurance company is providing a defense to the district and pastor, and it is expected that in the unlikely event a judgment is entered against church defendants, it will be within the insurance limits. The court has dismissed all the allegations except the defamation claim.
2. Hilario v. Christ UMC (Brooklyn) & NYAC – A lawsuit has been brought against a local church, which also names the conference as a defendant, on account of a playground injury to a child of the Head Start program that occurred on April 23, 2009. The conference's defense council made a motion

for dismissal based on the fact that the conference had no ownership interest in the property which was granted.

3. Tyndale v. Brooks Memorial – A slip-and-fall case has been brought against a local church. The plaintiff is seeking court consent to amend the complaint to add the conference as a defendant which the conference has opposed. The conference is being represented by insurance counsel, and it is expected that in the unlikely event a judgment is entered against church defendants, it will be within the insurance limits.
4. Garcia v. NYAC a/k/a United Methodist City Society – A sidewalk slip-and-fall case has occurred outside Trinity: Morrisania Church in the Bronx, title to which is held by the United Methodist City Society. The case also names the conference as a defendant. The case is being defended by the insurer. The conference has no ownership interest in the property, and it is expected that in the unlikely event a judgment is entered against church defendants, it will be well within the insurance limits.
5. Askin v. City of New York (NYAC) – A sidewalk slip-and-fall case that occurred outside Calvary UMC, the Bronx names the conference as a defendant. The conference is being represented by insurance counsel, and it is expected that in the unlikely event a judgment is entered against church defendants, it will be within the insurance limits.
6. NYAC (Camps Governing Board) v. JHM & Associates – Suit brought by Camps Governing Board for breach of contract and related causes arising out of a contract for consulting on a fundraising program. Discovery is completed without the cooperation of the defendant, and the case is likely to come up for trial in the coming year.
7. Green Phoenix v. NYAC - This claim was initiated by the Green Phoenix organization (Wilton Duckworth and Joan Ewing) for alleged breach of contract and damages arising out of their business agreement with Epworth Camp. The parties are attempting to reach a settlement which, if not successful, will be followed by the discovery process.
8. Norwalk First UMC - An application was made by a local preservation group with the Connecticut State Historic Preservation Council to have First Church listed on the State Register of Historic Places. Without any consent from the owner, and with little attention paid to the NYAC representatives, including Mary Jo Andrews, a Hartford attorney and specialist in preservation law, the state designation was voted in November, 2012. Under state law, listing on the State Register in and of itself does not impact a potential purchaser's plans for the property unless those plans involve use of state funds. However, immediately the same applicants made a new application to the State Historic Preservation Office to have the property listed on the National Register of Historic Places. The filing of this application has the effect of staying any attempt to demolish the property. This halted any action toward sale until the process could run its course. The property cannot be listed in the National Register without the owner's consent. But, if the National Park Service determines the property is eligible for listing, it would have the effect of ruling out certain potential buyers (such as banks) from being potential purchasers. We anticipate the listing process could take as long as through the end of 2013. In the meantime, the property is vacant and seriously deteriorating.

120. **Conference Properties List.** The following is a list of known properties in which title is in the NYAC, or abandoned or discontinued properties in which NYAC may have a real property interest:

Properties with title in NYAC

- Conference Center, 20 Soundview Ave, White Plains, NY
- Episcopal Residence, New Rochelle, NY
- Camp Epworth, Marbletown & Rochester, NY
- Camp Quinipet, Shelter Island, NY
- Camp Kingswood, Hancock, NY
- Former Maspeth UMC property, Queens, NYC
- 5 Epworth Lane, Marbletown, NY (a small separate parcel from the Camp)

Properties which have been declared abandoned and in which NYAC has a trust interest but not covered by NYAC insurance policy (there are active local churches that carry their own insurance):

- Church of All Nations (1/01)
- (Greenpoint) Polish UMC, Brooklyn, NY (1/01)

Abandoned/discontinued and vacant properties with title not in NYAC name, in which NYAC has a trust clause/ real property interest:

- Smithtown Landing UMC, Smithtown, NY
- First Norwalk, S. Norwalk, CT
- Tompkins Corners, Putnam Valley, NY
- Beaverkill, Roscoe, NY
- Germantown, Germantown, NY
- Rye, Rye, NY
- Summerfield/Port Chester, Port Chester, NY
- Armonk, North Castle, NY
- Woodmere/Lawrence, Woodmere, NY

(Due to the overwhelming need to manage routine care on these properties, the Board of Trustees affirmed the paid position of properties manager. Mr. Wendell Harris was hired by the board for this position; upon his subsequent resignation for health reasons, Mr. Thomas Collins was hired by the board to provide maintenance on these properties.)

District properties (Title held by district trustees, not necessarily in current district name)

- Catskill Hudson, Woodstock, NY
- Connecticut, Hamden, CT
- Long Island East, Hauppauge, NY
- Long Island West, East Williston, NY
- Metropolitan, Scarsdale, NY
- New York/Connecticut, Stamford, CT

Properties in which NYAC holds a legal reverter (renewal/end date)

- Cohecton Center, NY (October 28, 2023-2026)
- West Settlement/Ashland, Ashland, NY (2012-2019)

Property in which NYAC may hold mineral rights:

- Morehouse Parish, LA

Properties owned by separate legal entities in which NYAC has a controlling interest:

- Asbury Cemetery, Saugerties, NY; title held by “NYAC Asbury Cemetery, Inc.” Insurance provided by NYAC.

121. **Camp Properties Review.** We continued to work with the Camps Governing Board and the Conference Camping and Retreat Ministry Task Force to develop and implement a long-range plan for the development of our camps. To this end, the liaison position for the Camps Governing Board president was added to the Board of Trustees. The Conference Camping and Retreat Ministry Task Force’s recommendation to sell Camp Epworth was affirmed by all necessary bodies in October/November 2012. However, this was not able to be implemented pending litigation or settlement of a lawsuit filed by the Green Phoenix organization, which, through a convoluted pathway, had taken up residence at the camp. See ¶ 118 (7) above.
122. **Quinipet Mortgage.** Pursuant to the resolution adopted by the 2012 New York Annual Conference, and with the consent of the Suffolk County Supreme Court, the trustees took a \$1,100,000 line of credit secured by the Quinipet camp property from the Bridgehampton National Bank, N.A. This loan was primarily to reimburse the conference for funds previously advanced for camps capital needs and to create a capital improvement fund.
123. **Final comments.** In Matthew 10:16, Jesus admonishes his disciples, “be wise as serpents and innocent as doves.” Some of the difficulty in which churches find themselves stems from being serpents in spiritual things and innocent or naive in tangible things. Some folks don’t enjoy hearing that the church is also a business, but there is truth in that statement. We must be gentle and innocent as doves when speaking of matters of the spirit, when discerning what Jesus would do in matters of inclusion or justice or compassion. But we must learn to be wise as serpents when dealing with matters of law, real estate, and finances.
124. This year taught us that it is essential that our churches refrain from seeking historic preservation status/funds or landmark designations. While it is nice to think that our local church must remain as is in perpetuity (really an idolatry in itself, if you think about it), what these designations actually accomplish is a limitation on full ministry, should the local needs in ministry change, which is often the case. Not adapting facilities to the contemporary need is frustrating and often leads to the closing of the facility. In that case the annual conference is left with a property that is often impossible to sell, and thus becomes a drain on conference funds, which could be better used to under-gird new or creative ministries.
125. Secondly, we have learned that local churches need to pay attention to the details of their property ownership, and to “clean up” any outstanding realty issues as a proactive course. Property boundaries are often fuzzy, due to years of laissez-faire use; when the contiguous property is listed for sale, local churches find themselves ceding valuable property because the “everyone knows where it belongs” theory no longer applies. In other words, be sure your title insurance and survey are current, any liens are paid off, and the trust clause is in your filed deed. It will be worth its weight in the long run to care for this now. Contact a trustee for assistance with these matters.

THE UNITED METHODIST FRONTIER FOUNDATION, INC.

Rev. Dr. Keith A. Muhleman, President and Chief Executive Officer

101. 2012 was another tumultuous year for natural disasters such as hurricanes, drought, flooding and hunger along with human disasters from war and general avarice. Even if you are not a proponent of global warming, you must notice that climate changes dominate our socio-economic geo-political settings throughout the world. The financial markets responded with ups and downs leading off with a strong beginning first quarter and a great ending quarter but a flat to depressed center of six months. Despite this ebb and flow, the funds of UMFF finished the year in positive territory.
102. The UMFF currently manages funds for nearly 500 churches and institutions throughout New York and western Connecticut. In 2012 churches and conferences placed new accounts totaling \$1,110,991. We paid out nearly \$2,370,000 to churches and conferences for their use in ministry and capital projects including roof repairs and boiler replacement. At year-end the Foundation was managing over \$30.25 million for ministries and individual trusts. Individual charitable gift annuities managed for UMFF at year end totaled over \$650,000.
103. In early December of 2012, the successful 30-year Integrity in Pensions Program was closed with the return to more than 90 churches the lump sum Option IV investment they made to pay off the past pension debt incurred when the new pension program for clergy was created in 1982. The total was \$1.1 million. This money was used to pay the debt annually for those churches, keeping the principle intact to be distributed back to the churches this year. These funds were returned to churches with the gratitude of the conference and the Board of Pensions.
104. We currently utilize the professional fund management services of John G. Ullman and Associates in Corning, New York. All our investments are socially screened to comply with the United Methodist Social Principles by following the guidelines set by the General Board of Pension and Health Benefits. We continue to support the General Board of Pension and Health Benefits in its advocacy with those corporations constructively involved in the Middle East and encourage the efforts of the General Board in seeking peace and justice in that region.
105. The UM Frontier Foundation continues to work with local churches to raise capital funds with long- and short-term programs for needed repairs, renovations and expansion of facilities. We assist them with stewardship planning for annual campaigns, planned-giving seminars and endowment development. This work is provided by our executive director and our very able and knowledgeable team of consultants. These individuals are the first line of contact with local churches. We are indebted to the ministry they carry out for the Frontier Foundation. Our serving consultants include: Ms. Susan Ezrati, Rev. Fred Kelsey, Ms. Heather Brown, Mr. Joe Andreana, Rev. Vernon Lee, Ms. Margaret Howe, Mr. Lum Lee, Mr. Tom Nichols, Rev. David Nicholls, Mr. Ed Ruppman, Rev. Bob Knebel and Mr. Ronald Salyer.
106. A major focus of our ministry is to develop stewardship leaders and create a stewardship culture in the local church. We encourage individual financial responsibility with our Stewardship in Action Program (now "Sower: Seeds of Faith and Finance") led by Ed Ruppman and other consultants. This program helps local church members understand their current finances and their options for planning for the future while embracing Christian values. We participate

also in the seminars offered in district settings and in local churches dealing with annual campaigns, memorial funds, endowment development and the promotion of planned giving. We also participated with the Board of Ordained Ministry in the mandatory annual pastoral education program regarding local church stewardship and personal finance. This three-day event for new clergy has been joined by tax seminars for all clergy.

107. Our ministry to the church is important to us. Nearly all of the services we provide to local churches and individuals are provided at no charge. Although we cannot provide legal or accounting services, we help individuals get ready to speak with their own advisors and then work with those advisors to put in place the plans the individuals want to set up.
108. For local churches, we provide stewardship consultation when we evaluate what they are doing financially and make recommendations for changes, including creative and successful ways to conduct their annual campaign and developing alternative income streams. We offer an initial conversation about getting ready for a capital campaign and provide a fee-related proposal for services for the church to consider. We meet with the financial leadership of a church to help them set up an endowment program. We offer seminars on planned giving and preach in local churches in conjunction with the planned giving and stewardship issues.
109. Ministry costs money, and that is true of the work of the United Methodist Frontier Foundation. We receive a small stewardship consulting payment from the conference. We charge our account partners only 1.25% per year for funds that we manage up to \$250,000 and 1% for any amount over that cumulative total. There are no processing fees or transaction fees charged to our partners nor is there normally a delay in the payout of requested funds. We conduct annual and capital campaigns for a negotiated fee, not a percentage of the monies raised.
110. Our office is staffed by Ms. Sally Evans, our office manager who performs data entry on our accounting system for funds we manage for two conferences, three districts, and five hundred churches. Mr. Charles Rhuda, our accountant, balances our books and ensures we operate in compliance with Generally Accepted Accounting Principles.
111. Members of the Board of Directors are the backbone of the United Methodist Frontier Foundation. Their enthusiastic participation and involvement guides our ministry and provides the stability required to keep the UM Frontier Foundation steady.
112. It is my privilege to be the chief executive officer and president of the United Methodist Frontier Foundation. I look forward to the future of our ministry together that as Christians we use the gifts God has placed in our keeping to find new ways to serve and make disciples in the world.

CORPORATE RESOLUTIONS

2013 NYAC RESOLUTION A – RESOLUTION FOR THE DISCONTINUATION OF A LOCAL CHURCH: EMBURY UNITED METHODIST CHURCH

NYAC conference session: adopted in plenary session

WHEREAS the Embury United Methodist Church of Queens Village, in the borough of Queens of the State of New York, was founded in 1924 and has had a long and proud history, and

WHEREAS because of the interest of 100 families who were interested in starting an English Methodist Church, a survey was conducted for the German Methodist conference and in 1924, the church known as Queens Evangelical Church, located at 91st Avenue and 213th Street, was incorporated, and In 1925 Rev. William H Stewart became the first pastor , and

WHEREAS in 1926 the Church was incorporated as The First Methodist Episcopal Church of Queens Village, and in 1949, the name Embury was included in the church's name, and

WHEREAS Embury had experienced new growth post World War II, but because of changes in demographics, there was a reversal of growth, and during the years 1993 – 2001, the growth and development declined, and

WHEREAS after exhaustive efforts to revive the vitality of the church, members agreed that they can no longer continue as a church. This lack of vitality is marked not only by a greatly diminished membership, low attendance , and a lack of interest in activities focused on building up the body of Christ, and

WHEREAS Rev. Kenny Yi, district superintendent, has met with and guided the congregation of Embury United Methodist Church, and has assessed the potential of Embury United Methodist Church, including the past, present and potential ministry of the local church, and

WHEREAS Rev. Kenny Yi, district superintendent, has determined that Embury United Methodist Church no longer serves the purpose for which it was organized, as a vital congregation, and has recommended that Embury United Methodist Church be discontinued pursuant to the provisions of *The Book of Discipline of The United Methodist Church*, and

WHEREAS the Charge Conference of Embury United Methodist Church voted unanimously on October 12, 2012 to discontinue the church, and

WHEREAS Rev. Kenny Yi, district superintendent, has recommended that upon discontinuation, all real and personal property of Embury United Methodist Church be transferred to the Annual Conference, to be sold and the net proceeds of such sale be disposed of in accordance with the 2010 Conference Resolution for disposition of proceeds of discontinued or abandoned property, and

WHEREAS Rev. Kenny Yi, district superintendent, has recommended that the membership of Embury United Methodist Church be transferred to other United Methodist churches as the individual members select, and

WHEREAS the bishop, a majority of the district superintendents, and the Long Island West District Board of Church Location and Building met on April 5th 2013 and have all duly resolved and unanimously consented to Rev. Kenny Yi's recommendations

with respect to the discontinuation of Embury United Methodist Church, the future use of the real and personal property and the transfer of membership.

THEREFORE BE IT RESOLVED that Embury United Methodist Church be and hereby is discontinued effective as of July 1, 2013, and

IT IS FURTHER RESOLVED that all real and personal property of Embury United Methodist Church be and hereby is transferred to the New York Annual Conference, which may hold, lease, or sell the properties, and the net proceeds of any sale shall be allocated in accordance with the Conference Resolution for disposition of proceeds of discontinued or abandoned property as in effect on July 1, 2013, and

BE IT FURTHER RESOLVED that the membership of Embury United Methodist Church be transferred to other United Methodist Churches as the individual members select.

2013 NYAC RESOLUTION B – PROCEEDS FROM SALE OF DISCONTINUED AND ABANDONED PROPERTY

NYAC conference session: adopted as amended in plenary session

WHEREAS *The 2012 Book of Discipline* in paragraph 2549 gives guidance to an annual conference in managing discontinued and abandoned local church property, and

WHEREAS paragraph 2549.7 of *The Book of Discipline* provides guidance on the distribution of sales proceeds to an annual conference if the property sold is in an urban center of greater than 50,000 people, and

WHEREAS the distribution of assets of property in non-urban centers is not specifically addressed by *The Book of Discipline* and previous Conference policies have become outdated, and

WHEREAS the United Methodist City Society holds title to several church properties in New York City, and is the grantor of numerous ecclesiastical mortgages within the metropolitan area, and

WHEREAS churches have often not paid their Shared Ministry Apportionments and/or benefit obligations, and/or the balance remaining for the Integrity in Pension liability, and/or Parish Development Loans and/or United Methodist City Society ecclesiastical mortgages, at the time of discontinuance or abandonment, and

WHEREAS there are costs associated with properties before their sale, including those for property maintenance and operation that are presently borne by the annual conference.

THEREFORE BE IT RESOLVED that accumulated expenses borne by the Annual Conference, related to the maintenance, operation and selling activities of said property, will be fully repaid to the Annual Conference prior to the distribution of the proceeds of the sale of properties, unless the Cabinet, Board of Trustees, and Committee on Finance and Administration agree otherwise, and

BE IT FURTHER RESOLVED that in the case of sale of properties which have ecclesiastical mortgages with the United Methodist City Society, those mortgages will be fully repaid prior to any other distribution of the proceeds of the sale of properties, and

BE IT FURTHER RESOLVED that in the case of sale of any church property with any outstanding Parish Development loans, those loans will be fully repaid prior to the distribution of sales proceeds, unless the Parish Development Committee, Board of Trustees, Committee on Finance and Administration, and the Cabinet agree otherwise, and

BE IT FURTHER RESOLVED that in the case of sale of any church property with any outstanding Integrity in Pension obligations, those obligations will be fully repaid prior to the distribution of sales proceeds, unless the Board of Pensions and Health Benefits, Board of Trustees, Committee on Finance and Administration, and the Cabinet agree otherwise, and

BE IT FURTHER RESOLVED that in the case of sale of any church property with any outstanding Shared Ministry Apportionments and/or benefit obligations for up to two calendar years prior to the year of closing and extending to the completion of that calendar year, those obligations will be fully paid prior to the further distribution of sales proceeds, unless the Committee on Finance and Administration, Board of Trustees, and the Cabinet agree otherwise, and

BE IT FURTHER RESOLVED that once all previously noted obligations have been fulfilled, the net proceeds from the sale not affected by paragraph 2549.7 or restricted by other covenants will be divided as follows:

40% to the New Church Growth and Development Fund for new church starts or expansion of local church ministries or expansion of annual conference ministries to be invested and managed by the Parish Development Committee in consultation with the Cabinet and provided that money spent for ministry needs is subject to the normal budget process through the Committee on Finance and Administration, and provided that money spent for capital needs is subject to the approval of the appropriate Board of Trustees, and

40% to be invested in a special fund to be used by the Conference Parish Development Committee in consultation with the Cabinet, with special consideration given to the district within which the property is sold, for special capital or ministry needs within the districts of the annual conference, provided that money spent for ministry needs is subject to the budget process through the Committee on Finance and Administration, and provided that money spent for capital needs is subject to the approval of the appropriate Board of Trustees, and

20% to the NYAC Board of Trustees to be invested in a fund from which Board of Trustees capital expenses, not provided for in the annual conference budget, may be expended through the appropriate approval process, and

BE IT FURTHER RESOLVED that in the event that the proceeds of a discontinued or abandoned church are not sufficient to satisfy all of the obligations listed, the obligations will be satisfied sequentially in the order listed, unless the Cabinet, Committee on Finance and Administration, Board of Trustees, (when applicable) the Parish Development and United Methodist City Society agree otherwise, and

BE IT FURTHER RESOLVED that the distribution of proceeds as adopted in this resolution will apply to all discontinued or abandoned properties effective with the 2013 Annual Conference and following and is not applicable for properties that were closed or sold prior to that date.

Signed by: NYAC Board of Trustees

2013 NYAC RESOLUTION C – POLICY FOR PASTORAL MOVING EXPENSES

NYAC conference session: adopted in plenary session

A. Active Clergy¹:

- It is the responsibility of the Staff-Parish (Pastor Parish) Relations Committee (the “Committee”) of the receiving church(es) to obtain at least two bids from professional licensed moving companies. While this responsibility may be delegated to the pastor, **it is the Committee that must approve the fees and sign the moving contract.** Two stops (parsonage and church) may be included at either or both ends when necessary. If the church and/or pastor are conducting the move by renting a truck and other equipment, no bids are necessary.
- The receiving church(es) shall have a maximum obligation of up to \$5,500 (pro-rated for more than one receiving church) for each pastoral move. Costs that exceed this amount are to be borne by the pastor. When a pastor is moving to two or more churches, each church shall pay a pro-rata share of costs defined by the pastor’s percentage appointment to the church divided by the pastor’s total appointment percentage (unless otherwise negotiated by the receiving churches and/or district superintendent). See examples below. The cost of moves from outside the boundaries of the conference will be negotiated among the parties as facilitated by the district superintendent.
- Charges for packing and unpacking are to be borne by the pastor. However, each pastor may submit a bill for and be reimbursed up to \$200 (amount to be included in the \$5,500 maximum noted above) for the costs of packing materials including the cost of having fragile items (e.g., dishes) packed professionally, if desired. Such costs are to be reimbursed based upon the methodology stated above. Exceptions are permitted only if both the church and pastor agree.
- Each church that incurs move costs for the same position may apply for reimbursement from the Conference based upon the following schedule. The Conference will not provide reimbursement for food or lodging.

Time period from last move for same clergy position:

1. One year or less: 100% reimbursement of actual costs
2. Two years or less: 75% reimbursement of actual costs
3. Three years or less: 50% reimbursement of actual costs
4. Four years or less: 25% reimbursement of actual costs
5. More than four years: \$750 or actual costs, whichever is less

The district superintendent of the receiving church(es) is responsible for resolving any disagreements that may arise with regard to the amount of, or allocation of moving costs.

Churches are strongly urged to budget annually for or establish escrow funds to provide for pastoral moves.

B. Retiring Clergy:

Full-time pastors entering the retiree relationship or going on incapacity leave are entitled to a one-time move grant of the lesser of: a) \$1,500 or b) the actual

¹ Applies to both active clergy and retired clergy that continue to serve.

cost of the move. Married clergy will be eligible for only one grant unless they are moving from two separate residences based upon two separate appointments.

C. Reimbursements

No grants will be issued in advance of the move or without supporting documentation.

To receive reimbursement for move costs, a cover letter and supporting documentation should be mailed to: New York Annual Conference, **Attn: Accounts Payable**, 20 Soundview Ave, White Plains, NY 10606

D. Examples:

Example 1: Pastor is appointed 50% to Church “A” and 50% to Church “B” and incurs costs of \$6,000.

- *Both Church “A” and “B” pay 50% of the \$5,500 limit or \$2,750 (50% calculated as 50% appointment divided by 100% total appointment).*
- *The pastor is responsible for incurring the excess of \$500 over the limit.*
- *Both churches apply to the Conference for their share of reimbursement depending upon schedule in “A” above.*

Example 2: Pastor is appointed 50% to Church “A” and 25% to Church “B” and incurs costs of \$6,000.

- *Church “A” pays 67% of the \$5,500 limit or \$3,685 (67% calculated as 50% appointment divided by 75% total appointment)*
- *Church “B” pays 33% of the \$5,500 limit or \$1,815 (33% calculated as 25% appointment divided by 75% total appointment)*
- *Pastor pays excess of \$500 over \$5,500 limit.*
- *Both churches apply to the conference for their share of reimbursement depending upon schedule in “A” above.*

E. Effective Date:

This resolution applies to appointment changes or retirements that are announced after the June 2013 Annual Conference.

2013 NYAC RESOLUTION D – FOR THE TRANSFER OF TITLE OF 48 ST. MARK’S PLACE, NEW YORK, NY TO BROKENBUILDERS UNITED METHODIST CHURCH

NYAC conference session: adopted in plenary session

WHEREAS title to the property located at 48 St. Mark’s Place, New York, NY 10003, was acquired in 1900 by the former First German United Methodist Church, formerly known as the First German Methodist Episcopal Church as part of the German Conference of the Methodist Church to provide ministry and mission to German Americans on the Lower East Side, and

WHEREAS, in 1943, the East German Annual Conference was dissolved and the First German Methodist Church was transferred to the New York Annual Conference which assumed judicatory jurisdiction over the property of what became known as the First German United Methodist Church, and

WHEREAS, in 1975, the First German United Methodist Church was declared abandoned by the New York Annual Conference with the provision that, “The property at St. Mark’s Place to be turned over to the Conference Trustees with the understanding

that it will not be disposed of until it is determined that it will not be required for church work as approved by the Metropolitan District Board of Church Locations and Buildings. When it shall no longer be required for church use the building shall be sold or leased and the net proceeds divided 50% to the Pension Fund and 50% to be added to the ‘German Church Fund,’” and

WHEREAS the Church of All Nations, having begun on Second Avenue in 1905 under the ministry of the New York City Mission Society had English, Chinese, Italian, and Russian congregations through its first 20 years of existence. At the site at 9 Second Avenue a large complex included a gym, assembly hall, classrooms, dorms, swimming pool, and a rooftop playground. There was a medical clinic, a vocational school, and great ministry to the community. During the Depression, government food tickets were handed out in the church’s halls. As the neighborhood changed the City of New York acquired the property through the process of eminent domain to build a housing complex that was never built. As the neighborhood changed the congregations changed, the church declined. In 1975, the church—by then it had become two congregations, English and Hispanic—moved to the former First German Methodist Church building at 48 St. Mark’s Place in the East Village. In the early 1980s the English congregation ceased to exist, and

WHEREAS the Church of All Nations provided ministry to the Hispanic community on the Lower East Side when in 2005, a merger took place between three United Methodist churches in the Village—Church of All Nations, Washington Square, and Metropolitan Duane—to form the Church of the Village, located in the former Metropolitan-Duane Church on 13th Street at Seventh Avenue. The Church of the Village continued the Hispanic Ministry at 48 St. Mark’s Place and used the building to house an associate pastor,

WHEREAS by letter dated November 13, 2012, the Church of the Village informed the Conference Trustees that it no longer wished to continue its ministry at and responsibility for the property, and

WHEREAS BrokenBuilders United Methodist Church is a faith community based in New York City, dedicated to reaching out to young multiethnic, multicultural population, inviting them to experience redemption, salvation, healing, and restoration by the grace of God, making them disciples of Jesus Christ, and strengthening the community in which they can start and continue on their faith journey in intimate relationship with the Holy Spirit and the fellow believers. It has been renting worship, meeting and office space, and has determined that the 48 St. Mark’s property will be suitable for its purposes of growing and serving its members and the community, and

WHEREAS the resident bishop, a majority of the district superintendents and the Metropolitan District Board of Church Location and Building have consented to the transfer of title to the property at 48 St. Mark’s property to BrokenBuilders United Methodist Church.

NOW THEREFORE, BE IT RESOLVED that the 214th session of the New York Annual Conference of The United Methodist Church, the corporate body which is the successor by abandonment of the extinct church known as First German United Methodist Church, does hereby authorize and direct its Trustees to transfer title to the 48 St. Mark’s property to BrokenBuilders United Methodist Church with the restriction that should BrokenBuilders United Methodist Church cease to be affiliated with the New York Annual Conference or in the event of transfer of title, the property will revert to the Trustees of the New York Annual Conference.

2013 NYAC RESOLUTION E – FOR THE AUTHORIZATION OF A LOAN FOR QUINIPET

NYAC conference session: adopted as amended in plenary session

WHEREAS the forceful effects of Hurricane Sandy in October, 2012, has caused significant damage to the bulkhead protecting our lands at Camp Quinipet. Large sections of the 1,750 foot wooden bulkhead were washed away during the storm as were measurable sections of land along with it, and

WHEREAS Quinipet Director Greg Nissen, in communication with the Camping and Retreat Governing Board, has completed extensive research on the options available to address this issue. His findings have been centered on the greatest opportunity and ability to finance the repair work needed and settled upon with the Small Business Administration (SBA) as recommended by FEMA in conjunction with their work in recovery after the storm.

THEREFORE BE IT RESOLVED that the New York Annual Conference Board of Trustees be authorized to accept a loan from the Small Business Administration for the sole purpose of repairing and rebuilding the Quinipet bulkhead and the land behind it in an amount not to exceed \$500,000 secured by the lands and buildings of Quinipet Camp and Retreat Center located at 99 Shore Road, Shelter Island Heights, NY 11965, with such terms and conditions as the Trustees shall consider necessary and appropriate, and

BE IT FURTHER RESOLVED that any two of the officers of the New York Annual Conference Board of Trustees be authorized to execute the loan agreements and all related instruments necessary and convenient to enter into such loan agreement.



GENERAL CONFERENCE – PROPOSED CONSTITUTIONAL AMENDMENTS

All four proposed Constitutional Amendments from the General Conference were passed during the conference session with over 400 votes for each.

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.
-

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 IV*, (2012 *Book of Discipline*, Division Two, Section VII, ¶ 40, *Article IV*) 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.