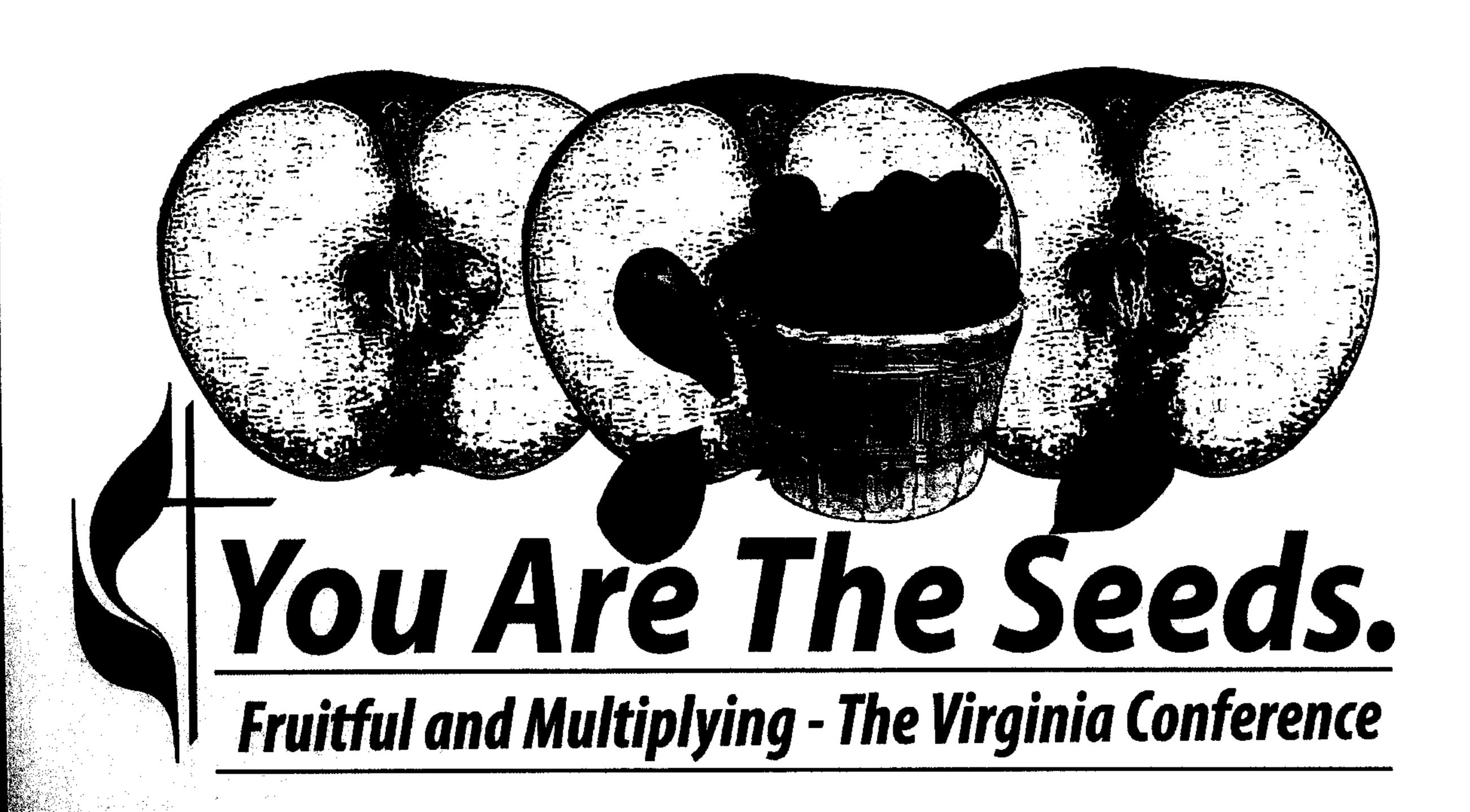
JOURNAL

of the

Virginia Annual Conference

THE UNITED METHODIST CHURCH

2012



230th Session
Richmond Area
Southeastern Jurisdiction

RECOMMENDATION 6: 2013 HOUSING ALLOWANCE/EXCLUSION

Housing allowance and exclusion for retired and/or disabled clergy:

Whereas, the religious denomination known as The United Methodist Church has and functions through Ministers of the Gospel who are duly ordained or licensed; and

Whereas, the practice of The United Methodist Church is to provide a parsonage or rental exclusion as part of the gross compensation for each of its active ordained or licensed clergy; and

Whereas, pensions paid to retired ordained or licensed clergy of The United Methodist Church are considered as deferred compensation and are paid to said retired ordained or licensed pastors in consideration of previous, active service; and

Whereas, the Internal Revenue Service has recognized that the Virginia Annual Conference is the appropriate organization to designate a housing/rental exclusion for retired ordained or licensed pastors who are members of this conference; and

Whereas, the disabled pastor has the same legal relationship to an annual conference as does the retired pastor and, thus, this annual conference is also the appropriate organization to designate a housing/rental exclusion for a disabled ordained or licensed pastor who is a member of this conference;

Now Therefore Let It Be Resolved that:

1. An amount equal to 100 percent of the pension payments received by a retired clergy, or 100 percent of the disability benefit payments received by a disabled clergy, during the year of 2013 be and is hereby designated as a housing allowance and exclusion respectively for each retired or disabled, ordained or licensed clergy of The United Methodist Church who is or was a member of the Virginia Annual Conference at the time of his or her retirement or disability; and

2. The pension or disability payment to which this housing allowance and exclusion applies shall be the pension or disability payment resulting from all service of such retired or disabled, ordained or licensed clergy from all employment by any local church, annual conference, general agency or institution of The United Methodist Church or of any former denomination that is now a part of The United Methodist Church, or from any other employer who employed the clergy to perform duties related to the ministry and who elected to make contributions to the pension or benefit funds for such retired clergy's pension or disabled clergy's benefits.

Note 1. The housing exclusion which may be excluded from a clergy's gross income is limited to the lesser of (1) the amount of the housing allowance designated by the clergy's employer or other appropriate body, (2) the amount actually expended by the clergy to provide his or her housing, or (3) the legally determined fair rental value of the parsonage or other housing provided.

Note 2. Per the Internal Revenue Service, the housing allowance and exclusion is available to clergy, not the clergy person's spouse or surviving spouse.

Betty J. Forbes, Chair

LAKE JUNALUSKA ASSEMBLY CENTER, INC.

As Lake Junaluska prepares to celebrate our 100th anniversary in 2013, we find ourselves proud of our rich past, energized by the present challenges, and excited about the bright future.

We cannot thank you enough for the generous support you have provided to us over the years. We are a part of you and you will forever be a part of us. We fully understand that the Southeastern Jurisdiction is facing significant challenges resulting in a reduction in the financial support provided to traditional partners, including Lake Junaluska. We want to assure you that we are preparing well for a different form of partnership with the jurisdiction and you, the annual conferences, but do want to strongly affirm our desire to be in true partnership with each

We are making some important improvements with the goal of serving you more effectively. In 2012 we will spend over \$1 million on capital improvements to our facilities, including \$300,000 from the North Carolina Energy Office for the replacement of inefficient heating and cooling systems. Being more "green" is one of our goals. We will use the remainder of the capital improvement funds to get a jump start on a campus master plan, which is a part of the overall strategic plan approved by our Board of Directors in October. Included in the plan are the interior and exterior renovations of the Terrace Hotel and Lambuth Inn, the replacement of the Harrell Center and Jones Cafeteria, and the updating of Stuart Auditorium. These changes will be taking place over the course of the next several years, but there should be noticeable changes the next time you come to visit.

The success of every organization is directly dependent on having the right people in the right positions doing the right things. It is also important to have the right number of people in place. There are fewer people employed at Lake Junaluska than there were a year ago at this time, a necessary change given our financial realities. The remaining staff has willingly taken on additional responsibilities and are doing

Hosting the 2012 Jurisdictional Conference in July will be a very important event. We are doing all we can to prepare for this conference with the hope that every delegate leaves here knowing that we have been good stewards of the resources that have been given to us.

Our mission statement for Lake Junaluska is to be a place of Christian hospitality where lives are transformed through renewal of soul, mind, and body. The significance of having a clear mission statement that people remember and refer to has been impacting. Continuing to create a culture of excellence and fabulous Christian hospitality will be our primary focus.

The future of Lake Junaluska is indeed very bright! Thank you for your incredible support as we have begun to live more fully into the potential of this place we call Lake Junaluska.

Jack Ewing, Executive Director

VIRGINIA COUNCIL OF CHURCHES

The Virginia Council of Churches remains strong, albeit on very fragile financial footing, and will continue to serve the ecumenical movement within the Commonwealth of Virginia. Continuing declines to revenue have created the needed to reduce some of our staff to part time and cut all other areas of our budget in an effort to stay within budget.

In May we presented the Council's "Faith in Action Award" to the Brandermill Church, a joint United Methodist-Presbyterian congregation, and a "Lifetime Ecumenist Award" to Bishop Charlene Kammerer.

The council continues to support the LARCUM (Lutheran, Anglican, Roman Catholic and United Methodist) partnership, the National Workshop on Christian Unity and other expressions of ecumenism within the Commonwealth, and played a significant role in this year's shared statement by the ten LARCUM bishops and the General Minister released during the week of prayer for Christian Unity.

Our Annual Meeting, Church Caught in the Middle, was held on the historic campus of Virginia Union University with Dr. Ed Ayers (president, University of Richmond), and Dr. Claude Perkins (president, Virginia Union University). During the Annual Gathering a panel discussion with members various historic peace denominations reflected together on the challenges of conflict resolution.

We continue to work with the U.S. Department of Homeland Security in helping the faith-based community prepare for and respond to