



**California-Nevada Annual Conference
The United Methodist Church
2019 Annual Conference Session
Recommendations, Resolutions, and Petitions
Compilation 1 — May 15, 2019**

Item #	Title	Pages
1	2020 Budget Recommendation	2-4
2	Committee on Nominations and Connectional Leadership Development Recommendation (Pending)	
3	Recommendation for Discontinuation of the Community United Methodist Church in Isleton, CA	5-6
4	(Pending)	
5	Recommendation Regarding Disposition of Local Church Owned Property (Standing Rule Change)	7-8
6	Recommendation for 2020 Retiree Health Insurance (Standing Rule Change)	9-11
7	Recommendation for 2020 'Past-Service' (Pre-1982 Service) Pension Rate	12
8	Recommendation for 2020 Retired Clergy Rental Housing Exclusion	13-14
9	Recommendation for Lodi First United Methodist Church Historic Site Designation	15
10	Recommendation to Approve Restated Articles of Incorporation for California-Nevada Methodist Homes	16-17
11	Recommendation to Approve Restated By-laws for California-Nevada Methodist Homes	18-21
12	Recommendation on Creation of a California-Nevada Structural Change Task Force	22
13	Standing Rules Changes (Pending)	
14	Recommendation for a New Samoan Church Start (Pending)	
15	Recommendation on Conference Committee on Nominations Listing (Pending)	23
16	Recommendation for New Fijian Church Starts (Pending)	
17	Resolution on Building Faith Communities of Hospitality and Understanding	24
18	Resolution on Rejection of the Traditional Plan and Reaffirmation of Our Inclusive Tradition	25
19	Resolution Asking Governor Gavin Newsom for Pardons for Non-Violent Drug Offenders	26-27
20	Resolution on The Least of These: Speaking Up for the Children of Gaza	28-29
21	Resolution of Thanks to Governor Gavin Newsom for Moratorium on Death Penalty	30-31
22	Resolution Towards Ending Child Incarceration Through Support for the Rights of Children	32-34
23	Resolution on Full Communion with The Episcopal Church	35-36
24	Resolution on Redirecting General Church Apportionments	37
25	Resolution on the Rights of Licensed Local Pastors and Commissioned Provisional Elders	38

2020 Budget Recommendation

Submitted by: Council on Finance and Administration

Number of Members: 12

Members present when voting: 9

Members voting for: 9

Members voting against: 0

Members abstaining: 0

Date adopted: April 23, 2019

Contact person: Diane Knudsen, Executive Director of Finance and Administration dianek@calnevumc.org

Recommendation:

- 1 The Council on Finance and Administration (the Council) recommends a 2020 tithe budget of \$6,000,000
- 2 (Column D). The total budget is below the congregational tithing base referenced as a maximum budget
- 3 amount in Standing Rule VI.D.5. The Council also presents information on planned use of designated funds
- 4 and other income (Column E) for a greater understanding of the context for the tithe budget recommendation.
- 5 The "other sources of funding" are denoted by a letter referencing a footnote at the bottom of the document.

Background:

The tithe budget of \$6,000,000 represents an estimate of 2020 tithe collections. The budgeted total for General and Jurisdictional Apportionments (line 114) of \$2,015,891 is the total of all apportionments assigned to the California-Nevada Annual Conference, as listed below:

World Service Fund	1,010,014
Ministerial Education Fund	341,136
Episcopal Fund	299,106
Black College Fund	136,076
General Administration Fund	119,931
Africa University	30,453
Interdenominational Cooperation Fund	26,679
Western Jurisdiction Operating Fund	52,496
Total: General and Jurisdictional Apportionments	\$ 2,015,891

The 2020 budget includes a staff cost of living increase of 3.1% plus a ½ % increase on lay employee salaries for a pooled fund for merit increases. Healthcare premiums are budgeted to increase 12%. The only change in the staff configuration is to move the Executive Director of Leadership Development to a director-level position, resulting in some cost savings in salary and professional expenses.

2020 Budget Recommendation (Column D)

	A	B	C	D	E	F
	2018 Actual Tithe Spending	2019 Tithe Budget	2019 Tithe Spending	2020 Tithe Budget	2020 Funding From Other Sources	Total 2020 Spending
<u>Leadership Development Mission Focus Area</u>						
1 Committee on Lay Leadership Development	4,145	7,010	7,010	19,500	-	19,500
2 CLM Training	-	-	-	-	15,000 A	15,000
3 Committee on Young People's Ministry	16,458	23,249	23,249	30,963	10,537 B	41,500
4 Conference Board of Camping & Retreat Ministries	18,600	25,000	25,000	-	35,000 C	35,000
5 Committee on Nominations & Connectional Leadership Dev.	930	2,300	2,300	4,500	-	4,500
6 Other Focus Area Expenses	23,870	10,000	10,000	-	23,500 K	23,500
7 Total: Leadership Development Mission Focus Area	\$ 64,003	\$ 67,559	\$ 67,559	\$ 54,963	\$ 84,037	\$ 139,000
<u>Congregational Development Mission Focus Area</u>						
8 Committee on New and Vital Congregations	30,000	30,000	30,000	-	329,335 D	329,335
9 Committee on Ethnic Ministry and Outreach	9,961	10,000	10,000	-	72,000 E	72,000
10 Committee on Hispanic-Latino Ministries	-	-	-	-	213,000 F	213,000
11 Board of Higher Education and Campus Ministry	74,700	74,700	74,700	68,500	-	68,500
12 Total: Congregational Development Mission Focus Area	\$ 114,661	\$ 114,700	\$ 114,700	\$ 68,500	\$ 614,335	\$ 682,835

2020 Budget Recommendation (Column D)

	A	B	C	D	E	F	
	2018 Actual Tithe Spending	2019 Tithe Budget	2019 Tithe Spending	2020 Tithe Budget	2020 Funding From Other Sources	Total 2020 Spending	
<u>Compassion and Justice Mission Focus Area</u>							
13	Committee on Advocacy and Justice	14,450	17,453	17,453	20,000	-	20,000
14	Compassion and Justice Ministry Action Plan	-	4,005	4,005	14,000	\$ -	14,000
15	Direct Disaster Relief	-	-	-	-	\$ 600,000	H 600,000
16	Committee on Mission Service	4,731	9,542	9,542	10,000	-	10,000
17	Total: Compassion and Justice Mission Focus Area	\$ 19,181	\$ 31,000	\$ 31,000	\$ 44,000	\$ 600,000	\$ 644,000
<u>Partners in Ministry Mission Focus Area</u>							
18	Committee on Christian Unity and Interreligious Concerns	1,034	1,736	1,736	3,000	-	3,000
19	Committee on Reconciliation	-	620	620	1,000	-	1,000
20	Committee on Religion and Race	5,073	5,580	5,580	5,000	-	5,000
21	Committee on the Status and Role of Women	-	3,658	3,658	2,000	-	2,000
22	Total: Partners in Ministry Mission Focus Area	6,107	11,594	11,594	11,000	-	11,000
<u>Conference Staff Salaries</u>							
23	Executive Director of Connectional Ministries *	135,841	160,525	160,525	151,626	-	151,626
24	Director of Leadership Development	150,056	160,366	160,366	147,971	-	147,971
25	Executive Director of Congregational Development *	-	-	-	-	181,329	G 181,329
26	Director of Disaster Response	-	-	-	-	129,335	H 129,335
27	AA for Congregational Development	-	-	-	-	26,857	G 26,857
28	Senior Administrative Assistant	80,373	87,553	87,553	92,047	-	92,047
29	Interim Director of Communications	115,703	127,143	127,143	132,858	-	132,858
30	Communications Associate	92,957	107,437	107,437	98,337	-	98,337
31	Director of Camping/Retreat/Young People's Ministries	129,873	155,424	155,424	148,051	-	148,051
32	Project Coordinator	81,216	86,351	86,351	90,597	-	90,597
33	Database Coordinator	54,130	57,148	57,148	59,206	-	59,206
34	Total: Program Staff	\$ 840,149	\$ 941,947	\$ 941,947	\$ 920,693	\$ 337,521	\$ 1,258,214
35	Los Rios District Superintendent *	162,252	174,178	174,178	154,074	20,000	I 174,074
36	Central Valley District Superintendent *	133,900	142,070	142,070	127,303	20,000	I 147,303
37	Central Valley District AA	28,137	38,120	38,120	39,492	-	39,492
38	El Camino Real District Superintendent *	152,692	174,514	174,514	146,816	20,000	I 166,816
39	El Camino Real District AA	28,811	31,785	31,785	32,929	-	32,929
40	Great Northern District Superintendent *	148,646	160,525	160,525	137,910	20,000	I 157,910
41	Bay District Superintendent *	176,767	179,545	179,545	178,024	20,000	I 198,024
42	Bay District AA	278	48,243	48,243	49,980	-	49,980
43	Los Rios and Great Northern District Administrative Assistant	88,284	86,351	86,351	90,597	-	90,597
44	Bishop's Executive Assistant	124,291	133,673	133,673	48,027	92,000	J 140,027
45	Total: District Superintendents and Support Staff	\$ 1,044,058	\$ 1,169,004	\$ 1,169,004	\$ 1,005,152	\$ 192,000	\$ 1,197,152
46	Executive Director of Finance and Administration *	172,582	181,561	181,561	188,941	-	188,941
47	Facility Manager	99,099	107,219	107,219	98,111	-	98,111
48	Accounting Manager	129,311	137,552	137,552	140,356	-	140,356
49	Bookkeeper	65,558	71,118	71,118	74,815	-	74,815
50	Receptionist	44,432	55,514	55,514	66,221	-	66,221
51	Total: Treasurer and Staff	\$ 510,982	\$ 552,964	\$ 552,964	\$ 568,444	\$ -	\$ 568,444
<u>Professional Expenses</u>							
52	Executive Director of Connectional Ministries	22,693	23,201	23,201	23,201	-	23,201
53	Director of Leadership Development	15,626	23,201	23,201	10,000	-	10,000
54	Executive Director of Congregational Development	116	-	-	-	23,201	G 23,201
55	Director of Disaster Response	-	-	-	-	25,000	H 25,000
56	Senior Administrative Assistant	-	-	-	-	-	-
57	Interim Director of Communications	15,657	10,000	10,000	10,000	-	10,000
58	Communications Associate	-	1,081	1,081	1,081	-	1,081
59	Director of Camping/Retreat/Young People's Ministries	12,242	10,000	10,000	10,000	-	10,000
60	Project Coordinator	83	-	-	-	-	-
61	Database Coordinator	-	-	-	-	-	-
62	Cabinet (Group Expenses Including Recruitment)	19,688	26,000	26,000	21,000	-	21,000
63	Los Rios District Superintendent	18,684	29,587	29,587	29,587	-	29,587
64	Central Valley District Superintendent	28,383	29,587	29,587	29,587	-	29,587
65	El Camino Real District Superintendent	20,850	29,587	29,587	29,587	-	29,587
66	Great Northern District Superintendent	23,082	29,587	29,587	29,587	-	29,587
67	Bay District Superintendent	24,748	29,587	29,587	29,587	-	29,587
68	Incoming District Superintendent	2,759	3,000	3,000	3,000	-	3,000
69	Receptionist	-	-	-	-	-	-
70	Bishop's Executive Assistant	-	-	-	-	-	-
71	Executive Director of Finance and Administration	9,564	9,000	9,000	9,000	-	9,000
72	Facility Manager	1,216	1,500	1,500	1,500	-	1,500
73	Accounting Manager	1,350	1,500	1,500	1,500	-	1,500
74	Bookkeeper	-	-	-	-	-	-
75	Total: Professional Expense	\$ 216,741	\$ 256,418	\$ 256,418	\$ 238,217	\$ 48,201	\$ 286,418
76	Grand Total: Conference Staff	\$ 2,611,930	\$ 2,920,333	\$ 2,920,333	\$ 2,732,506	\$ 577,722	\$ 3,310,228
<u>Clergy and Connectional Resources</u>							
77	Equitable Compensation Commission	253,225	270,000	270,000	275,000	-	275,000
78	Circuit Leader Travel - Los Rios	82	2,000	2,000	-	2,000	L 2,000
79	Circuit Leader Travel - Bay	82	2,000	2,000	-	2,000	L 2,000
80	Circuit Leader Travel - Central Valley	82	2,000	2,000	-	2,000	L 2,000
81	Circuit Leader Travel - El Camino Real	82	2,000	2,000	-	2,000	L 2,000
82	Circuit Leader Travel - Great Northern	82	2,000	2,000	-	2,000	L 2,000
83	Total: Clergy Deployment	\$ 253,635	\$ 280,000	\$ 280,000	\$ 275,000	\$ 10,000	\$ 285,000

2020 Budget Recommendation (Column D)

	A	B	C	D	E	F
	2018 Actual Tithe Spending	2019 Tithe Budget	2019 Tithe Spending	2020 Tithe Budget	2020 Funding From Other Sources	Total 2020 Spending
84 Insurance	135,019	135,000	135,000	87,540	47,460 N	135,000
85 Legal	26,095	15,000	15,000	20,000	200,000 M	220,000
86 Audit	23,047	25,000	25,000	25,000		25,000
87 Total: Insurance, Legal and Audit	\$ 184,161	\$ 175,000	\$ 175,000	\$ 132,540	\$ 247,460	\$ 380,000
88 Program Staff Office	869	4,000	4,000	4,000		4,000
89 Bay District Office	4,000	20,000	20,000	20,000		20,000
90 Central Valley District Office	16,319	20,000	20,000	20,000		20,000
91 El Camino Real District Office	16,496	20,000	20,000	20,000		20,000
92 Los Rios and Great Northern Districts Office	3,292	4,000	4,000	4,000		4,000
93 Treasurer's Office	87,858	92,000	92,000	92,000		92,000
94 Total: Office Costs	\$ 128,834	\$ 160,000	\$ 160,000	\$ 160,000	\$ -	\$ 160,000
95 Facilities	\$ 110,000	\$ 175,000	\$ 175,000	\$ 125,000	\$ 20,000 J	\$ 145,000
96 Clergy Moving Expenses	\$ 138,090	\$ 125,000	\$ 125,000	\$ 120,000		\$ 120,000
97 Annual Conference Session	\$ 104,661	\$ 105,000	\$ 105,000	\$ 110,000		\$ 110,000
98 General and Jurisdictional Conference Costs	\$ 12,000	\$ 12,000	\$ 12,000	\$ -	\$ 15,000 O	\$ 15,000
99 Episcopal Office	40,000	40,000	40,000	40,000		40,000
100 Episcopacy Committee	294	5,000	5,000	2,500		2,500
101 Total: Episcopal Office and Episcopacy Committee	\$ 40,294	\$ 45,000	\$ 45,000	\$ 42,500	\$ -	\$ 42,500
102 Board of Ordained Ministry	\$ 53,647	\$ 73,220	\$ 73,220	\$ 51,600	\$ 30,320 A	\$ 81,920
103 Communications Non-Staff Expenses	\$ 56,048	\$ 60,000	\$ 60,000	\$ 35,000		\$ 35,000
104 Investigation and Judicial Process	\$ 216	\$ 15,000	\$ 15,000	\$ 5,000		\$ 5,000
105 Conference Secretary	57	4,000	4,000	3,000		3,000
106 Conference Journal	1,204	5,000	5,000	1,000		1,000
107 Total: Conference Secretary and Journal	\$ 1,261	\$ 9,000	\$ 9,000	\$ 4,000	\$ -	\$ 4,000
108 HR Team	5,946	5,000	5,000	5,000		5,000
109 Core Team	2,622	7,000	7,000	4,500		4,500
110 Archives and History	631	500	500	500		500
111 Council on Finance and Administration	2,902	2,500	2,500	2,500		2,500
112 Total: Connectional Resource Committees	\$ 12,101	\$ 15,000	\$ 15,000	\$ 12,500	\$ -	\$ 12,500
113 Total Clergy and Connectional Resources	\$ 1,094,948	\$ 1,249,220	\$ 1,249,220	\$ 1,073,140	\$ 322,780	\$ 1,395,920
114 Total General and Jurisdictional Apportionments	\$ 2,099,958	\$ 2,106,594	\$ 1,445,595	\$ 2,015,891	\$ -	\$ 2,015,891
115 Total Spending	\$ 6,010,788	\$ 6,501,000	\$ 5,840,001	\$ 6,000,000	\$ 2,198,874	\$ 8,198,874

* Executive Directors and District Superintendents earn the same salary. Total compensation varies because of differences in housing or healthcare costs.

Funding From Other Sources Footnotes

A	Registrations, Fees or Donations	45,320	A
B	Registration Income, Youth Service Fund, FX West Fund, Confirmation Fund	10,537	B
C	Camp Operating Fund, Fijian Camp and Scholarship Fund	35,000	C
D	New Church Development Fund	329,335	D
E	Ethnic-Minority Congregations Fund	72,000	E
F	Hispanic Ministries Endowment Fund	213,000	F
G	Half-year First St John's Fund; Half-year New Church Development Fund	231,387	G
H	UMCOR Grant and Conference Disaster Relief Fund	754,335	H
I	Trustees: District Parsonage Fund	100,000	I
J	GCFA Grants for Episcopal Office & Housing	112,000	J
K	Core Team Reserve	23,500	K
L	District Funds	10,000	L
M	Trustees: Hamilton SF Parsonage Fund	200,000	M
N	Earnings from Unit Insurance Fund	47,460	N
O	Reserve for the Delegation	15,000	O
	Total Funding from Other Sources	\$ 2,198,874	

Recommendation for Discontinuation of the Community United Methodist Church in Isleton, CA

Submitted by: The Cabinet

Number of Members: 6

Members present when voting: 6

Members voting for: 6

Members voting against: 0

Members abstaining: 0

Date adopted: May 3, 2019

Contact person: Debra Brady, Central Valley District Superintendent

Fiscal Impact: There is no projected expense to the Annual Conference. The net proceeds of sale will benefit some conference committees in accordance with Standing Rule IX.E.

Parliamentary Procedure in Plenary Session Pending Suspension of Standing Rule I.C.5.a.

Recommendation:

1 Be it resolved as follows that:

- 2 1. In accordance with the provision of *The Book of Discipline* (2016) ¶2549.2, the Community United
3 Methodist Church in Isleton, CA be discontinued effective June 30, 2019, and the title to all the real and
4 personal, tangible and intangible property of the local church shall immediately vest in the Annual
5 Conference Board of Trustees.
- 6 2. The net proceeds of sale will be distributed according to Standing Rule IX.E.
- 7 3. The remaining Community United Methodist Church membership and all membership records shall be
8 transferred to the Galt United Methodist Church.
- 9 4. All relevant, current and historic records of the congregation shall be deposited with the Galt United
10 Methodist Church in consultation with the Conference Commission on Archives and History.

Background:

The Community United Methodist Church in Isleton was organized in 1875. It has been the only protestant place for worship in the town of Isleton, California (population 804). Isleton is located on Andrus Island amid the slough wetlands of the Sacramento-San Joaquin River Delta, on the eastern edge of the Rio Vista Gas Field. As canneries folded in this agriculture region the population started to decline. Its economy was badly hit by the recession of 2007. In 2012 the city lost its police department even though the community has many social needs. The church has been a vital part of the community and is strategically located at the center of Isleton.

Since 2010, the church has been supplied by volunteer Certified Lay Ministers and Certified Lay Speakers under the supervision of Retired Elders. For the past year, four members of this church have gathered weekly for worship. There are three active members at the present time. The congregation is unable to raise enough funds to meet basic operational needs of the property.

The following steps were taken in the discernment and approval process:

- 1. On September 5, 2018, District Superintendent Debra Brady convened a ¶213 Committee chaired by Rev. Dr. George Edd-Bennett to explore the ministry potential of the congregation and make recommendations.

2. On December 18, 2018, the ¶213 Committee presented their recommendation to the District Superintendent and Community UMC members that the congregation be discontinued, and all property and assets sold.
3. On January 18, 2019, the ¶213 report was presented to the Cabinet. The Cabinet voted unanimously to approve the recommendation to discontinue the congregation and sell the property.
4. On February 20, 2019, the ¶213 report and Cabinet decision were presented to the Central Valley District Board of Church Location and Building. The Board approved the sale of all assets.
5. On March 17, 2019, District Superintendent Debra Brady met with the Community UMC members and Galt UMC Pastor Norm Mowery to communicate the decision to discontinue the congregation and outline the process steps.
6. The final worship service will be conducted on June 30, 2019.

**Recommendation Regarding Disposition of Local Church Owned Property
Change in Standing Rules Division IX. (2018 Journal, pages 289-290)**

Submitted by: Extended Cabinet

Number of Members: 10

Members present when voting: 9

Members voting for: 9

Members voting against: 0

Members abstaining: 0

Date adopted: April 10, 2019

Contact person: Craig S. Brown, Executive Director of Congregational Development; craigb@calnevumc.org

Fiscal Impact: As Listed in Rules Change

Parliamentary Procedure in Plenary Session Pending Suspension of Standing Rule I.C.5.a.

Recommendation:

1 Replace the current Standing Rule, Division IX. E. (2018 Journal, pages 289-290):

2 ~~**E. Disposition of Local Church Property**~~

3 ~~Due to many unfunded years of those in the previous entrants' pension program and the under-funding of~~
 4 ~~pension plans administered by the United Methodist Church, it has become necessary to protect the~~
 5 ~~accrued pension interests. To do this, every Superintendent shall refuse permission to sell, abandon,~~
 6 ~~merge or otherwise discontinue a local church property ("Disposition" in this paragraph) without~~
 7 ~~consultation with the Board of Pensions; and as part of any Disposition funds shall be held or transferred to~~
 8 ~~the unfunded years and underfunded years of all pastors who served that particular church. Additionally,~~
 9 ~~any unreimbursed health care premiums or other benefit costs, with interest thereon, provided by the Board~~
 10 ~~of Pensions and incurred by clergy or lay employees of a local church or other entity shall be transferred to~~
 11 ~~the Board of Pensions from the Disposition proceeds.~~

12 With the following proposed Standing Rule, Division IX. E.:

13 **E. Disposition of Local Church Owned Property**

14 According to ¶2549 of *The Book of Discipline* (2016), "If the annual conference closes a local church, title
 15 to all the real and personal, tangible and intangible property of the local church shall immediately vest in
 16 the annual conference board of trustees, who shall hold said property in trust for the benefit of the annual
 17 conference." (¶2549.2.b)

18 Pursuant to the provisions of ¶2549 of *The Book of Discipline* (2016), the resolution of discontinuance
 19 considered by the annual conference for any local church or charge shall include a determination of the
 20 assets from the discontinued charge after any and all outstanding financial liabilities and/or obligations are
 21 resolved, and including any and all anticipated proceeds from the sale of "real and personal, tangible and
 22 intangible property of the local church" (¶2549.2.b).

23 **Provision #1 – Pension & Health Benefit Liability**

24 Unfunded or underfunded pension or health benefits liabilities incurred by the local church or charge
 25 throughout its history shall be paid to the annual conference Board of Pensions. Furthermore, pursuant to
 26 ¶1504 of *The Book of Discipline* (2016) amended, The Conference Board of Pensions shall compute and
 27 collect that church's "pro rata share of any aggregate unfunded pension obligation to the annual
 28 conference." If a local church is merged with another congregation by the provision of ¶2546 of *The Book*

1 of Discipline (2016), the surviving corporate entity inherits all liabilities of the merged churches including
2 unfunded pension and health benefits obligations.

3 **Provision #2 – Conference Tithe**

4 Provision shall be made for the remittance of all arrearage, if any, of the local church’s tithe to the Annual
5 Conference for the five years prior to its discontinuance. All such funds shall be used for the payment of
6 General and Jurisdictional Church apportionments.

7 **Provision #3 – Congregational Vitality & Mission**

8 After all debts, liens, encumbrances, and other liabilities are paid-in-full, the remaining proceeds shall be
9 subject to the language of the resolution of discontinuance or closure which must include a provision for
10 ¶2549.7 of *The Book of Discipline* (2016). Any resolution of discontinuance or closure shall include the
11 following regarding the remaining assets both “real and personal, tangible and intangible”:

- 12 1. An allocation of 10% to the Committee for New and Vital Congregations for the immediate development
13 of new ministries in new and existing locations.
- 14 2. An allocation of 40% to one of two Conference Congregational Development Endowment Funds.
- 15 3. An allocation of 30% to the District Union (or its equivalent) of the district in which the discontinued
16 charge was located.
- 17 4. An allocation of 10% to the Core Team for use in funding strategic ministry initiatives for the annual
18 conference.
- 19 5. An allocation of 10% to the Appointive Cabinet for use in funding appointments strategic for the annual
20 conference.
- 21 6. Any balance of assets remaining after these allocations shall be used for purposes consistent with the
22 mission of The United Methodist Church and state law.

23 The annual conference shall maintain two endowment funds managed by the California-Nevada United
24 Methodist Foundation for the use of the 40% Endowment allocation. The first fund shall be an “Urban
25 Congregational Development Endowment Fund” and the second shall be called a “Congregational
26 Development Endowment Fund.” Should the assets of a discontinued local church or charge which was
27 located in an urban center larger than 50,000 people, the proceeds shall be designated for the “Urban
28 Congregational Development Endowment Fund” in keeping with ¶2549.7 in *The Book of Discipline* (2016).
29 Any funds not subject to ¶2549.7 shall be designated for the “Congregational Development Endowment
30 Fund.” The Annual Conference Committee on New and Vital Congregations, or its successor entity, in
31 consultation with the Appointive Cabinet shall govern the use of both endowed funds.

**Recommendation for 2020 Retiree Health Insurance
Change in Standing Rules Division VIII. (2018 Journal, pages 283-285)**

Submitted by: Conference Board of Pensions

Number of Members: 12

Members present when voting: 8

Members voting for: 8

Members voting against: 0

Members abstaining: 0

Date adopted: March 20, 2019

Contact person: Paul Extrum-Fernandez, Executive Officer, Board of Pensions

Fiscal Impact: Supports addition of Individual Health Insurance Plans for eligible retirees

Parliamentary Procedure

Recommendation:

1 Amend the conference Standing Rules, Division VIII. Pensions and Benefit Programs, section E. Medical
2 Benefits Programs, found on pages 283-285 of the 2018 Journal, as follows:

3 **E. Medical Benefits Programs**

4 1. Health Care Program for Eligible Retirees, Dependents and Survivors:

5 a. Eligibility: The following persons shall be eligible for enrollment in the Retiree Health Care Program
6 of the Conference, provided that:

7 (1) Enrollment is completed in accordance with any "new eligibility" provisions of the plan,

8 (2) Any proof of insurability requirements are met,

9 (3) Any required premium payments are remitted in a timely manner:

10 (a) Elders, Deacons and Associate Conference Members who have who have been granted
11 the retired relationship from this Conference, provided that they are receiving a pension from
12 the United Methodist Church,

13 (b) Those recognized by Conference action as Retired Local Pastors, provided that they are
14 receiving a pension from the Church, and provided that they served under fulltime
15 Episcopal appointment for not less than five consecutive years immediately preceding their
16 recognition as a Retired Local pastor.

17 (c) Those recognized by Conference employing agencies as Retired Lay Employees,
18 provided that they are receiving an employer-paid pension from the Church, and provided
19 that they were employed full-time for not less than five consecutive years immediately
20 preceding their recognition as a Retired Lay Employee.

21 (d) Retiring full time lay employees of Conference related agencies may become eligible for
22 enrollment by specific approval of the Conference Board of Pensions. In such cases, the
23 employing agency shall be responsible for remittance of the full cost of any such
24 coverage

25 elected.

26 (e) Surviving spouses and surviving dependents of enrollees who retired or died while
27 members

28 of this Conference, provided that the survivors were enrolled as dependents in the
29 Conference health care program at the time of the enrollee's death,

30 (f) All Diaconal Ministers consecrated by or received by transfer into this Annual
31 Conference

32 who: Are 62 years of age or older, have remained employed within the bounds of this
33 Conference until the time of their retirement, and Who have been employed for a period

34 of

1 not less than five consecutive years at the time of their retirement. For all such eligible
2 Diaconal Ministers, the subscriber shall be responsible for remitting the full cost of the
3 coverage.

4 (g) Persons who marry participants after the participant's retirement shall ~~not~~ be eligible for
5 enrollment in this plan. The subscriber shall be responsible for the full cost of the
6 spouse's
7 coverage.

8 b. Benefits: The benefits shall be those specified in the master contract on file in the Conference
9 Board of Pensions office.

10 c. Payment of Premiums:
11 (1) Except as noted above, the ~~Annual Conference~~ Board of Pensions shall provide an annual
12 retiree health care premium subsidy or health reimbursement account for eligible participants,
13 determined by the Board of Pensions and based on available funds administered by the Board
14 of Pensions. The premium subsidy shall not exceed the actual cost of the health care plan.

15 (2) The percentage of ~~Conference payment~~ premium subsidy or health reimbursement account
16 shall be based on the participants' years of service with California-Nevada Conference paid
17 pension contributions ~~for Pre 1982 service, to MPP/CPP or to the Cumulative Pensions and~~
18 ~~Benefit Fund (CPBF).~~ Such payments shall be calculated according to the following schedule,
19 and then reduced by any "Minimum Premium" amount required of participants under Section
20 ~~2(b) herein:~~

Applicable Years of Service	<u>% of Premium Subsidy/HRA</u>
20 or more	100%
19	95%
18	90%
17	85%
16	80%
15	75%
14	70%
13	65%
12	60%
11	55%
10	50%

21 Eligible participants with fewer than ten years of service with the California-Nevada Conference
22 and pension contributions may participate in the program by paying the full cost. A "Retiree
23 Health Care Support Fund" shall be administered by the Board of Pensions. Grants to assist
24 retirees with health care premium payments shall be made from this Fund, subject to funds
25 available and in cases which, in the judgment of the Board of Pensions (or its designated
26 representative) warrant such assistance.

27 ~~(3) Each year, the Board of Pensions shall recommend an amount to the Council on Finance and~~
28 ~~Administration for support of the Conference Retiree Health Care Program, and request that it~~
29 ~~be placed in the Conference budget. To supplement such apportioned funding, after accounting~~
30 ~~for any premiums which may be required of retirees, and accounting for any other appropriate~~

1 funding which may be available, the Board of Pensions is authorized to expend Conference
2 pension reserve funds, as necessary to meet the annual requirements of the program, as
3 described in these Standing Rules. Such expenditures are only authorized to the extent that
4 they are deemed appropriate in conjunction with the long-term pension funding needs of the
5 Annual Conference, and to the extent deemed prudent each fiscal year, following consultation
6 with the Conference Treasurer and CFA.

7 d. The Board of Pensions, in consultation with the cabinet, may approve specific exceptions to these
8 rules in circumstances which, in the judgment of the Board, justify such exceptions.

Background:

The rising cost of health insurance has made group retiree health insurance plans increasingly difficult to maintain. As a result, the Board of Pensions has worked with insurers to provide additional health insurance options outside of our group health insurance program. The changes outlined below allow for the use of health reimbursement accounts for retirees that allows for the purchase of individual retiree health insurance plans approved by the Board of Pensions.

Recommendation for 2020 'Past-Service' (Pre-1982 Service) Pension Rate

Submitted by: Conference Board of Pensions

Number of Members: 12

Members present when voting: 8

Members voting for: 8

Members voting against: 0

Members abstaining: 0

Date adopted: March 20, 2019

Contact person: Paul Extrum-Fernandez, Executive Officer, Board of Pensions

Fiscal Impact: \$0 from the Conference Budget; \$1,133,999 from Board of Pensions reserves

Parliamentary Procedure

Recommendation:

- 1 The Board of Pensions recommends that the Minimum Past Service Pension Rate paid for Pre-1982 service
- 2 during the year 2020 be set at \$903 per year of service. This represents a 1.8% increase over the 2019 rate of
- 3 \$887 per year of service.

Background:

This Past-Service Pension Rate (PSR) recommendation comes to the Annual Conference every year from the Conference Board of Pensions (CBOP), as required by *The Book of Discipline*. It sets the following year's minimum pension amount to be paid (per year of service) to clergy who are already retired, for their years of service in this Conference prior to 1982.

Our Standing Rules (see Division IX. Pension and Benefit Programs C. Parity) encourage parity between all the various pension programs administered by the Conference Board of Pensions. Our present PSR of \$887 is equal to 1.20% of the 2019 CAC of \$73,855. A PSR rate of \$903 in 2020 is equal to 1.20% of the 2020 CAC of \$75,237. The goal is to maintain a 1.20% ratio between the PSR and the CAC. It has been one of the highest UMC pre-82 pension rates in the nation. Also, our retiree health insurance subsidy program provides a significant UMC insurance benefit to retired clergy members of the Conference.

The General Board of Pensions and Health Benefits (GBOPHB) has indicated that our projected unfunded pre-1982 liability was \$4,356,879 on January 1, 2019 and is expected to decrease to \$2,199,932 on January 1, 2020. Our expected payment of \$933,999 (plus \$200,000 for a 1.8% PSR increase if adopted) will be made on 12/31/2020.

There are no funds in the Conference apportionment budget for this program. This program is currently funded from Board of Pension reserve funds (\$14,781,338 as of 12/31/2017). Paragraph 1506.6 of *The Book of Discipline* (2016) reads, in part, "Each annual conference shall develop, adopt and implement a formal comprehensive funding plan or plans for funding all of its benefit obligations..." Additionally, any future liability to either the Ministerial Pension Plan (MPP) program or the current Clergy Retirement Security Program – Defined Benefit (CRSP-DB) pension plan would have a claim against the pension reserve fund.

Recommendation for 2020 Retired Clergy Rental/Housing Exclusion

Submitted by: Conference Board of Pensions

Number of Members: 12

Members present when voting: 8

Members voting for: 8

Members voting against: 0

Members abstaining: 0

Date adopted: March 20, 2019

Contact person: Paul Extrum-Fernandez, Executive Officer, Board of Pensions

Fiscal Impact: Provides a housing allowance exclusion for retired and disabled clergy

Parliamentary Procedure

Recommendation:

1 That an amount equal to 100% of the pension or disability payments received from plans authorized under
 2 *The Book of Discipline of The United Methodist Church* (the “*Discipline*”), which includes all such payments
 3 from Wespath (formerly the General Board of Pension and Health Benefits), during the year 2020 by each
 4 retired or disabled Clergy person who is or was a member of the Conference, or its predecessors, be and
 5 hereby is designated as a rental/housing allowance for each such Clergy person; and

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

Background:

1. The religious denomination known as The United Methodist Church (the “Church”), of which this Conference is a part, has in the past functioned and continues to function through ministers of the gospel (within the meaning of Internal Revenue Code section 107) who were or are duly ordained, commissioned, or licensed ministers of the Church (“Clergy persons”);
2. The practice of the Church and of this Conference was and is to provide active Clergy persons with a parsonage or a rental/housing allowance as part of their gross compensation;
3. Pensions or other amounts paid to retired and disabled Clergy persons are deferred compensation and are paid to retired and disabled Clergy persons in consideration of previous active service; and
4. The Internal Revenue Service has recognized the Conference (or its predecessors) as the appropriate organization to designate a rental/housing allowance for retired and disabled Clergy persons who are or were members of this Conference;

Accompanying Notes:

The rental/housing allowance that may be excluded from a Clergy person's gross income in any year for federal income tax purposes is limited under Internal Revenue Code section 107(2) and regulations thereunder to the least of: (1) the amount of the rental/housing allowance designated by the Clergy person's employer or other appropriate body of the Church (such as this Conference in the foregoing resolutions) for such year; (2) the amount actually expended by the Clergy person to rent or provide a home in such year; or (3) the fair rental value of the home, including furnishings and appurtenances (such as a garage), plus the cost of utilities in such year.

Recommendation for Lodi First United Methodist Church Historic Site Designation

Submitted by: Conference Commission on Archives and History

Number of Members: 3

Members present when voting: 2

Members voting for: 2

Members voting against: 0

Members abstaining: 0

Date adopted: March 8, 2019

Contact person: Stephen Yale

Fiscal Impact: None

Parliamentary Procedure

Recommendation:

- 1 The Commission on Archives and History recommends that the California-Nevada Annual Conference hereby
- 2 designates the First United Methodist Church of Lodi as a Historic Site of this Annual Conference.

Background:

Pastors of our predecessor California Annual Conference of The Methodist Episcopal organized circuits in Calaveras County and San Joaquin County outside of Stockton as early as 1853. By 1869 the people in the community that would become Lodi determined to build their first church and proceeded do so in the following year. The cornerstone of the current church was laid on September 7, 1919; the church and social hall were completed in the following months.

An excellent compendium of the history of the Lodi First United Methodist Church has been deposited in the Archives of the Annual Conference.

**Recommendation to Approve Restated Articles of Incorporation
for California-Nevada Methodist Homes**

Submitted by: California-Nevada Methodist Homes

Number of Members: 9

Members present when voting: 7

Members voting for: 7

Members voting against: 0

Members abstaining: 0

Date adopted: May 2, 2018

Contact Person: Robert E. Hubbard, President and CEO, California-Nevada Methodist Homes

Fiscal Impact: None

Parliamentary Procedure

Recommendation:

1 Approve restating the California-Nevada Methodist Homes (CNMH) Articles of Incorporation as follows:

2 Remove from Article V the statement that upon dissolution of CNMH, the remaining assets after satisfying all
3 debts shall be distributed to a fund, foundation or corporation created by the Conference that has established
4 its tax-exempt status under IRC Section 501(c)(3).

5 Proposed Revision to Article V:

6 The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income
7 or assets of this corporation shall ever inure to the benefit of any trustee, officer, or member thereof or to the
8 benefit of any private person. Upon the liquidation, dissolution, or winding up of the corporation, its assets
9 remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be
10 distributed to a fund, foundation, or corporation ~~created by the California-Nevada Annual Conference of the~~
11 ~~Methodist Church that is established~~ that is organized and operated exclusively for charitable purposes and
12 that has established its tax-exempt status under Section 501(c)(3) of the Code.

13 So that it reads:

14 The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income
15 or assets of this corporation shall ever inure to the benefit of any trustee, officer, or member thereof or to the
16 benefit of any private person. Upon the liquidation, dissolution, or winding up of the corporation, its assets
17 remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be
18 distributed to a fund, foundation, or corporation that is organized and operated exclusively for charitable
19 purposes and that has established its tax-exempt status under Section 501(c)(3) of the Code.

Rationale:

CNMH believes that such clause would restrict CNMH's ability to enter into collaborative relationships and ventures with other organizations in the senior care marketplace. Furthermore, given the Conference's lack of involvement in CNMH's operations, CNMH believes the Conference would have no interest in investing the time and expense of creating, perfecting, obtaining recognition of tax exemption, and maintaining a successor legal entity to take over CNMH's remaining assets, if any.

Background:

Smaller nonprofit senior care organizations, including California-Nevada Methodist Homes (CNMH), are increasingly challenged by competition from for-profit systems and real estate investment trusts (REITs), both of which can raise capital easily, and by large nonprofit systems, which enjoy various economies of scale. As a result, small nonprofit providers need to reposition themselves to remain relevant. They may need to adjust their service model or market, or enter into agreements with third parties such as management agreements, joint services agreements, or affiliation agreements. Whatever option they choose, they must be flexible and amenable to change.

In this changing and challenging environment, many nonprofit senior care providers and their founding denominations are reexamining their historic relationships to assure that they still make sense. Due in part to nondiscrimination laws and in part to market forces, senior care providers are becoming increasingly non-denominational. At the same time, religious organizations are looking with fresh eyes at older relationships, in this case, 64 years old. Increasingly, religious sponsors of senior care organizations, which have little or no senior care expertise or involvement in providers' day-to-day operations, wish to avoid governance control over providers because they risk incurring liability for activities they do not control.

In reviewing its articles of incorporation and bylaws, CNMH noticed provisions that give the Conference control over various aspects of CNMH's governance. CNMH believes these forms of control may no longer be appropriate and may expose the Conference to unnecessary liability.

In addition, CNMH has determined that it is increasingly difficult to find directors with the requisite skills and interest in serving. A small, committed board will best serve CNMH's needs at this time. CNMH therefore recommends that the board size be reduced from "no more than 15 directors" to "no fewer than two and no more than five trustees plus the Resident Trustee." This additional change was recommended and voted on in February 2019.

Recommendation to Approve Restated By-laws for California-Nevada Methodist Homes

Submitted by: California-Nevada Methodist Homes

Number of Members: 8

Members present when voting: 7

Members voting for: 7

Members voting against: 0

Members abstaining: 0

Date adopted: February 4, 2019

Contact Person: Robert E. Hubbard, President and CEO, California-Nevada Methodist Homes

Fiscal Impact: None

Parliamentary Procedure

Recommendation:

1 Approve restating the California-Nevada Methodist Homes (CNMH) By-laws as follows:

- 2 1. Remove from Article III, Section 1 the statement that no fewer than five trustees shall be either ministerial
- 3 members of the Conference or lay members in good standing of a United Methodist Church, and
- 4 2. Reduce the board size from “no more than 15 directors” to “no fewer than two and no more than five
- 5 trustees plus the Resident Trustee.”

6 Proposed Revision to Article III, Section 1:

7 Number. The corporate powers of this corporation are vested in the Board of Trustees ~~consisting, which shall~~

8 ~~consist~~ of no ~~fewer than two (2) and no more than 15~~ five (5) persons. No less than five plus the Resident

9 Trustee described in Section 9 of said persons ~~this Article. The exact number of trustees shall be either~~

10 ~~ministerial members of the California-Nevada Annual Conference of established by the United Methodist~~

11 ~~Church or lay members in good standing of a United Methodist Church.~~ Board of Trustees from time to time.

12 So that it reads:

13 Number. The corporate powers of this corporation are vested in the Board of Trustees, which shall consist of

14 no fewer than two (2) and no more than five (5) persons plus the Resident Trustee described in Section 9 of

15 this Article. The exact number of trustees shall be established by the Board of Trustees from time to time.

Rationale:

- 1. To the extent that trustees are members of the Conference, this provision gives the Conference direct influence over a large proportion (at least one-third) of the trustees and therefore over their decisions. Even the alternative requirement that trustees be lay members within the United Methodist Church affords the Conference indirect control over the Board.
- 2. It is increasingly difficult to find directors with the requisite skills and interest in serving. A small, committed board will best serve CNMH’s needs at this time.

16 3. Remove from Article III, Section 2 the statement that trustee elections are subject to confirmation by the

17 Conference.

1 Proposed Revision to Article III, Section 2:

2 Section 2 Election and Term of Office. Persons to be trustees shall be elected by the Trustees at the Annual
3 Meeting of the Board of Trustees, ~~subject to confirmation by the California-Nevada Annual Conference of the~~
4 ~~United Methodist Church at a meeting of said Conference duly called and held.~~ Except the Resident Trustee
5 described in Section 9 of this Article, Trustees shall hold office for a term of three years and until their
6 successors are elected. ~~Provided, however, that a person so elected as a Trustee shall be entitled to serve as~~
7 ~~a Trustee during any interim period between such one's selection and such confirmation, or refusal so to confirm~~
8 ~~by such Conference. A refusal to so confirm shall operate automatically and ipso facto to terminate the~~
9 ~~trusteeship of any such person as of the time of such refusal by such Conference to confirm such one's~~
10 ~~election.~~ Trustees shall serve staggered terms so that approximately one-third of such Trustees' terms shall
11 expire each year. Except the Resident Trustee, a trustee may succeed himself or herself in office. Nominations
12 for trustees shall be received from the Trustees then in office.

13 So that it reads:

14 Section 2 Election and Term of Office. Persons to be trustees shall be elected by the Trustees at the Annual
15 Meeting of the Board of Trustees. Except the Resident Trustee described in Section 9 of this Article, Trustees
16 shall hold office for a term of three years and until their successors are elected. Trustees shall serve staggered
17 terms so that approximately one-third of such Trustees' terms shall expire each year. Except the Resident
18 Trustee, a trustee may succeed himself or herself in office. Nominations for trustees shall be received from the
19 Trustees then in office.

Rationale:

3. This section gives the Conference the right to approve or reject any candidate, whether or not he or she is
a member of the Conference or the Church. This is a clear and direct form of control over CNMH's board.
- 20 4. Remove Article III, Section 7, which describes the mechanism for obtaining confirmation of trustees by the
21 Conference, in its entirety.

22 Proposed Revision to Article III, Section 7:

23 ~~Section 7. Confirmation of Election of Trustees. The Board of Trustees of this corporation shall,~~
24 ~~immediately after each annual meeting of the Board, and may at any other time, report to the Secretary of the~~
25 ~~California-Nevada Conference of the United Methodist Church, in writing, the names of all persons elected to~~
26 ~~the Board, who have not been confirmed by said Conference in the manner provided for in these By-laws, and~~
27 ~~request confirmation of said elections by the said Conference.~~

28 ~~In the event that the Annual Meeting next held of the said California-Nevada Annual Conference shall fail or~~
29 ~~neglect to confirm or reject any person so elected to the Board, and reported to the Secretary of said~~
30 ~~California-Nevada Annual Conference in writing at least forty-five days prior to the convening of said Annual~~
31 ~~Meeting of the said California-Nevada Conference, then and in that event each and every person so elected to~~
32 ~~the Board and so reported to the Secretary of the said California-Nevada Annual Conference at least forty-five~~
33 ~~days prior to the convening of said Annual Meeting thereof, as to whom the said Annual Meeting of said~~
34 ~~Conference has taken no action, shall be deemed to have been duly confirmed by said Annual Meeting of said~~
35 ~~Conference, as a Trustee of the Board, for the term of which he or she was earlier elected.~~

1 ~~The Minutes of each Annual meeting of the said California-Nevada Annual Conference, as printed and~~
2 ~~distributed in the official Journal of said Conference, shall constitute conclusive notice to this corporation of the~~
3 ~~action duly taken by said Annual Meeting of the said Conference, or its failure to act, or the confirmation or~~
4 ~~rejection of said elections to the Board of Trustees of this corporation.~~

Rationale:

4. This provision is a companion to Article III, Section 2 and is unnecessary if the confirmation provision under Article III, Section 2 is deleted.

5 5. Remove Article VIII, Section 3, which states that no amendment to the By-laws or articles affecting specific
6 subjects shall be effective until the amendment is approved by the Conference. These subjects include
7 CNMH's purposes, disposition of property on dissolution, the number, qualifications, election, or term of
8 office of trustees, and amendments.

9 Proposed Revision to Article VIII, Section 3:

10 Section 3. Amendments. Subject to the limitations hereinafter set out, these By-laws may be amended at any
11 duly called meeting of the Board of Trustees at which a quorum is present, by the affirmative vote of a majority
12 of the Trustees present at said meeting. Notice of the proposed amendment or amendments shall be given in
13 the notice of the meeting in which such vote is taken.

14 ~~No amendment of these By-laws or the Articles of Incorporation pertaining to its purpose, the disposition of its~~
15 ~~property upon liquidation or dissolution, or the number, qualifications, election, or the term of office of its~~
16 ~~trustees, or this section pertaining to amendments, shall be effective until such amendment has been approved~~
17 ~~by the California-Nevada Conference of the United Methodist Church.~~

Rationale:

5. This is a very explicit form of control by the Conference over many key aspects of CNMH's governance.

6. Make conforming changes to By-laws section references and headings.

Background:

Smaller nonprofit senior care organizations, including California-Nevada Methodist Homes (CNMH), are increasingly challenged by competition from for-profit systems and real estate investment trusts (REITs), both of which can raise capital easily, and by large nonprofit systems, which enjoy various economies of scale. As a result, small nonprofit providers need to reposition themselves to remain relevant. They may need to adjust their service model or market, or enter into agreements with third parties such as management agreements, joint services agreements, or affiliation agreements. Whatever option they choose, they must be flexible and amenable to change.

In this changing and challenging environment, many nonprofit senior care providers and their founding denominations are reexamining their historic relationships to assure that they still make sense. Due in part to nondiscrimination laws and in part to market forces, senior care providers are becoming increasingly non-denominational. At the same time, religious organizations are looking with fresh eyes at older relationships, in this case, 64 years old. Increasingly, religious sponsors of senior care organizations, which have little or no senior care expertise or involvement in providers' day-to-day operations, wish to avoid governance control over providers because they risk incurring liability for activities they do not control.

In reviewing its articles of incorporation and bylaws, CNMH noticed provisions that give the Conference control over various aspects of CNMH's governance. CNMH believes these forms of control may no longer be appropriate and may expose the Conference to unnecessary liability.

In addition, CNMH has determined that it is increasingly difficult to find directors with the requisite skills and interest in serving. A small, committed board will best serve CNMH's needs at this time. CNMH therefore recommends that the board size be reduced from "no more than 15 directors" to "no fewer than two and no more than five trustees plus the Resident Trustee." This additional change was recommended and voted on in February 2019.

Recommendation on Creation of a California-Nevada Structural Change Task Force

Submitted by: Berkeley, Epworth UMC Church Council

Number of Members: 20

Members present when voting: 15

Members voting for: 15

Members voting against: 0

Members abstaining: 0

Date adopted: April 28, 2019

Contact person: Randall Miller (randall4015@hotmail.com)

Fiscal Impact: Creates additional expenditures related to the need for two, face-to-face meetings of the Structural Change Task Force over the next year, including reimbursements for mileage and covering the costs of meals and any lodging for those traveling from long distances.

Parliamentary Procedure

Recommendation:

1 Be it resolved that the California-Nevada Annual Conference create a Structural Change Task Force to work in
2 partnership with a similar, existing Jurisdictional Task Force. The charge of the Structural Change Task Force
3 will be to investigate various proposals for structural changes, including but not limited to:

4 1. Making the U.S. a central conference;

5 2. Developing a two or three branch model of United Methodism, involving conservative, moderate, and
6 progressive branches;

7 3. Exploring an amicable separation between conservatives/traditionalists on the one hand and
8 moderate/progressives on the other.

9 Be it further resolved that the Nominating Committee shall name 15 members to the Structural Change Task
10 Force, including seven lay and seven clergy members, who are broadly representative of the geographic,
11 ethnic/racial, and theological diversity found in the annual conference. At least one-fourth of the members of
12 this Task Force shall be LGBTQI+ persons and shall include one member each from the Council on Finance
13 and Administration, Conference Board of Trustees, and Conference Board of Pensions. To ensure broad
14 inclusion, no more than three members of the Extended Cabinet shall serve on the Task Force, including the
15 Bishop or her representative. Additionally, the Executive Director of Connectional Ministries shall serve as an
16 ex-officio member of the Task Force and will support its work.

17 And be it further resolved that the Task Force shall meet at least three times between July, 2019, and May,
18 2020, with at least two face-to-face meetings. The Task Force shall deliver a written report and make an oral
19 presentation to the 2020 Annual Conference Session, which shall include opportunities for conference
20 members to discuss their findings and talk with one another about the future of the United Methodist Church.

Background:

This recommendation creates a California-Nevada Structural Change Task Force to work in partnership with a similar Task Force established by the Western Jurisdiction Leadership Team in the aftermath of the 2019 General Conference. The chief responsibilities of the Task Force are to delve into proposed structural changes already under discussion in the general church, provide information and guidance to the Annual Conference, and provide opportunities for discernment and discussion at the 2020 Annual Conference Session.

Recommendation on Conference Committee on Nominations Listing

Submitted by: Conference Commission on Religion and Race (CCORR)

Number of Members: 13

Members present when voting: 9

Members voting for: 9

Members voting against: 0

Members abstaining: 0

Date adopted: April 5, 2019

Contact person: Rev. Tikiko Lesuma, CCORR Chairperson

Fiscal Impact: None

Parliamentary Procedure

Recommendation:

- 1 The Conference Commission on Religion and Race recommends that the Conference Committee on
- 2 Nominations and Connectional Leadership Development consider indicating the maximum tenure for
- 3 consecutive service when listing the end date of an agency member's term in the Conference Journal.

Background:

In past years, the Conference Committee on Nominations and Connectional Leadership Development report listed committee members in classes, e.g. 2016, 2017, 2018. This helped others to know when a committee member's term expired.

In the 2018 Conference Journal, 95% of the committee members' terms expire in 2020. If all or a majority of the committee members' terms end at the same time, the committee will have no continuity and no historical memory (other than that of the conference staff person assigned to the committee).

Resolution on Building Faith Communities of Hospitality and Understanding

Submitted by: Conference Committee on Christian Unity and Interreligious Relationships (CUIR)

Number of Members: 10

Members contacted for email vote: 10

Members voting for: 7

Members voting against: 0

Members abstaining: 0

Date adopted: April 24, 2019

Contact person: Rev. Akiko Miyake-Stoner, CUIR Chair

Fiscal Impact: None

Parliamentary Procedure

Resolution:

- 1 Be it resolved that the 2019 session of the California-Nevada Annual Conference calls upon all our lay leaders,
2 clergy, and congregations to:
- 3 1. Be deliberate in reaching out to Muslim individuals and houses of worship in their communities,
4 building relationships of affection and prayer.
 - 5 2. Take decisive actions to build communities of healing and understanding with people of all other
6 faith traditions in the community in which they are located.
 - 7 3. Organize a study of White Privilege and the impact of hate groups in our communities. Suggested
8 Resources for such study: *America's Original Sin: Racism, White Privilege, and the Bridge to a New*
9 *America*, by Jim Wallis and *Dying of Whiteness: How the Politics of Racial Resentment Is Killing*
10 *America's Heartland*, by Jonathan Michel Metzler.
 - 11 4. Make sure that their church's online presence makes clear that their congregation is a community of
12 faith that values all people as children of God whatever their race, religion, or other identity.

Background:

During the last three years, our nation has experienced rising levels of hate speech and increased demonizing of people who are perceived to be different. During the same period there has been a steady increase in the number of White Supremacy Hate Groups across the United States and particularly within California. According to the Southern Poverty Law Center, at the beginning of 2019 there were 83 hate groups operating in California and 10 in Nevada.¹ There has also been a significant increase in the number of hate crimes within the bounds of the Annual Conference.² Reliable, up-to-date statistics are not readily available, especially for Nevada, but anti-Semitic incidents reported to the Anti-Defamation League in Nevada showed a 100% increase in 2018.

The terrible massacre of Muslim New Zealanders during prayer services in their houses of worship earlier this year horrified the world. We, as United Methodists, join with our Muslim sisters and brothers, other people of goodwill both in the interfaith community and beyond, in condemning such actions and recommit ourselves to be proactive in building a world without hate, based on the Kingdom of God teachings of Jesus.

¹ Southern Poverty Law Center, Intelligence Report, Spring 2019

² Hate Crime in California, California Attorney General's Office

Resolution on Rejection of the Traditional Plan and Reaffirmation of Our Inclusive Tradition

Submitted by: Berkeley, Epworth UMC Church Council

Number of Members: 20

Members present when voting: 17

Members voting for: 17

Members voting against: 0

Members abstaining: 0

Date adopted: April 28, 2019

Contact person: Randall Miller randall4015@hotmail.com

Fiscal Impact: None

Parliamentary Procedure

Resolution:

- 1 Be it resolved that we, the members of the California-Nevada Annual Conference, reject the harmful actions
- 2 taken by the 2019 General Conference and state our intention not to comply with the punitive and exclusionary
- 3 policies adopted as part of the Traditional Plan.

- 4 Be it further resolved that the California-Nevada Annual Conference reaffirms its historic commitment to the full
- 5 inclusion of LGBTQI+ people in the mission and ministry of the United Methodist Church, including in matters
- 6 related to marriage and ordination.

- 7 And be it further resolved that we call on all United Methodists and all United Methodist affiliated institutions
- 8 throughout our global connection, including boards, agencies, schools, and hospitals, to reaffirm our
- 9 denomination's longstanding commitments to protecting the dignity and worth of all people, and to promoting
- 10 equal rights for every person, regardless of sexual orientation or gender identity.

Background:

The adoption of the Traditional Plan by the 2019 General Conference strengthened the exclusionary policies of the United Methodist Church and compounded the pain and suffering of LGBTQI+ (Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex) United Methodists. This petition rejects and urges noncompliance with the anti-LGBTQI+ policies enacted by the 2019 General Conference and ratified, in part, by the Judicial Council. The petition also reaffirms the California-Nevada Annual Conference's proud legacy of prophetic witness and bold action and restates the United Methodist Social Principles' support for equal rights for all people.

Resolution Asking Governor Gavin Newsom for Pardons for Non-Violent Drug Offenders

Submitted by: Richmond, Easter Hill UMC Church Council

Number of Members: 18

Members present when voting: 12

Members voting for: 12

Members voting against: 0

Members abstaining: 0

Date adopted: April 25, 2019

Contact person: Charles Foster, Church Council Chairperson

Submitted by: Black Methodist for Church Renewal Bay Area Chapter

Number of Members: 18

Members present when voting: 11

Members voting for: 11

Members voting against: 0

Members abstaining: 0

Date adopted: April 27, 2019

Contact person: Rev. Rochelle Frazier, BMCR Bay Area Chapter Chairperson

Submitted by: Conference Commission on Religion and Race (CCORR)

Number of Members: 13

Members present when voting: 9

Members voting for: 9

Members voting against: 0

Members abstaining: 0

Date adopted: April 5, 2019

Contact person: Rev. Tikiko Lesuma, CCORR Chairperson

Fiscal Impact: None

Parliamentary Procedure

Resolution:

- 1 Be it resolved that the California-Nevada Annual Conference strongly urge Governor Gavin Newsom to pardon
- 2 all low-level non-violent drug offenders and that the pardon not only include their release from prison/jail but
- 3 that their criminal record for the drug conviction be expunged. This will help eliminate the discrimination
- 4 associated with a record and assist these persons in getting jobs, housing and an education.

Background:

California prisons and jails are filled with many non-violent drug offenders. A majority of these are people of color. At the end of 2016, 29% of the male prisoners in state prisons were African American, while only 6% of the state's male residents are African American. The incarceration rate for African American men is 4,180 per 100,000. White men are imprisoned at a rate of 420 per 100,000, and imprisonment rates for Latino men and men of other races are 1,028 and 335, respectively.

The number of incarcerated drug offenders has increased twelvefold since 1980. In 2000, 22 percent of those in federal and state prisons were convicted on drug charges.

Incarceration in the United States – Wikipedia

https://en.m.wikipedia.org/wiki/Incarceration_in_the_United_States

In a *Time* article titled, 39% of Prisoners Should Not be in Prison, <http://time.com/4596081/incarceration-report/> it states in part, "We found that approximately 39% of the nationwide prison population (576,000 people) is behind bars with little public safety rationale. And they can be released, significantly and safely cutting our prison population.

How did we get to this number? First, many people who are in prison shouldn't have been sent there in the first place. For example, we found that 25% of prisoners (364,000 people), almost all non-violent, lower-level

offenders, would be better serviced by alternatives to incarceration such as treatment, community service, or probation. Second, another 14% (212,000 people) have already served long sentences for more serious crimes and can be safely set free.

Releasing these inmates would save \$20 billion annually, enough to employ 270,000 new police officers, 360,000 probation officers, or 327,000 school teachers.”

In California 30,000 prison inmates could be safely released...

<https://www.scpr.org/news/2017/11/09/77549/30-000-california-prison-inmates-could-be-safely-r/>

The report makes three key recommendations:

1. End lengthy mandatory minimum prison sentences, which would give judges more discretion in deciding penalties. That would allow them to consider someone’s chances at rehabilitation.
2. Parole more low-risk inmates. Right now, the state parole board recommends release for about 20 percent of inmates who appear before it. That’s an improvement, but still not enough, the report says. Citing state statistics, it says 48 percent of California prisoners are assessed at low risk of committing another crime if released.
3. Let more inmates earn their way out of prison with good credits.

In a bit of irony, former presidents Bill Clinton, George W. Bush and Barack Obama all admitted to varying levels of cannabis consumption. Several of the 2020 presidential candidates have admitted to using marijuana. They just didn’t get caught! Marijuana is now legal in California.

Resolution on The Least of These: Speaking Up for the Children of Gaza

Submitted by: Israel /Palestine Task Force

Number of Members: 9

Members present when voting: 9

Members voting for: 9

Members voting against: 0

Members abstaining: 0

Date adopted: May 1, 2019

Contact person: Patricia Daugherty

Fiscal Impact: None

Parliamentary Procedure

Resolution:

- 1 Be it resolved that the California-Nevada Annual Conference of The United Methodist Church strongly
 2 recommend that members share and discuss this resolution, in its entirety, with their congregations and,
- 3 Be it further resolved that the conference encourage members to be in conversation with policymakers, urging
 4 them to apply the standards of the United Nations Convention on the Rights of Children and the Universal
 5 Declaration of Human Rights, as endorsed by the United Methodist Church, especially as those documents
 6 relate to the besieged children of Gaza; and,
- 7 Be it further resolved that this annual conference urge every congregation to engage with Advance # 629001,
 8 [Augmenting Food Production and Income in Times of Siege: Urban Gardens](#), and/or Advance # 14908A,
 9 [Department of Service to Palestinian Refugees – Middle East Council of Churches](#), as means of involving
 10 Conference children and adults in assisting the children of Gaza.

Background:

After five decades of Israeli military occupation, instability and violence define much of life for Palestinian children in the West Bank, East Jerusalem and the Gaza Strip. Additionally, the Gaza Strip has been subjected to a brutal blockade for over 12 years which, according to the International Committee of the Red Cross, constitutes “a collective punishment imposed in clear violation of Israel’s obligations under international humanitarian law.”¹

Over half of the 2 million people in Gaza are children, locked inside a land mass the size of Portland where over 70 percent of the population is facing food insecurity.

Continued military assaults to infrastructure, including water and sanitation, schools, medical centers and tens of thousands of homes, causes further uncertainty for Gaza’s children. This prompted a 2012 UN report stating that Gaza could be “uninhabitable by 2020.” In 2017, the UN updated its prediction, stating “conditions are deteriorating there even faster than it forecast.”²

Supplies needed to repair bombed out infrastructure are severely restricted or prohibited and projects to provide clean water are hindered when Israel only allows fuel and electricity supplies enough for four hours of operation a day.³

In an attempt to call attention to their plight, Gazans launched the “Great March of Return” in March 2018. This weekly nonviolent civil protest has been met with violent, indiscriminate and disproportionate response by Israeli military, killing 43 children during a seven-month period, injuring over 2,200, hundreds due to live

ammunition. Many children now live with life altering injuries, including amputations. The killings and injuries have not stopped.⁴

Overwhelmed with 31,000 injuries in the past year, the health infrastructure in Gaza is depleted. Hospitals simply lack supplies, beds, medicines, doctors and a steady supply of electricity to treat everyone injured.

The Israel/Palestine Task Force has made advocating for the rights of Palestinian children a central focus of their work. While all children deserve our interest, the plight of the children of Gaza deserve our particular attention, not only because of the severity of the situation but the lack of attention that allows it to continue.

For the children of Gaza, like 13 year old Fares, who was shot and killed by Israeli soldiers on Friday, October 5, 2018, Gaza has been under Israeli blockade their entire childhood. They have witnessed three prolonged military bombardments (2009, 2012, 2014) and their daily lives are punctuated by Israeli military tanks, airstrikes, and gunfire.⁵

It is reported that two thirds of all Gaza children suffer from ongoing traumatic stress disorder.⁶

While highly educated, 40% are unemployed and youth unemployment is 60-70%. Many volunteer in order to keep their skills.⁷

Adding to the increasingly desperate situation, this past year the current administration cancelled all U.S. funding for United Nations Relief and Works Agency (UNRWA). UNRWA is charged with providing assistance, such as health care, education, and housing resources, to Palestinian refugees.⁸

Humanitarian aid is critically needed, but it is clearly not enough. The human rights of these children must be upheld for them to realize the kind of future we wish for our own.

Footnotes:

¹ <https://www.icrc.org/en/doc/resources/documents/update/palestine-update-140610.htm>

² https://unsco.unmissions.org/sites/default/files/gaza_10_years_later_-_11_july_2017.pdf

³ <https://www.pbs.org/newshour/show/water-crisis-may-make-gaza-strip-uninhabitable-by-2020>

⁴ <https://www.ochaopt.org/content/more-casualties-sustained-during-great-march-return-gaza>

⁵ https://www.btselem.org/gaza_strip/20181128_minors_killed_in_gaza_protests

⁶ <https://www.nrc.no/news/2019/march/gaza-childrens-mental-health-rapidly-deteriorating/>

⁷ <https://www.anera.org/blog/anera-environment-empower-palestine/>

⁸ <https://www.theguardian.com/world/2018/aug/31/trump-to-cut-all-us-funding-for-uns-main-palestinian-refugee-programme>

Resolution of Thanks to Governor Gavin Newsom for Moratorium on Death Penalty

Submitted by: Richmond, Easter Hill UMC Church Council

Number of Members: 18 Members present when voting: 12
Members voting for: 12 Members voting against: 0 Members abstaining: 0

Date adopted: April 25, 2019

Contact person: Charles Foster, Church Council Chairperson

Submitted by: Black Methodist for Church Renewal Bay Area Chapter

Number of Members: 18 Members present when voting: 11
Members voting for: 11 Members voting against: 0 Members abstaining: 0

Date adopted: April 27, 2019

Contact person: Rev. Rochelle Frazier, BMCR Bay Area Chapter Chairperson

Submitted by: Conference Commission on Religion and Race (CCORR)

Number of Members: 13 Members present when voting: 9
Members voting for: 9 Members voting against: 0 Members abstaining: 0

Date adopted: April 5, 2019

Contact person: Rev. Tikiko Lesuma, CCORR Chairperson

Fiscal Impact: None

Parliamentary Procedure

Resolution:

- 1 Be it resolved that the bishop and secretary of the California-Nevada Annual Conference send a letter to
- 2 Governor Gavin Newsom thanking him for his leadership in moving California to a more just and
- 3 compassionate state, a state that will no longer waste our taxpayers’ dollars on an ineffective system and who
- 4 will continue to find ways to make our communities safer.

- 5 Be it further resolved that the Bishop appoint a delegation of clergy and laity to deliver the resolution
- 6 personally,

- 7 And be it further resolved that the delegation discuss with the Cabinet ways in which the California-Nevada
- 8 Annual Conference may assist our congregations to study and implement the resolution.

Background:

In *The Book of Discipline* of The United Methodist Church (2016), ¶164.G states in part, “We believe the death penalty denies the power of Christ to redeem, restore and transform all human beings.... We believe all human life is sacred and created by God and therefore, we must see all human life as significant and valuable... We believe in the resurrection of Jesus Christ and that the possibility of reconciliation with Christ comes through repentance. This gift of reconciliation is offered to all individuals without exception and gives all life new dignity and sacredness. For this reason, we oppose the death penalty (capital punishment) and urge its elimination from all criminal codes.”

On March 13, 2019, Gavin Newsom, Governor of California, signed an executive order halting the discriminatory and immoral practice of executing God’s children in the state of California and closing down our state’s death chamber at San Quentin.

California has spent \$4 billion on trying, convicting, imprisoning and executing Death Row inmates since voters approved the current law in 1978. A Death Penalty Information Center analysis of US Murder data from 1987 through 2015 found no evidence that the death penalty deters murder or protects police.

The death penalty has discriminated against defendants who are mentally ill, black and brown, or can't afford expensive legal representation. More than three-fifths of California Death Row inmates are people of color. Since 1973, **144** people on death row have been exonerated. As a percentage of all death sentences, that's just **1.6** percent. But if the innocence rate is **4.1** percent, more than twice the rate of exoneration, the study suggests what most people assumed but dreaded: An untold number of innocent people have been executed. <https://www.newsweek.com/one-25-executed-us-innocent-study-claims-248889> April 28, 2014

More than **2,000 people** have been exonerated of serious crimes since 1989 in the United States, according to a report by college researchers who have established the first national registry of exonerations. <http://news.blogs.cnn.com/2012/05/21/more-than-2000-wrongfully-convicted-people-exonerated-in-23-years-researchers-say/> May 21, 2012

In fact, **the murder rate in states that do not have the death penalty is consistently lower** than in states with the death penalty. <https://deathpenaltyinfo.org/facts-about-deterrence-and-death-penalty>

The death penalty is inconsistent with our Christian values. The intentional killing of another person is wrong. We rejoice that 737 condemned inmates/human beings, the largest group on the nation's Death Row, have been granted a reprieve.

Resolution Towards Ending Child Incarceration Through Support for the Rights of Children

Submitted by: Advocacy and Justice Committee

Number of Members: 14

Members present when voting: 11

Members voting for: 11

Members voting against: 0

Members abstaining: 0

Date adopted: April 30, 2019

Contact person: Patricia Daugherty

Fiscal Impact: None

Parliamentary Procedure

Resolution:

1 Be it resolved that the California-Nevada Annual Conference of the UMC, recommend that local churches
2 embrace the United Nations Convention on the Rights of Children and commit to study the root causes and
3 ramifications of militarism, racism and poverty on children, especially as it pertains to their detainment and
4 incarceration, and;

5 Be it further resolved that the California-Nevada Annual Conference of the UMC create a task force within the
6 Advocacy and Justice Committee to study the global intersection of the military, prison, and security industries
7 and their impact upon racism and poverty with children and youth.

8 1. The task force would report back to the 2020 Annual Conference Session.

9 2. The task force report would serve as a resource for local church study.

10 3. The task force report would provide recommendations for Annual Conference actions.

Background:

As disciples of Jesus we are called to actively build the beloved community. Our Methodist social principles affirm all persons as equally valuable in the sight of God and recognize special obligations to ensure the wellbeing of children.¹

The United Methodist Church has specifically affirmed the United Nations Convention on the Rights of the Child,² which says “No child shall be subjected to torture or other cruel, inhuman or degrading treatment or punishment.”³

In April, 2018, the California-Nevada Advocacy and Justice Committee hosted a conference titled “Building the Beloved Community” which commemorated the death of Rev. Martin Luther King, Jr. by addressing the triple evils of Militarism, Racism, and Poverty as articulated by King in his speech at the Riverside Church in New York on April 4, 1967. In identifying these triple evils, King sought to educate the clergy and the American public on the relationship between the profiting of the military industrial complex, systemic racism, and the conditions of poverty in our country. In naming these triple evils King articulated the call for people to address these evils through the moral and spiritual power embodied in our faith traditions.

While King spoke on the evils of war in the context of the Vietnam War, the tragedy and legacy of war continues to plague the world today with warfare continuing to profit at the expense of human life. In a new era of an ambiguous “war on terrorism” financial interests have expanded the military industrial complex to now form a global economic web which includes the new security industrial complex and the pre-existing prison industrial complex. This web of economic interests impacts both global and local populations and perpetuates systemic racism and poverty.

Since 2002, ICE officials and thousands of American law enforcement officials have trained in Israel with Israeli police, military and intelligence. Thousands more have participated in security conferences and workshops held in the U.S. with Israeli military, law enforcement and security officials. While not the singular cause, the effect is the militarization of community policing, normalizing practices of mass surveillance, criminalization, and the violent response toward members seen as threatening. It also shores up support for a shared security model that justifies human and civil rights violations.⁴

The Nobel Prize winning non-profit organization Human Rights Watch reports that the United States leads the industrialized world in the number and percentage of children in juvenile detention facilities,⁵ and youth of color are disproportionately affected at every stage of the juvenile justice system.⁶

Over the past four decades, policies under every presidential administration have systematically militarized southern border communities, criminalizing millions of immigrants, including children, and creating repressive conditions from California to Texas.⁷ Currently, upwards of 14,000 immigrant children and youth, many escaping violence and grinding poverty that has root causes in failed US policies, are locked up in detention centers at our southern border and beyond.⁸

The term “school to prison pipeline” has been coined to describe a disturbing U.S. trend wherein children are funneled out of public schools and into the juvenile and criminal justice systems.^{9 and 10} Many of these children are among the most vulnerable, suffering from learning disabilities, impoverished living conditions, and unstable family situations, as well as abuse and neglect.

Criminalizing children, often for non-criminal offenses¹¹ or situations beyond their control, or through racial profiling, inflicts trauma and violence, harming their development with lifelong negative consequences.¹² Rationalized and even legalized, it effectively serves as a means to dehumanize children and youth, bringing them unnecessarily into the criminal justice system.

Over the past five years our conference has passed resolutions highlighting the plight of Palestinian children and their ill-treatment in the Israeli military detention system. The 2018 Annual Conference Item 16 endorsed H.R. 4391, federal legislation which would ensure that U.S. tax dollars not be used by Israel for these human rights violations.¹³ The bill was reintroduced in the 116th Congress on May 1, 2019 as H.R. 2407 – Promoting Human Rights for Palestinian Children Living Under Israeli Military Occupation Act.

No truer statement can be made than “children are our future.” Yet, collectively we are condemning and abandoning one of God’s most valuable gifts. We need all children to be welcomed and supported in finding their places as contributors and builders of the beloved community.

Footnotes:

¹ 2016 Social Principles, ¶162 III The Social Community

² [Globalization and Its Impact on Human Dignity and Human Rights](#), *The Book of Resolutions* (2016), #6025

³ [Convention on the Rights of the Child](#), Office of the High Commissioner, United Nations Human Rights

⁴ Jewish Voice for Peace, [Deadly Exchange: The Dangerous Consequences of American Law Enforcement Trainings in Israel](#)

⁵ Human Rights Watch, [Children Behind Bars: The Global Overuse of Detention of Children](#)

⁶ The Sentencing Project, [Report to the United Nations on Racial Disparities in the U.S. Criminal Justice System](#)

⁷ American Friends Service Committee, [Resisting Border Militarization](#)

⁸ *Time*, [How the 14,000 Migrant Children in Federal Custody Will Spend Christmas](#)

⁹ Justice Policy Institute, [The school to prison pipeline, explained](#)

¹⁰ Rethinking Schools Blog, [Interview with Michelle Alexander on The New Jim Crow and the School-to-Prison Pipeline](#)

¹¹ Rolling Stone, [Five Offenses That Can Land Kids \(But Not Adults\) In Jail](#)

¹² Justice Policy Institute, [The Dangers of Detention: The Impact of Incarcerating Youth in Detention and Other Secure Facilities](#)

¹³ Actions of the Annual Conference, Item 6 – Promoting Human Rights by Ending Israeli Military Detention of Palestinian Children, 2018 Journal, page 233.

Resolution on Full Communion with The Episcopal Church

Submitted by: Conference Committee on Christian Unity and Interreligious Relationships (CUIR)

Number of Members: 10

Members contacted for email vote: 10

Members voting for: 7

Members voting against: 0

Members abstaining: 0

Date adopted: April 24, 2019

Contact person: Rev. Akiko Miyake-Stoner, CUIR Chair

Fiscal Impact: None

Parliamentary Procedure

Resolution:

- 1 Be it resolved that the California-Nevada Annual Conference of the United Methodist Church pledges our
- 2 support for the approval of the full communion proposal at General Conference in 2020, and to the ongoing
- 3 work of Christian unity in worship and service in the years to come.

Background:

The California-Nevada Annual Conference of the United Methodist Church welcomes and rejoices in the release in 2017 of the full communion proposal between The Episcopal Church and the United Methodist Church, *A Gift to the World: Co-Laborers in the Healing of Brokenness*. This conference affirms our desire to draw closer to our Episcopal neighbors in mission, sharing in the proclamation of the Good News of God's love in Jesus Christ in word and deed; and acknowledges and encourages the ministries in which Methodists and Episcopalians are already working together in our Annual Conference, such as in justice advocacy, and pledges our commitment to continue and grow such ministries.

This full communion proposal, the result of fifty-five years of dialogue between Episcopalians and Methodists, under the guidance of the Holy Spirit, is grounded in our common heritage in the Church of England, and in the recognition that both churches are members of the one, holy, catholic and apostolic Church in which the Gospel is rightly preached and taught. The special gifts that the Holy Spirit has bestowed on each church are reflected in their historical documents and liturgies, hymnody and spirituality, and commitments to outreach and social justice. The United Methodist Church and The Episcopal Church encourage on both a local and conference/diocesan level, common worship, including services of Holy Eucharist, following the guidelines for Interim Eucharistic Sharing released in 2006.

Our conference committee commends *A Gift to the World* to the members of our Annual Conference, for reading, reflection, and discussion both within our congregations and in an ecumenical context with our Episcopal brothers and sisters, and when possible, also with Christians of other traditions, especially our full communion partners in the Evangelical Lutheran Church in America and The Moravian Church.

Explanation and Notes:

The best explanation for this resolution comes from the full communion document: "In the fractured human community there is a great need for the realization of the unity among the followers of Christ Jesus. This proposal for full communion between The Episcopal Church and The United Methodist Church is an effort to bring our churches into closer partnership in the mission and witness to the love of God and thus labor together for the healing of divisions among Christians and for the well-being of all. The vision of Revelation 22 is of the tree of life planed on both sides of a river "and the leaves of the tree are for the healing of the nations." (Revelation 22:2)

Faithful to Jesus' prayer that his disciples be one so that the world may believe (John 17:20-23), may this proposal be an expression of God's will for the churches." – *from the Preface, A Gift to the World: Co-Laborers for the Healing of Brokenness – A Proposal for Full Communion* (November 21, 2017)

Note that "full communion" is not a merger of the churches. "Full communion is understood as a relationship between two distinct ecclesiastical bodies in which each maintains its own autonomy while recognizing the catholicity and apostolicity of the other, and believing the other to hold the essentials of the Christian faith. In such a relationship, communicant members of each would be able freely to communicate at the altar of the other, and ordained ministers may officiate sacramentally in either church. Specifically, this includes transferability of members, mutual recognition and interchangeability of ministries, mutual enrichment by one another's traditions of hymnody and patterns of liturgy, freedom to participate in each other's ordinations and installations of clergy, including bishops, and structures for consultation to express, strengthen, and enable our common life, witness, and service, to the glory of God and the salvation of the world." (From *A Gift To The World*)

The historically African American churches include, but are not limited to those churches with whom The Episcopal Church and the United Methodist Church have consulted in 2006, 2008 and 2009: the African Methodist Episcopal Church (AME), the African Methodist Episcopal Church Zion (AME Zion), and the Christian Methodist Episcopal Church (CME). In addition to the AME, AME Zion and CME, The United Methodist Church, through the Pan Methodist Commission, has also engaged in dialogues with the African Union Methodist Protestant Church and the Union American Methodist Episcopal Church, and formally ratified full communion in 2012.

For The Timeline of Episcopal Church – United Methodist Dialogue, previous agreed documents, guidelines for Interim Eucharistic Sharing, and other information, go to the TEC-UMC website: <http://umc-tec.org>

Adapted from Rev. Lynne Bleich Weber's original by Tura Foster Gillespie, President of UMEIT (United Methodist Ecumenical and Interreligious Training)

Resolution on Redirecting General Church Apportionments

Submitted by: Berkeley, Epworth UMC Church Council

Number of Members: 20

Members present when voting: 16

Members voting for: 15

Members voting against: 1

Members abstaining: 0

Date adopted: April 28, 2019

Contact person: Randall Miller (randall4015@hotmail.com)

Fiscal Impact: Potentially redirects apportionment giving from some current World Service Fund and General Fund recipients. No fiscal impact on the Annual Conference or Western Jurisdiction.

Parliamentary Procedure

Resolution:

1 Be it resolved that the California-Nevada Annual Conference supports local congregations who wish to protest
2 the unjust policies of the Church and make a public witness related to ending discrimination and supporting full
3 inclusion in the United Methodist Church.

4 Be it further resolved that the Council on Finance and Administration (CFA) be charged with calculating the
5 portion of a local church's tithe that supports the World Service and General Administration Funds and creating
6 an Alternative World Service Fund and an Alternative General Administration Fund to which congregations
7 make redirect that portion of their tithing.

8 And be it further resolved that by no later than January 15, 2020, the CFA, in consultation with the Bishop
9 and/or her representative, the Core Team, and the Conference Committee on Reconciliation, be charged with
10 developing a list of current and future ministries and programs that the Alternative General Church Fund and
11 the Alternative World Service Fund would support. A key criteria for receiving support from these Alternative
12 Funds will be CFA's determination that recipients not discriminate against LGBTQI+ persons or any other
13 group.

Background:

Based on a proposal initially developed by Annual Conference Treasurers from the Western Jurisdiction, this petition encourages churches to redirect rather than withhold their support for United Methodist institutions and program at the general church level that discriminate against LGBTQI+ people. As a reminder, approximately 76% of local church tithing stays within the Annual Conference; while a much smaller percentage goes to support the work of the Western Jurisdiction.

This resolution encourages 100% giving to the ministries and programs of both the California-Nevada Annual Conference and the Western Jurisdiction and allows congregations, who, in good conscience, can no longer support discriminatory church programs and institutions, to redirect their tithes to an Alternative General World Service Fund and an Alternative General Administration Fund, governed by criteria established by CFA.

Resolution on the Rights of Licensed Local Pastors and Commissioned Provisional Elders

Submitted by: Scott Gessford and Becky Stockdale

Number of Members:

Members present when voting:

Members voting for:

Members voting against:

Members abstaining:

Date adopted:

Contact person: Scott Gessford scott.gessford@numc.org

Fiscal Impact: None

Parliamentary Procedure

Resolution:

Be it resolved that the California-Nevada Annual Conference of The United Methodist Church affirms that changes ought to be made to *The Book of Discipline* to allow Licensed Local Pastors and Commissioned Provisional Elders to nominate, elect, and be elected as delegates to General Conference and to jurisdictional or central conference, and to vote on Constitutional Amendments.

Further be it resolved that the California-Nevada Annual Conference of The United Methodist Church urges its delegates to the 2020 General Conference to approve any necessary changes to *The Book of Discipline*, including, but not limited to, ¶35, Section VI. Article IV, ¶316.6, ¶321.1.2, ¶327.2, ¶602.1b,c,&d affording the aforementioned classes of clergy the right to vote in the annual conference on constitutional amendments, the right to vote to elect and be elected as clergy delegates to General Conference and to jurisdictional or central conference, and all matters except matters of ordination, character and conference relations of clergy.

Background:

The United Methodist Church and the California-Nevada Annual Conference have begun the hard process of discerning how to live into a new reality of an evolving church and recognizing that all members and all corners of the church should possess a voice and vote in the future of the church.

The Book of Discipline (2016) prevents certain classes of clergy from being able to vote on amendments to the Constitution of The United Methodist Church or delegate representation, by which not only their rights and responsibilities as appointed clergy are managed, but the pathway of the church's future outlined and realized.

Those disenfranchised classes include not only Licensed Local Pastors until they have completed the Course of Study and/or Seminary; Provisional Deacons, Provisional Elders and Student Pastors until they have completed Seminary, but also the underrepresented and often smaller and poorer communities they serve.

The reality stands contrary to our understanding of equality and social justice and stands symbolic of the forms of systemic injustices that is in our calling as United Methodist to actively oppose and overturn.

Our Social Principles remind us that the strength of a system depends upon the full and willing participation of those within it (*The Book of Discipline*, ¶164.B).