

NORTHWESTERN ILLINOIS DISTRICT
CHURCH OF THE NAZARENE
FINANCE COMMITTEE
2011-2012

We, your committee on Finance, are grateful for the commitment of Northwestern Illinois Nazarenes in sacrifice and giving towards global, regional, and district interests. We trust that God will bless each church as it strives to put others first. We offer the following recommendations for the coming year:

1. We recommend that the District Advisory Board act in all matters of insurance.
 - a. That each church pays \$60 **for each enrolled minister** for pastor's group life insurance; premium due by January 1, payable to the District Treasurer. Other Northwestern Illinois District credentialed persons in active assignment serving 30 or more hours per week may be included in this coverage by paying the premium. Premiums not paid by above date subject the policy to cancellation.
 - b. We recommend that our full-time evangelists be covered under district group life insurance in the following manner:
 - (1) District administration fund pay one-half the premium.
 - (2) Local churches where full-time evangelists maintain their membership pay the other one-half of the premium to age 70.
 - c. The Advisory Board shall recommend coverage for district properties and liability exposures.

~~2. We recommend that publishing of the district Voice should transition to digital format and be distributed on the District website and via email. We encourage churches with internet connection and printing capabilities to distribute printed copies to individuals and churches who do not have internet access.~~

2. District superintendent's salary and benefits:
 - Salary and annuity - refer to printed budget
 - Birthdays and Anniversary - refer to printed budget
 - Christmas gift - We encourage each church to remember the district superintendent with a love offering to be sent directly to the district superintendent. A note of reminder is to be mailed to each church by the secretary of the District Advisory Board by November 1.
 - Personal insurance approved by the Advisory Board - 100 percent paid by district
 - District related professional expenses reimbursements - refer to printed budget
 - Severance Pay - 5 percent of annual salary plus interest be placed in savings. This amount is to be in addition to salary-not a deduction.
 - One month's vacation with pay.
 - The District advisory Board should give careful attention to paying out of pocket medical/dental, vision, chiropractic, and other health related expenses not covered under medical plan or budgeted reimbursement.
3. ~~Beginning in assembly year 2011-2012, All new~~ New Start and Restart churches are expected to contribute the following percentage of church income to the respective denominational funds: 5.5% to WEF; 2.0% to P&B; ~~9.5%~~ **2.5% to ONU; 7.0%** to the District Church Planting Fund. New Starts and Restarts who began before July 1, 2010 will contribute ~~12%~~ **14%** of church income to the District Church Planting Fund. ~~14% in 2011-2012.~~ In 2012-2013, they will make the full contribution to all denominational funds.

4. We recommend that the district distribute the NWIL Stewardship Fund to the regional and global churches, and other ministries approved by the District Advisory Board.

5. We require that the district employ a public accountant to review our district treasurer's books prior to the district assembly; also the district auxiliary departments do the same. Those reports should be forwarded to the Auditing Committee of the district.

Pastoral Support

6. The local church board shall review all salaries and benefits paid by the church annually. A copy of the local church operating budget for the new church year shall be sent to the District office by ~~August 1~~ **March 1**.

- a. We recommend that salary and benefits reflect the "25% formula."
- 25% salary & cash benefits for the pastor and pastoral staff
 - 25% property related items [including pastoral housing]
 - 25% ministry & program [including pastoral reimbursement for ministry expenses]
 - 25% denominational funds, **other missions and compassionate ministries.**
- b. We recommend that each church recognize ~~160,000~~ **\$162,400** raised for all purposes is the level understood to be a viable church in ministry with the ability to support a full-time pastor. A pastor of a church raising less than that ~~160,000~~ **\$162,400** for all purposes shall be permitted outside employment to supplement his/her income.
- c. Each church, when calling a new pastor, is responsible for covering the moving expense for the incoming pastor. An additional "settling in allowance" of a minimum of one week's salary should also be considered.

7. The local church shall pay 100 percent of Social Security tax, based upon current Social Security regulations, for all clergy employed by the local church.

8. The local church shall pay all health plan payments for their pastor and staff. Churches should establish a medical reimbursement plan to pay any medical bills not covered by the health plan (e.g. deductibles, co pays, etc.).

9. We recommend that each church participate in the matching tax sheltered annuity plan offered through Pensions and Benefits.

10. Women in clergy will receive a minimum of 9 weeks maternity leave with no reduction to compensation or benefits. This time is to be granted in addition to vacation, personal days, and sick time, all of which may be used at the discretion of the pastor to extend this period beyond 9 weeks. Guidance for this provision is available from the District Office.

11. We recommend the following:

- a. The local church pay all expenses for pastor and spouse, and full-time ministry staff and spouses, for all local, district, regional, and general church-related functions and business.
- b. An expression of love and appreciation be shown to pastors, paid ministry staff, and families, for birthdays, anniversaries, and pastor appreciation days.
- c. The local church is to remember the pastor and paid ministry staff with a gift at Christmas time. A cash gift equal to a week's salary is suggested as a minimum.

- d. In addition, while salary and benefits cover the cost of the minister, in order to care for the cost of ministry, we urge each church to develop an accountable reimbursement plan to include such items as continuing education, business mileage, media resources, etc.

12. We recommend that an amount be set aside weekly/monthly by the local church be placed in a savings account for the expense of the current pastor and spouse, and full-time ministry staff, to the next General Assembly and see that they are given money to cover expenses to and from General Assembly.

13. Every pastor and paid ministry staff shall be granted a vacation with pay based on the number of years of full-time ministerial service to the Church of the Nazarene, rather than service to the local church.

- a. The following vacation program:

0-4 years	2 weeks	(not to exceed 2 Sundays)
5-14 years	3 weeks	(not to exceed 3 Sundays)
15 years and over	4 weeks	(not to exceed 4 Sundays)

- b. Vacation is to be based on the calendar year, and must be taken in the current calendar year, or be forfeited. Upon pastoral relocation, vacation is to be prorated.

- c. Each church urge and expect their pastor to take one day off for relaxation and rest each week.

- d. Each church provide the pastor three (3) "personal days" per quarter not to be counted as vacation time. They must be used within the quarter or forfeited. They cannot be taken on Sundays.

- e. Each church adequately compensate supply pastors for their service.

Minimum compensation for pulpit supply would include travel and meals plus honoraria according to the following scale:

For churches raising less than \$30,000 per year:	\$50
For churches raising \$30,000 - \$75,000 per year:	\$75
For churches raising \$75,000 - \$150,000 per year:	\$100
For churches raising \$150,000 - \$300,000 per year:	\$150
For churches raising more than \$300,000 per year:	\$200

14. Out of a deep concern for our pastors and paid ministry staff to avoid burnout and stress and to keep a clear continuing vision for their church and ministry, we recommend that churches give a continuing professional development sabbatical for their pastor and paid ministry staff each time they have completed seven years of ministry in that local church. This leave with pay and benefits could be from 4 to 12 weeks in length and would be in addition to regular vacation time with their family. This time would be used for rest, renewal, and study. This will aid our pastors and paid ministry staff in finding new creative ways to help the church accomplish its ministry vision. A rested and refreshed pastor and paid ministry staff will help to build even stronger relationships with their church. We strongly recommend that each church implement this policy. We also recommend that the District Advisory Board provide a sabbatical to the District Superintendent after seven years of ministry as D.S. on the NWIL District and each seven year increment thereafter.

15. That churches moving from parsonage furnished to "parsonage allowance" arrangements first secure written permission from the District Advisory Board and District Superintendent.

16. The local church shall care for the full expense incurred for the evangelist's hospitality care even when the pastor's home is used.

Support of Evangelists

17. When scheduling an evangelist, we recommend that full-time tenured, commissioned, and registered evangelists be supported in the following manner:

- a. The church board set a minimum honorarium for the evangelist equal to twice the pastor's salary, including cash benefits, for each week (Sunday) of services,

plus an adequate amount for travel. He/she should be notified of this minimum amount at the time of his/her call (Manual, par. 129.11)

- b. We urge that, as a matter of policy, churches notify an evangelist at least 90 days prior to the scheduled date of the meeting in case of cancellation, or reimburse him/her one week's salary.
- c. Where there is a pastoral change, the church board shall notify the scheduled evangelist.
- d. We urge each church to follow the recommendation of Evangelism Ministries of sending a Christmas love offering to each evangelist who held meetings within that church year.
- e. If a full-time commissioned or registered evangelist must cancel for health reasons, the church is encouraged to send a love offering to the evangelist.

18. We encourage full cooperation and support of the LEVEL program. The district portion of the LEVEL fund is to be administered by the District Advisory Board.

19. We encourage both individuals and churches to financially support district church planting efforts.

~~21. Whereas, in order to fulfill our calling as faithful stewards, and to continue our district's mission of investing in healthy churches, we, your District Finance Committee, can no longer justify subsidizing the Manville Campground property. Therefore, our recommendation is that Assembly Year 2010-2011 be the last year we so subsidize, and that the Manville Campground property be liquidated.~~

20. District financial matters must be dealt with between assemblies; therefore we recommend that the district superintendent and District Advisory Board be given authority for these matters in the normal course of their meetings including all items in paragraph #4. 2

21. In an attempt to keep our churches promptly informed, a copy of this report is to be mailed to the pastor and secretary of each church on the district within 30 days after the close of the district assembly. ~~It is to be read or distributed~~ **All new changes must be audibly** read at the first monthly board meeting after it has been received, and each church board is to submit a response to the district office indicating that the report was ~~distributed~~ **read** to the church board.

22. Funding the Mission.

- a. We ~~wish to~~ congratulate our churches on their quick embrace of the "Funding the Mission" system.
- b. Pursuant to Paragraph 38.5 of the 2009-2013 Manual, we recognize the authority of the General Board to set apportion support for the World Evangelism Fund. We likewise recognize the authority of the USA/Canada Region to apportion support for the Pensions & Benefits fund and the Education fund. The District Assembly Finance Committee has authority to set the District Ministries Fund apportionment. The following funding goals (as a percentage of income) have been set for each local church for the respective fund:
 - i. World Evangelism Fund: 5.5%
 - ii. Pensions & Benefits: 2.0%
 - iii. Education: 2.5%
 - iv. District: 7%
- c. The following reporting and giving will be done weekly by Tuesday noon:
 - i. Great Commission Statistics ~~will be~~ reported to www.nwilnazdistrict.org by clicking on the "online reporting" tab.
 - ii. WEF and P&B ~~will be~~ paid at www.fundingthemission.org. A check may also be sent to the address on the downloadable remittance form.

- iii. Education Fund and District Ministries Fund ~~will~~ **may** be paid **by clicking the link at the bottom of the Funding the Mission page or by going to www.nwilnazdistrict.org** by clicking on the “online giving” tab. A check may also be sent to the District office **(4220 N. Brandywine Dr., Peoria, IL 61614.)**
- d. ~~Previously, most churches on our district gave at a 20% level to these funds with the district auxiliaries being apportioned in addition. Each church will now give at a 17% level inclusive of district auxiliaries. Global Ministries Center estimates that this new approach will result in 13.5 million dollars less being given to World Evangelism Fund in the 2010-2011 church year.~~ **Since the WEF has been significantly decreased by the Funding the Mission formula, we** We encourage each church to consider what it can do to overpay WEF by a significant margin in order to do our part to maintain an effective level of support to our missionaries around the world and keep them on the field.
- e. For more information, including rationale, vocabulary, and frequently asked questions about “Funding the Mission,” please visit <http://www.fundingthemission.org>.

23. The attached is our proposed operating budget for the coming year.

Respectfully submitted,

BOB HALE, Secretary

~~SCOTT SHERWOOD~~ **Ron Scarlett**, Chairman

<u>District Ministry Fund Operating Budget 2011-2012</u>	<u>\$404,245</u>
<u>District Administration</u>	
District Superintendent’s Travel, Lodging, Meals Reimbursement	\$13,000
District Superintendent’s Auto [Maint./fuel]	\$4,000
District Superintendent’s Auto Replacement	\$9,000
District Superintendent Conferences	\$4,500
District Office Telephone	\$8,000
District Office Postage	\$750
District Office Supplies	\$5,000
District Office Equipment	\$5,000
District Boards and Committees	\$5,000
Pastors’ Continuing Education	
District Assembly Expenses	\$7,800
Benevolence and Gifts	\$1,200
District Voice Printing	
District Secretary’s Expenses	\$2,000
District Treasurer’s Expenses	\$2,000
District Journal Printing	
Promotional Tours/Advertisement	\$4,600
Administration [other]	\$1,700
General Assembly Delegate Reserve	\$3,000
Insurances	\$10,700
Zone Facilitators	\$1,750
NWID Stewardship Fund (Dist. Tithe)	\$35,000
District Office Cleaning/Maintenance	\$5,000
District Office Facility	\$22,926

District Office Utilities	\$3,500
District Ministry Center Resources	\$1,500
Total Administration	\$156,926
District Parsonage	
Parsonage Utilities	\$4,100
Parsonage Equipment & Maintenance	\$2,300
Total Parsonage	\$6,400
District Salaries/Honoraria	
District Superintendent	\$80,000
District Secretary Honorarium	\$2,500
District Treasurer Honorarium	\$3,750
District Administrative Assistant	\$37,000
District Office Secretary Temporary	\$750
Total Salaries/Honoraria	\$124,000
District Employee Benefits	
Tax-sheltered Annuities/District Superintendent	\$5,800
District Superintendent Social Security Taxes	\$17,360
District Superintendent Medical Plan	\$7,000
District Superintendent Life Insurance	\$2,900
DS Health Reimb Supplement [Med/dental/chiro, etc]	\$6,500
District Superintendent Severance Pay Allowance(5% of cash salary)	\$4,000
District Superintendent Birthday/Anniversary	\$2,050
Employer FICA and Medicare Tax	\$2,900
Benefits Contingency	
Christmas Remembrances for District Assistants and Employees	\$1,850
Total Employee Benefits	\$50,360
Home Missions Extension	
Contingency	\$66,559
Total Home Missions	\$66,559
Grand Total Expenses	\$404,245