

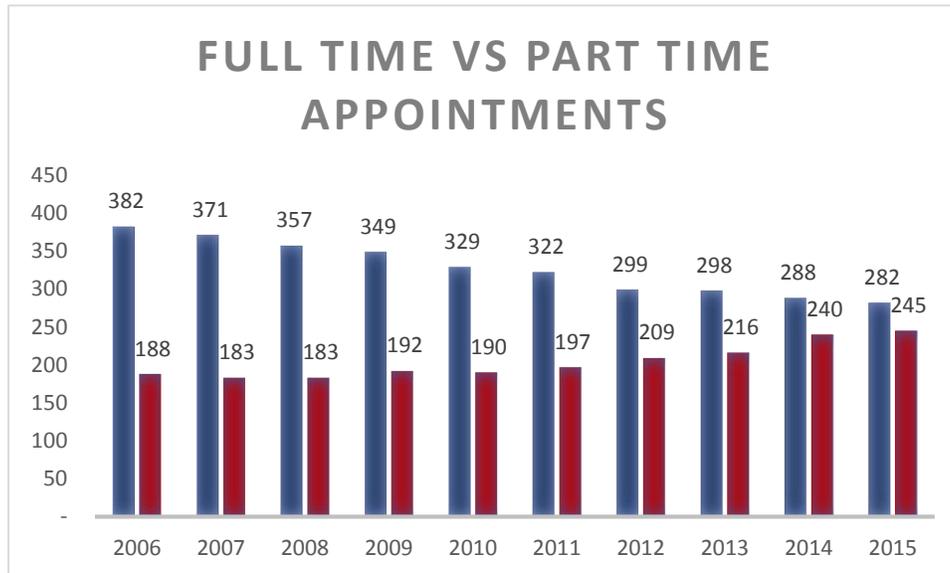


1. The Greater New Jersey Annual Conference has been making significant progress in creating turnaround leadership that is growing congregational vitality. Some key accomplishments can be seen in the following statistics:

- 32% of our congregations are considered highly vital, up from 14% just a few years ago. This puts us at #4 among United Methodist conferences in the US.
- We have moved from a Shared Ministry collection in 2011 of 78% to a projection of 87% collection in 2016.
- Our Stewardship Foundation has grown from \$4 million to \$34 million over the last two years.
- 251 Clergy are now participating in coaching and PaCE groups that help develop courageous leaders.
- 106 churches are participating in Team Vital which helps churches set ministry plans and then to implement them.

Yes, great ministry is happening in the Greater New Jersey Annual Conference, and more is yet to come! In the midst of it there continue to be some tough challenges, particularly around appointments:

- The number of churches in GNJ has decreased from 601 in 2000 to 559 in 2015. We anticipate this trend to continue for the immediate future.
- There is a decrease in the number of full-time appointments, from 382 in 2006 to 282 in 2005. This is a 25% reduction in the number of pastors appointed full time.
- There has been a loss of over \$1 million dollars in clergy salaries since 2000. There has been a \$600,000 loss in the last five years.
- In the past few years, a great majority of churches reduced their salaries when there is a change of appointment, sometimes to an entry level amount that makes it impossible to appoint an experienced pastor into that church. These reductions by churches over the last five years has been more than \$1 million.



2. The loss of full time appointments and reduction in salaries give the cabinet four options in making appointments going forward:
 - a. Increase shared ministries to provide additional funding for part time churches so they can remain full time. (Note: a cabinet study done several years ago to research the growth of churches receiving equitable compensation showed that the majority of churches receiving this type of compensation did not grow, and in fact many declined.)
 - b. Yoke churches together to create full time appointments. We have already begun to do this and it is becoming increasingly difficult to identify churches that can be yoked together because of distance.
 - c. Stop bringing in new clergy.
 - d. Appoint clergy to part-time appointments.

Our mission in GNJ is to recruit and equip transformational leaders to make disciples and grow vital congregations for the transformation of the world. In fulfilling this mission, the GNJ cabinet has adopted the mission of appointment making as maximizing the making and engaging of disciples.

The 2016 Discipline has changed regarding less than full-time appointments for Full Elders, Provisional Elders, and Associate Members. Paragraph 338.2(a) now allows the bishop to initiate a less than full time appointment for missional reasons.

Understandably appointing clergy who seek full-time appointments to part-time raises questions and anxiety for those of us currently under full-time appointment. Questions arise as to how to handle a loss of benefits, what does this mean for pension credit, and will this be considered an involuntary status change.

338.2. Less Than Full-Time Service— On occasion, less than full-time service is requested by or required of an elder, provisional elder, or associate member. A clergy member may be appointed in one-quarter, one-half, or three-quarter time increments by the bishop to less than full-time service without loss of essential rights or membership in the annual conference. Division of Ordained Ministry-endorsed appointments beyond the local church may be for less than full-time service.

a) Appointment to less than full-time service is not a guarantee, but may be made by the bishop under the following circumstances:

(1) Limited Itineracy— Less than full-time service may be granted— but is not guaranteed— when the elder, provisional elder, or associate member has declared in writing that itineracy is limited due to temporary constraints. The clergy member shall present that written declaration to the bishop and the chairperson of the Board of Ordained Ministry prior to the annual conference session at which the appointment is made.

(2) Self-Initiated— The elder, provisional elder, or associate member seeking less than full-time service shall present a written request to the bishop and the chairperson of the Board of Ordained Ministry at least 90 days prior to the annual conference session at which the appointment is made. Exceptions to the 90-day deadline shall be approved by the cabinet and the executive committee of the Board of Ordained Ministry.

(3) Bishop-Initiated— For missional purposes, the bishop may appoint an elder, provisional elder, or an associate member to less than full-time service. The clergyperson shall be notified at least 90 days prior to final termination of the current appointment. Special attention shall be given to ensure that the values of open itineracy are preserved.

3. We will be doing several things as we move forward:

- a. We will not appoint clergy part-time until the 2018 appointment year providing time for more conversation and clarity.
- b. Those who the cabinet may consider appointing part-time in the future for the good of the mission have already been notified. Therefore, if you have not heard from the bishop directly, you are not being considered for a part-time appointment. Only eight clergy have been notified.
- c. We will work with those identified potentially for part-time appointment as to what they can do to continue in a full-time appointment.
- d. The cabinet is also committed to ensure that there is continual new and younger clergy who are appointed full-time for the good of the present and future mission of GNJ.



- e. The cabinet will convene a team to make a recommendation to the cabinet as to how to handle a part time appointment that is initiated by the bishop and cabinet. The team will consist of two cabinet members, chairs of the orders of elders and deacons, chair of local pastors, chair of Board of Ordained Ministry, Conference Relations chair, and the Conference Lay Leader. The team will consult with Finance and Benefits as needed. This team will report back to the full cabinet who will make a presentation to the clergy session in May of 2017. We do not plan to implement this until the 2018 appointment season. In order to be sure we are clear about what the Discipline is authorizing with this change, the cabinet will be requesting a declaratory decision from the Judicial Council.
4. The cabinet also wants to share with you a couple of other concerns we are noticing and how that will affect appointments.
 - a. In a few cases, there are clergy at the higher end of the salary scale of GNJ whose salaries are increasing each year, sometimes at a significant rate and yet the shared ministries giving percentage stays at the same rate or is decreased. This is not fair to other clergy who are ensuring their churches are paying 100% or have a plan to pay 100% within five years and are making progress each year. We can no longer leave pastors in higher paying salaried churches that are not making progress to pay 100%.
 - b. In a few cases, there are pastors leading congregations who are using reserves to fund ministry and salary and when they retire the reserves are depleted and there is not adequate funding to maintain a full time salary. We are monitoring this more closely and when we see this pattern developing we will work with the pastor. If no change occurs, we will make an appointment change.
 - c. In a few cases, churches that are not paying current insurances and pension will no longer continue as a full time appointment. We will work with churches to get on a path to health but if progress is not being made, it is not fair to the other churches who are paying the full billables.