

Summer Camp	\$9,000.00
District Assembly	1,500.00
Encounter	1,500.00
Quizzing	2,900.00
TNT	1,500.00
TNT @ TNU	2,000.00
WOW Lock-in	250.00
YES Conference	750.00
NYC	2,600.00
General Assembly	2,500.00
General Operating	<u>5,500.00</u>
Total Annual Budget	\$30,000.00
Approved by Finance Committee	26,400.00
Deficit to be covered by reduction/reserves	3,600.00

Addendum D -- District NMI Operating Budget for 2010-2011

	YTD-09-10	Proposed 10-11
Children's Program	\$0.00	\$600.00
Conferences	756.60	500.00
Deputation/Work & Witness Promo	0.00	150.00
District Convention		
Delegates Allowance	814.33	1,500.00
Deputation	0.00	500.00
Facility Charge	425.00	1,000.00
Gratuities	1,800.01	1,500.00
Luncheon	-121.80	200.00
Miscellaneous	398.98	500.00
President's Love Gift	<u>500.00</u>	<u>500.00</u>
Total District Convention	4,573.12	5,700.00
Hospitality	0.00	250.00
Mid Year Conference Exp	30.00	250.00
Operating Expenses		
Mileage	1,728.01	2,200.00
Miscellaneous	600.00	1,000.00
Printing & Postage	13.74	250.00
Storage Rent	239.40	300.00
Supplies	<u>50.00</u>	<u>250.00</u>
Total Operating Expenses	2,631.10	4,000.00
Youth Program	<u>0.00</u>	<u>1,000.00</u>
Total Expense	<u>\$7,234.27</u>	<u>\$12,450.00</u>

3. Finance Committee

The District Assembly Finance Committee met on March 26, 2010 at the District Resource Center, having been appointed by the District Advisory Board. The following were in attendance: Larry D. Dennis, District Superintendent; Charles Davis, chairman; Ministers: Julio Brutus, J. Edgar Diaz, Rocky Hambrick, Wes Harris, Hugh King (SDMI Chair), Greg Mills, James Page, Dave Ramsey, Ronda Rieves (NYI President), and Donald Smith. Laypeople: Peggy Breen, Margaret Coleman, Denise Cowart, Frank Hallum, Cindy Jameson, Mark Leib, Tawanda Mills (NMI President) and Brent Williams, and submit the following report. We recommend the following:

Local Ministries

- That local churches should continue support of world evangelism with Thanksgiving and Easter offerings, and, when feasible, consider the use of the Faith Promise program for world evangelism (home and overseas) under the suggested guidelines of the General Finance committee and the General Assembly and that all monies on these allocations be sent monthly to the Global Treasury Services, Church of the Nazarene, 17001 Prairie Star Parkway, Lenexa, KS 66220
- That local churches adopt the 8% Plus Fair Share Plan as described below (paragraph 19).
- That local churches pay their 8% Plus Fair Share on a weekly basis, according to the district plan, and that local churches pay 5.5% of their Raised for All Purposes for World Evangelism Fund (as per general church guidelines).
- That all local churches and district leaders encourage the use of the gifts and annuities programs to benefit the general church, district church, local church and our educational institutions, by the use of wills and charitable remainder trusts, and the Church of the Nazarene Foundation.
- That local churches continue special offerings for the Nazarene Bible College and Nazarene Theological Seminary on the dates specified by these institutions.
- That the district journal be distributed to the local churches in an electronic (pdf) format. That the district establish the cost for bound, printed journals.
- That the local church boards give prayerful, attentive consideration to reviewing and adjusting the salaries of their pastor, associates, and other personnel at least on an annual basis; and that consideration be given to the following:
 - An increase in salary of at least the current cost of living and merit increases.
 - A designated housing allowance, parsonage furnishings allowance and/or an equity allowance.
 - An insurance benefits plan to include:
 - \$50,000 term life insurance
 - Some form of health insurance plan; either a group plan, health reimbursement account or flexible spending plan. A district health insurance plan is available for all full-time ministerial and lay staff.
 - Disability insurance
 - That each church adopt a sabbatical policy for local church ministerial staff. Samples of such policies will be made available through the district resource center or on the district website.
- That each local church is responsible for reimbursement of all moving expenses for senior pastor and/or full-time associates.
- That the local churches establish an accountable reimbursement plan for the pastoral staff in regard to their automobile and professional expenses. Further, that such plan meet the minimum reporting requirements as set forth by the US tax code.
- That the local church designate, in advance of the new calendar year, according to the minimum requirements of the US tax code, the housing allowance, parsonage furnishings allowance and/or equity allowance for the pastor and other qualified church employees, and that such action be recorded in the official minutes of the church board.
- That each local church be encouraged to hold a special "Pastor Appreciation Day" during October.
- That local church boards establish the following vacation program for our pastors and full-time associates with the accumulative years in service to the denomination as follows:

<i>Years of Full-Time Service</i>	<i>Number of Weeks Vacation</i>
1 - 4	2
5 - 10	3
11 - 19	4
20 - or more	5

Vacation time does not accumulate from year to year. The year of service will be based on anniversary date for the first two years, then change to the calendar year.

13. That the local churches give at least one week's salary to the pastor and full-time associates at Christmas each year.

14. That the local church reimburse the pastor, full-time ministerial associates and full-time evangelists an amount equal to their self-employment taxes (SECA: 15.3%) on a quarterly basis. This amount must be added to their IRS form W-2 at the end of each year.

15. That the local church provide for expenses of pastors and full-time associates, department heads and elected delegates to the district assembly and conventions and provide for the expenses of pastors and their families to other district functions, general functions, and education seminars as approved.

16. That the local church give consideration to provide for the expenses of the pastor and associates to attend the General Assembly.

17. That the local churches participate in the General Church Defined Contribution Retirement Plan for pastors and full-time staff members by matching any contribution made by the covered individual in the amount suggested by the General Church Plan. For details write or call Pensions & Benefits USA, Church of the Nazarene, 17001 Prairie Star Parkway, Lenexa, KS 66220

18. We call to the attention of the local church that according to the *Manual of the Church of the Nazarene* (2009-2013) when a church hires additional staff, "it must be such as will not ...tax the church's financial resources including the payment of all financial apportionments. However, a request may be made in writing for review by the district superintendent and the District Advisory Board for exceptions in special cases." (*Manual* paragraph 160).

19. The 8% *Plus* Fair Share Plan will be a unified amount which will include the payment of the following categories: Pensions Fund, Educational Fund, District Unified, District SDMI, District NYI and District NMI and World Evangelism Fund.

The 8% *Plus* Fair Share Plan shall be calculated according to the following formula:

- The local church shall send 8% of the weekly church income to the District Resource Center on a weekly basis. The district treasurer will divide each local Fair Share payment by a formula of percentages and forward the appropriate amount to the respective recipients
- Each local church shall pay 5.5% of its church income for World Evangelism Fund.. Checks should be sent to Global Treasury Services, 17001 Prairie Star Parkway, Lenexa, KS 66220
- Church income shall be monies raised for all purposes for which a donation receipt for a tax deduction can be given, excluding those amounts raised for World Evangelism Fund and Approved Specials.
- Each local church that makes their 8% *Plus* Fair Share contribution as described in this paragraph will be considered to have met their 8% *Plus* Fair Share in full.

20. That the general, regional and district obligations be paid from the Fair Share income, to be distributed based on the following percentages:

Trevecca	2.5%
Pensions and Benefit	2.0%
District	3.5%
From which district money would be distributed as:	
District Operations	82.27%
District NMI	5.47%
District SDMI	6.25%
District NYI	6.01%

Multi-cultural Ministries Dir	14,280.00	11,000.00	12,000.00
St. Pete Victory Hispanic	4,273.93	8,000.00	3,600.00
New Port Richey Hispanic	3,210.00	10,000.00	2,700.00
Lake Wales Hispanic	8,500.00	8,500.00	4,800.00
Orlando Centerpointe Hispanic	9,600.00	9,600.00	4,800.00
Haines City Hispanic	1,697.09	1,000.00	6,000.00
Sanford Hispanic	600.00		3,600.00
Winter Haven Hispanic	7,300.00	8,500.00	400.00
Plant City Hispanic	200.00		3,600.00
New Start Coordinator			25,000.00
<i>Emergency Response</i>			
Mission Aid and Grants	10,160.00	12,000.00	15,000.00
<i>Mission Property Expense</i>			
Auburndale expenses	183.00	9,000.00	
Bushnell (mortgage interest)		9,000.00	2,500.00
Oveido University Ch.	16,753.45	13,600.00	10,000.00
Insurance - district properties	18,744.23	16,500.00	19,000.00
Dist. Work & Witness	161.85	3,500.00	3,500.00
<i>Building Stronger Initiative</i>			
Building Stronger (incl coaching)	<u>3,588.14</u>	<u>22,000.00</u>	<u>10,000.00</u>
<i>Total Mission Development</i>	<u>143,736.38</u>	<u>197,200.00</u>	<u>148,200.00</u>
Total Mission Sup/Mission Dev	\$190,292.50	\$233,300.00	\$171,800.00

Addendum B -- District SDMI Operating Budget for 2010-2011

Ministry Budget Expenses

Adult Ministries Budget Expenses

Administrative Expense

Prime Time

Women Ministries

\$3,500

It is our plan to review the current events in regards to attendance and mission. We would like to invest our Adult Funds in areas that will be in harmony with Dr. D's vision plan and resources to the local church for making disciples

Children's Ministry Budget Expenses

Administrative Expense

2,500

Background Checks

1,500

Camp Expense

10,000

District Assembly Children's Choir

1,000

Quizzing

1,000

Total Children's Ministries

\$16,000

Administrative Budget Expenses

Contingency

500

General Convention

2,500

Honoraria

1,700

Office Expenses

1,000

Council Meeting Expenses

1,000

Team Training Day

2,500

Travel and Conferences

1,200

Discipleship Development

1,100

Total Administrative Expense

\$11,500

Total Proposed Budget

\$31,000

Budget as established at Finance Committee

\$27,456

Deficit to be covered by reserves (projected)

\$3,544

Addendum C -- District NYI Operating Budget for 2010-2011

Prof. fees: lawyer, CPA, etc.	8,232.81	7,000.00	8,500.00
Advertising/PR/Website	1,629.29	1,450.00	1,550.00
Insurance: Liability/Umbrella	19,976.45	17,000.00	20,000.00
Background Checks	645.15	0.00	850.00
<i>D.S. Professional Expense</i>			
DS Prof. Expense/Entertain	4,830.70	5,200.00	5,200.00
DS Conference/Training	6,633.82	6,000.00	6,000.00
DS Auto - Fuel/Maint	4,593.02	8,000.00	8,000.00
DS Auto Replcmt (Escrow)	4,500.00	4,500.00	4,500.00
<i>Pastor Training & Development</i>			
CFD Bible Inst./Min. Studies	3,779.10	4,000.00	5,000.00
Ministerial Development	9,111.20	9,000.00	11,000.00
MAC leaders training	636.25	1,020.00	2,500.00
Pastor's Family BD/Anniv	2,109.83	3,000.00	2,500.00
Small/Intmdt Church Institute		1,500.00	750.00
<i>Total - District Min. Operations</i>	<i>94,945.34</i>	<i>95,670.00</i>	<i>104,850.00</i>
<i>Office Operations</i>			
Office Supplies	1,760.25	2,300.00	2,000.00
Bank Fees	459.32	530.00	530.00
Postage	2,473.27	3,000.00	2,800.00
Printing/Stationery	1,425.46	1,300.00	1,300.00
Telephone	5,996.46	5,300.00	5,300.00
Office Utilities	3,703.28	3,850.00	3,850.00
Custodial Services/supplies	3,954.54	4,000.00	4,000.00
Equipment Service contracts	1,558.58	800.00	1,200.00
Equipment: Repl/Repr/Resource	5,162.63	4,100.00	4,100.00
Office Staff Training	800.00	800.00	1,200.00
Contingency Fund	928.92	1,000.00	1,000.00
<i>Total - Office Operations</i>	<i>28,222.71</i>	<i>26,980.00</i>	<i>27,280.00</i>
<i>Total District Administration</i>	<i>\$352,374.01</i>	<i>\$353,726.00</i>	<i>\$364,138.00</i>

Mission Development/Support Expenses
(funded through investments)

	<i>Year to Date</i>	<i>2009-2010 Budget</i>	<i>Proposed</i>
<i>Support Expenses:</i>			
District Resource Cntr Maint	2,522.18	1,900.00	2,300.00
Copier Lease	9,084.34	8,000.00	7,500.00
Office Equipment - New		2,000.00	3,000.00
Mobile Prayer Chapel	2,587.39	1,500.00	-
Property Expense (DAB)	2,328.93	5,500.00	3,500.00
Morg Stanley fees	300.00	0.00	300.00
Lake Wales Legal		200.00	
GCF Legal (to be reimb)	8,165.51	-	3,000.00
DAB/GCG loan closing costs	5,122.35	-	-
Gen Assem Delegation/Expen	16,807.50	17,000.00	4,000.00
Transfers (out)	(362.08)	0.00	
Total Support Expenses	\$46,556.12	\$36,100.00	\$23,600.00
	<i>Year-to-Date</i>	<i>2009-10 Budget</i>	<i>Proposed</i>
<i>Mission Development</i>			
<i>Mission Development Restarts</i>			
New Port Richey Restart	18,100.00	20,000.00	13,900.00
Orlando Way to Calvary	6,600.00	5,000.00	5,400.00
Geneva	9,784.69	20,000.00	2,400.00
Apopka Spring Hill	10,000.00	10,000.00	-
<i>Mission Development New Starts</i>			

That the district auxiliaries (NMI, SDMI & NYI) would receive either the above percentage of Fair Share income, or 100% of their requested budget, whichever is less.

See Addendum A for the Projected District Operating Budget for 2010-2011

See Addendum B for District SDMI Operating Budget for 2010-2011.

See Addendum C for District NYI Operating Budget for 2010-2011

See Addendum D for District NMI Operating Budget for 2010-2011

21. That each local church holding title to Florida real estate make certain that the annual property tax exemptions have been filed with the county tax assessor. New filings or corrections must be made before March 1 of each year to avoid payment of property taxes.

22. That each local church comply with Florida law concerning worker's compensation and state/federal labor laws for their pastor and all payroll employees. (No local church or mission is covered by any district policy.)

23. That, as required by the *Manual of the Church of the Nazarene (2009-2013)*, each local church shall apply for and maintain nonprofit incorporated status in the State of Florida (F.S. 607 and 617). The district resource center has the forms/ samples/ instructions for the local church to use. A specific format is required. The church must file an Annual Uniform Business Report with the Secretary of State each year by April 30 in order to keep the corporation active. The governing district bodies will not grant approval to the local church to buy, sell, lease, exchange, mortgage, refinance, or otherwise encumber real estate without written evidence that the local church is currently an active corporation. Further, each local church shall apply for its own Federal Employer Identification Number and Florida State Tax Exemption Certificate and shall not use the district numbers for any reason unless authorized to do so.

24. That each local church maintain adequate property and liability insurance on property/ vehicles owned/ leased or used in the operation of the local church. The limits of coverage should be reviewed and/or adjusted annually by the church board. The local church is not covered by any district-held policy. Proof of insurance is to be furnished to the district resource center..

25. That in order to protect our most precious asset, our children, the district encourages each church to adopt and enforce a written policy and procedures to minimize the risk of sexual misconduct on the part of either paid or volunteer staff. This would include, but would not be limited to, background checks. A sample of such procedures is available at the district resource center.

26. That the district encourages each local church to develop and adopt security procedures for the local church, including emergency and disaster plans.

District Ministries

27. That the auxiliary departments be funded from a percentage of the 8% *Plus* Fair Share sent to the district resource center by the local churches.

28. That the district superintendent be granted five weeks vacation with pay and given a gift equivalent to one week's salary, housing, and income tax reimbursement at Christmas.

29. That the district treasurer be authorized to pay an amount equal to the federal self-employment tax for the district superintendent. This is to be paid directly to the district superintendent, who must make remittance to the IRS.

30. That the district superintendent's expenses to all district, regional, and denominational conferences be paid by the district.

31. That the various district board members be reimbursed for their mileage at the current IRS allowable rate for travel expenses related to attending their respective district meetings.

32. That the district superintendent, in consultation with the District Advisory Board, shall establish an appropriate plan for the underwriting of expenses of delegates to the General Assembly. Each auxiliary shall likewise make appropriate plans for delegates to their respective general conventions.

33. That this statistical/fiscal year consist of 12 months (March 1, 2010 through February 28, 2011); and that the district send quarterly statements to the pastors and local church treasurers.

34. That the District Advisory Board shall review the 8% *Plus Fair Share Giving Plan* and suggest modifications as appropriate.

35. Due to the uncertain economic circumstances, the District Advisory Board shall quarterly review the actual income receipts and the budget for the current financial year, modifying the budget as needed to reflect actual receipts year to date. Further, the District Superintendent shall appoint a special committee to inventory all real property owned by the District on which there is no active church to determine the prospects for future use of the property, the current expenses of maintaining ownership of the property, the potential for sale of the property, etc. and report to the District Advisory Board by October 1st its findings. The report should include a recommendation to sell any property that the committee determines that the cost of keeping the property exceeds the probable value for use in the near future. The District Advisory Board should then determine what properties, if any, should be sold to reduce the expenditures budgeted for maintenance and insurance.

General Ministries

36. By paying their 8% *Plus Fair Share*, local churches will pay 100% of the allocated Pensions and Benefits budget. We remind our churches that our pastors that pay are entitled to certain benefits:

- a) Ordained or district-licensed ministers who are senior pastors, full-time associates, or full-time district assigned, (specific time and income requirements apply) receive a contribution to their individual retirement accounts.(refer to chart below) This provision does not apply to any minister in retirement status with Pensions and Benefits USA.
- b) Churches must have a participation agreement on file with the Pensions and Benefits office for qualified ministers to receive a contribution.
- c) In addition, \$15,000 of basic group term life insurance coverage from the Nazarene Pensions and Benefits USA is provided at no cost to the ministers described above (par 36 a). The base amount of the retirement contribution is increased based on payment of the church's or district's Pensions and Benefits Fund.
- d) The benefits mentioned above are meant to be descriptive of the current Pensions and Benefits USA policies and not as a granting or limitation of any benefits provided by that office. Amendments to the plan would automatically be adopted by this committee.

2010 Annual Pension Supplement (APS)

<i>Annual Church P&B Allocation Paid</i>	<i>APS Contribution</i>	<i>Maximum APS Grants/Church</i>
\$1.00 to \$500.00	\$500.00	1
\$501.00 to \$750.00	\$600.00	1
\$751.00 to \$1,000.00	\$700.00	1
\$1,001.00 to \$1,500.00	\$800.00	1
\$1,501.00 to \$2,000.00	\$900.00	2
\$2,001.00 to \$3,000.00	\$1,000.00	2
\$3,001.00 to \$5,000.00	\$1,000.00	3
\$5,001.00 to \$10,000.00	\$1,000.00	4
\$10,001.00 to \$25,000.00	\$1,000.00	5
\$25,001.00 and more	\$1,000.00	15

The District Advisory Board is encouraged to work out a plan to inform, educate and encourage local churches and their pastors of the importance for each church to pay their Pensions budget as it benefits pastors. Retired ministers now receive a separate insurance benefit in conjunction with their pension.

37. The following are the general church guidelines and procedures for 10% mission specials in the United States:

All requests for district 10% approved specials must come from the district superintendent, who will forward these requests to the Stewardship Development Ministries/Ten Percent committee. The approval is only valid for one assembly year and must be

resubmitted for approval annually. As soon as approval is given, the district superintendent will be notified.

- a) In order to receive 10% credit, the funds given must be processed through the Global Treasury Services Office at the Nazarene Global Ministry Center. The funds should be sent to the Global Treasury Services Office from the donating church in order to receive the 10% credit for the contribution. Checks should be made payable to Global Treasury Services, Church of the Nazarene, 17001 Prairie Star Parkway, Lenexa, KS 66220. In order to avoid delays in processing, it is very important that the project(s) for which funds are given be approved through USA/Canada Evangelism Ministries/Ten Percent Committee prior to sending funds to the Global Ministry Center. In addition, it is vital that the designated project be properly identified, using the name as it appears in Global Ministry Center records and on the list of approved projects supplied to the district resource center.
- b) When funds are received at the Global Ministry Center, they are processed and a check is issued to the district where the designated project is located. The district treasurer will then credit or disburse the money to the specific designated project.
- c) The following projects on the Central Florida District have been approved and are currently eligible for 10% credit: (1) Orlando Central Care Mission, Inc.; (2) Nazarene Bible Institute of Central Florida, Inc.; (3) Restoration House, Inc. (Hogar Restauracion, Inc); (4) Mission Possible of Lakeland, Inc.; (5) Great Commission Foundation, Inc.; (6) Orlando Heart of Mercy; (7) Family Ministries of Family Altar of the Air, Inc.; (8) Open Arms Ministries, Inc. (Gulfport Trinity); (9) NS (New Start) Churches – Central Florida District (10) Missionary Ministries, Inc.; (11) Winter Haven First Haitian – Haitian Relief

Respectfully Submitted,

MARY E. EGIDIO, *Secretary*

CHARLES DAVIS, *Chairman*

Addendum A – Projected District Operating Budget

	<i>Year to Date</i>	<i>09-10 Budget</i>	<i>10-11 Projected</i>
<i>District Administration</i>			
<i>Salaries</i>			
DS: Salary	48,248.84	48,944.00	48,944.00
Salary: Business Manager	43,709.98	43,710.00	43,710.00
Salaries: Secretarial	28,001.86	29,068.00	30,000.00
District Secretary Honorarium	3,256.00	3,256.00	3,256.00
<i>Parsonage/Housing Allowance</i>			
DS: Housing	42,320.20	42,321.00	42,321.00
<i>Employee Benefits - D.S.</i>			
\$5,000 Annuity (SR)	20,294.00	20,294.00	20,294.00
\$6,000 OSE Tax	17,377.28	17,378.00	17,378.00
\$7,000 Medical Reimbursement	4,812.15	5,165.00	5,165.00
\$8,000 Christmas Gift	2,090.00	2,090.00	2,090.00
\$1,800 Assembly Gift	900.00	900.00	900.00
\$2,000 Insurance (Life/Disability)	1,280.40	1,000.00	1,000.00
<i>Employee Benefits - Staff</i>			
\$4,000 Ethnic Min/Prop. Admin	270.77	250.00	250.00
\$5,000 (adjust from prev. year)	(63.23)		
\$15,000 Medical Exp. Reimbursement	10,383.82	10,300.00	10,300.00
Christmas bonus	1,250.00	1,300.00	1,300.00
Tax Employer SS/MC	<u>5,073.89</u>	<u>5,100.00</u>	<u>5,100.00</u>
<i>Total - District Administration</i>	<i>229,205.96</i>	<i>231,076.00</i>	<i>232,008.00</i>
<i>District Operations</i>			
Boards: mileage/meals, etc.	8,567.15	8,500.00	8,500.00
District Assembly Exp.	13,410.31	13,500.00	13,500.00
District Journals	3,594.50	4,100.00	4,100.00
Team Talk expense	82.37	400.00	400.00
Flowers/Gifts	2,613.39	1,500.00	2,000.00