

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE
UNITED METHODIST CHURCH

FINANCIAL STATEMENTS

Years Ended December 31, 2009 and 2008

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE
UNITED METHODIST CHURCH
TABLE OF CONTENTS
Years Ended December 31, 2009 and 2008

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits – Modified Cash Basis	2
Statements of Changes in Net Assets Available for Benefits – Modified Cash Basis	3
Notes to Financial Statements.....	4
SUPPLEMENTARY INFORMATION	
Schedules of Changes in Unfunded Pension Benefits Liability – Modified Cash Basis	12
Schedules of Net Assets Available for Benefits – Modified Cash Basis	13
Schedule of Deductions from Net Assets – Modified Cash Basis.....	14-15

INDEPENDENT AUDITOR'S REPORT



To the Board of Directors
Board of Pensions
California-Nevada Annual Conference
United Methodist Church

We have audited the accompanying statements of net assets available for benefits – modified cash basis of the Board of Pensions, California-Nevada Annual Conference United Methodist Church (a nonprofit organization) as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits – modified cash basis for the years then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed in the following paragraph, we conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

We were unable to determine the Board's unfunded health benefits liability at December 31, 2009 because the current actuarial valuation was not available. Due to the unavailability of actuarial valuation, we were unable to satisfy ourselves about the value of unfunded liability at December 31, 2009.

As described in Note 3, these financial statements and supplemental schedules were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, except for the effects on the 2009 financial statements of such adjustments, if any, as might have been determined to be necessary if we had been able to satisfy ourselves about the value of unfunded health benefits liability at December 31, 2009 as discussed in the second preceding paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the net assets available for benefits of the Board of Pensions, California-Nevada Annual Conference, United Methodist Church as of December 31, 2009 and 2008, and the changes in net assets available for benefits for the years then ended, on the basis of accounting described in Note 3.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information on pages 12 to 15 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Except as described in the third preceding paragraph, such information has been subjected to the auditing procedures applied in the audit of the basic financial statements. In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to determine the Board's unfunded health benefits liability at December 31, 2009, such information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Brokstein + Rosen CPAs, LLP

Brokstein & Rosen CPAs, LLP
March 5, 2010

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS
December 31, 2009 and 2008

	2009	2008
ASSETS		
Investments, at fair value		
Investments with the Conference Claimants'		
Endowment Board		
Annual gift in transit	\$ 116,667	\$ 116,667
Demand notes	1,195,270	1,146,932
	1,311,937	1,263,599
Investments with the General Board of Pension and Health Benefits		
Past Service Deposit Account	16,939,839	13,851,989
Current Service Deposit Account	339,700	277,305
Death Benefit Deposit Account	47,324	42,622
	17,326,863	14,171,916
	18,638,800	15,435,515
Cash	596,304	682,163
Equipment and furniture	39,577	32,678
Less accumulated depreciation	(30,860)	(27,463)
	8,717	5,215
Security deposits	2,000	2,000
TOTAL ASSETS	19,245,821	16,124,893
LIABILITIES		
Unfunded pension benefits liability	15,795,713	3,524,445
Unfunded health benefits liability	43,315,000	43,315,000
TOTAL LIABILITIES	59,110,713	46,839,445
TOTAL NET DEFICIT AVAILABLE FOR BENEFITS	\$ (39,864,892)	\$ (30,714,552)

See accompanying notes to financial statements.

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS
Year Ended December 31, 2009 and 2008

	2009	2008
ADDITIONS TO NET ASSETS		
Investment income:		
Interest	\$ 49,889	\$ 55,252
Net appreciation in fair value of investments	3,592,321	-
Other investment income	-	428
	3,642,210	55,680
Support received:		
Conference Claimants' Endowment Board annual gift	1,400,000	1,400,000
Conference Claimants' Endowment Board grant	50,000	-
Other gifts	8,467	863
	1,458,467	1,400,863
Contributions:		
Pension plans		
Current Service	3,278,173	3,262,946
Past Service	485,998	543,824
Proportional deficiencies	50,723	58,727
	3,814,894	3,865,497
Nonpension plans		
Health care premiums	3,739,534	3,464,842
Retiree health care premiums	523,854	557,672
	4,263,388	4,022,514
	8,078,283	7,888,011
TOTAL ADDITIONS TO NET ASSETS	13,178,960	9,344,554
DEDUCTIONS FROM NET ASSETS		
Payments for pension benefits (Pre-82)	4,196,016	4,235,090
Payments for nonpension benefits	5,586,431	5,157,860
	9,782,447	9,392,950
Increase (decrease) to unfunded pension benefits liability	12,271,268	(823,747)
Net depreciation in fair value of investments	-	5,698,013
Administrative expenses	275,585	258,647
TOTAL DEDUCTIONS FROM NET ASSETS	22,329,300	14,525,863
NET INCREASE (DECREASE)	(9,150,340)	(5,181,309)
NET (DEFICIT) ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year	(30,714,552)	(25,533,243)
END OF YEAR	\$ (39,864,892)	\$ (30,714,552)

See accompanying notes to financial statements.

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2009 and 2008

NOTE 1: NATURE OF ACTIVITIES

The Board of Pensions (the "Board") is an agency of the California Nevada Annual Conference of the United Methodist Church (Annual Conference). The Annual Conference represents one of the basic units of the United Methodist Church, and the Conference Board of Pensions is a mandatory sub-entity of the basic unit.

The function of the Board is to administer the pension programs, health and dental benefit programs, disability and survivor benefit programs and related welfare programs offered to clergy and their families and lay employees of the United Methodist Church. The programs are offered at the direction of the Annual Conference.

NOTE 2: DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Board has evaluated events and transactions for potential recognition or disclosure through March 5, 2010, the date that the financial statements were available to be issued.

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Board are presented on a modified cash basis of accounting. This basis recognizes assets, liabilities, net assets, revenues, and expenses when they result from cash transactions with provisions for depreciation and unfunded past service liability for the defined benefit pension plan and of the post-retirement health care plan. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

Reclassifications

Certain reclassifications have been made to the 2008 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

Property and Equipment

Office furniture and equipment are stated at cost. Depreciation is provided using the straight-line method over the estimated lives of the assets ranging from three to five years.

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2009 and 2008

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Board considers all highly liquid investments with maturities of three months or less to be cash equivalents.

Income Taxes

As an agency of the Annual Conference, the Board comes under its income tax exemption. Therefore, no provision for income taxes is included in the financial statements.

NOTE 4: DESCRIPTION OF PENSION PLANS

The Board administers for the Annual Conference various retirement programs offered by the United Methodist Church including Clergy Retirement Security Program (CRSP).

CRSP is an amendment and restatement of the Ministerial Pension Plan (MPP), effective January 1, 2007.

CRSP includes a defined benefit plan covering clergy rendering service prior to 1982, referred to as the Pre-82 Plan. The Pre-82 Plan is frozen as to further service. The past service benefits due to or with respect to participants who were members of the Annual Conference are funded by the Board. The Board makes annual past service contributions to the General Board of Pension and Health Benefits of the United Methodist Church (General Board), the general agency which supervises the actuarial and fiduciary administration of the pension funds for all of the annual conferences, in accordance with the schedule for such contributions determined by the General Board on the basis of periodic actuarial valuations.

CRSP also includes an active defined benefit plan and an active defined contribution plan, which are funded by local churches on behalf of their participants. The Board makes annual defined benefit plan contributions to the General Board in amounts that are determined actuarially. The Board makes apportioned contributions to the General Board for the defined contribution plan.

NOTE 5: PRE-82 PLAN UNFUNDED PENSION BENEFITS LIABILITY

The General Board, as described in Note 4, calculates the amount of the expected Pre-82 Plan unfunded pension benefits liability in the fall of each year. The amount is calculated assuming a percentage increase of the Past Service Rate (PSR) of 2% of the prior PSR or, a PSR that is equivalent to 0.8% of the average compensation. That percentage of increase and the amount of the PSR are generally finalized subsequent to the date of the financial statements.

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2009 and 2008

NOTE 5: PRE-82 PLAN UNFUNDED PENSION BENEFITS LIABILITY (Continued)

As of December 31, 2008, the Board reported the Pre-82 Plan unfunded pension benefits liability using the General Board's preliminary valuation dated January 1, 2008, prepared in September, 2008, based upon a minimum 2% increase in the PSR from \$828 to \$845. On the final valuation, dated December 18, 2009, the rate was allowed to remain constant at \$828 and the valuation was reduced.

As of December 31, 2009, the Board reports the Pre-82 Plan unfunded pension benefits liability using the General Board's preliminary valuation dated January 1, 2009, prepared September, 2009, assuming a minimum 2% increase in the PSR from \$845 to \$862. This was prepared before the final valuation for 2008 was prepared. If the rate increases more than 2%, then the liability will be higher than the amount shown on these financial statements. If the rate is changed to show a 2% increase from the final valuation that used \$828 as the PSR, or if the rate remains unchanged, then the expected liability will be reduced from the amount shown on these financial statements.

The Pre-82 Plan assets with a fair value of \$25,268,055 at December 31, 2009 are held by the General Board. The Board relies primarily on actuarial information provided by the General Board in determining the reported benefit obligation and changes therein.

NOTE 6: LEASE OBLIGATIONS

The Board is currently leasing the office space for administrative services on a month-to-month basis. Rent expense for the years ended December 31, 2009 and 2008 amounted to \$16,200 and \$14,995, respectively.

NOTE 7: CONCENTRATION OF CREDIT RISK

The Board maintains cash balances at one bank. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Board has not experienced any loss in such accounts. Total uninsured cash balances at December 31, 2009 and 2008 were \$346,279, and \$432,288, respectively. The Board believes that it is not exposed to any significant credit risk on its cash balances.

NOTE 8: INVESTMENTS WITH GENERAL BOARD OF PENSIONS AND HEALTH BENEFITS

The accompanying financial statements reflect activity during calendar years 2009 and 2008 of the Board of Pensions reserve funds investment in the Multiple Asset Fund and the Short Term Investment Fund of the General Board.

BOARD OF PENSIONS
 CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
 NOTES TO FINANCIAL STATEMENTS
 Years Ended December 31, 2009 and 2008

NOTE 8: INVESTMENTS WITH GENERAL BOARD OF PENSIONS AND HEALTH BENEFITS (Continued)

The Multiple Asset Fund consists of 10% Inflation Protection Fund, 25% Domestic Bond Fund, 45% Domestic Stock Fund, and 20% International Stock Fund. The Short Term Investment Fund invests primarily in U.S. Treasury Bills and Notes, U.S. Federal Agencies, short-term corporate obligations, international fixed income securities, commercial paper, certificates of deposit and other similar types of investments.

The investments are held by the General Board and are audited at that level. All investment transactions are governed by the investment policy and guidelines of the General Board.

The Multiple Asset Fund is adjusted to fair market value monthly. Gains from the increase in market value during 2009 were \$3,592,321 and losses from the decrease in market value during 2008 were \$5,698,013 as allocated below:

	2009	2008
Past Service Deposit Account	\$ 3,573,722	\$ (5,241,139)
Current Service Deposit Account	8,369	(441,789)
Death Benefit Deposit Account	10,230	(15,085)
Total	\$ 3,592,321	\$ (5,698,013)

NOTE 9: FAIR VALUE MEASUREMENTS

The Fair Value Measurements Topic of the FASB Accounting Standards Codification establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Board has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Substantially all of the Board's investments held by the General Board are classified under Level 1 or 2.

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2009 and 2008

NOTE 10: RETIREE HEALTH CARE POSTRETIREMENT BENEFIT OBLIGATION

The Retiree Health Care Program of Annual Conference provides postretirement health benefits to clergy who make the required election upon retirement. In addition, the plan provides health benefits to surviving spouses and dependents for those employees or retirees who die while covered under the plan.

Four distinct postretirement healthcare plans are offered to eligible retirees and dependents: (i) a Blue Shield HMO; (ii) a Blue Shield Medicare carve out plan; (iii) a Kaiser plan; and (iv) a Secure Horizons plan. Benefits, deductibles, and co-pays differ amongst the various plans.

Although postretirement health benefits are available to all employees and surviving spouses and dependents, only certain of these individuals are eligible to receive a subsidy from the Annual Conference towards their postretirement health care premium. In order to receive a subsidy, an employee must have earned at least ten years of service with the Annual Conference and must be receiving a pension from an Annual Conference retirement plan. The amount of the subsidy is limited to a portion of the Medicare supplement premium, even if the retiree or his spouse is receiving coverage prior to Medicare eligibility. The portion of the Medicare supplement premium that is paid by the Annual Conference for eligible retirees and their spouses is 80%, reduced by 5% for each year of service with the Annual Conference less than twenty. Therefore, the subsidized portion ranges from 50% for those employees with ten years of service with the Annual Conference to 80% for those employees with at least twenty years of service with the Annual Conference. There is an exception for the surviving spouse of an active employee, whereby the Annual Conference pays 100% of the Medicare supplement premium for three years after the employee's death, after which time the Annual Conference subsidy is reduced to the percentage described above. All eligible retirees, spouses, and dependents must pay any remaining premium that is in excess of the subsidy described above in order to retain healthcare coverage under the plan.

The plans currently have 361 active participants and 257 retirees currently receiving benefits.

The Accumulated Postretirement Benefit Obligation (APBO) has been actuarially calculated as of January 1, 2008 to be \$43,315,000. This amount is reflected at December 31, 2008. This entire amount is unfunded as there are no current plan assets. As noted in the auditor's report, no actuarial calculation has been provided for 2009 and the benefit obligation has not changed at December 31, 2009.

BOARD OF PENSIONS
 CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
 NOTES TO FINANCIAL STATEMENTS
 Years Ended December 31, 2009 and 2008

NOTE 10: RETIREE HEALTH CARE POSTRETIREMENT BENEFIT OBLIGATION (Continued)

Premium paid for the year ended December 31, 2009 and 2008 were \$1,750,759 and \$1,682,020, respectively. Of this amount, \$480,505 and \$456,572 were paid by the retirees themselves, respectively.

Projected Postretirement Benefit Payments:

2010	\$ 1,795,000
2011	\$ 1,867,000
2012	\$ 2,046,000
2013 – 2017	\$ 12,586,000

Key Actuarial Assumptions (Annual):

Discount Rate	5%
First Year Health Care Trend Rate	15%
Ultimate Health Care Trend Rate	5%
Average Years of Expected Future Working Time of Employees	11.69%

The Plan has been changed subsequent to the actuarial valuation date so that the portion of the Medicare supplement premium that is paid by the Annual Conference for eligible retirees and their spouses is 70%, reduced by 5% for each year of service with the Conference less than twenty. Therefore, the subsidized portion ranges from 50% for those employees with ten years of service with the Annual Conference to 70% for those employees with at least twenty years of service with the Annual Conference.

NOTE 11: HEALTH BENEFITS EXPENDITURES BY THE BOARD OF PENSIONS

The Board assists the Annual Conference in the funding of retiree health care benefits through the planned expenditures of Accumulated Reserve funds. In 2009 and 2008 the Annual Conference made flat monthly payments to the Board for its share of apportionment retiree health benefits. The Board then paid the insurance premiums in full. Therefore, for 2009 and 2008 in addition to Conference apportionment and premiums paid, the Board actually paid a net of \$1,229,829 and \$1,125,448 respectively towards retiree health benefits from its assets as shown below:

	2009	2008
Applicable retiree health benefits	\$ 1,750,759	\$ 1,682,020
(Less) payments from the Annual Conference	(40,425)	(100,000)
(Less) premium payments by retirees	<u>(480,505)</u>	<u>(456,572)</u>
Net amounts paid by the Board	<u>\$ 1,229,829</u>	<u>\$ 1,125,448</u>

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2009 and 2008

NOTE 11: HEALTH BENEFITS EXPENDITURES BY THE BOARD OF PENSIONS

In 2010 and future years the net amount paid by the Board of Pensions is expected to substantially increase as the Annual Conference payments decrease and costs increase. The Board has voted in 2009 to increase the premium payments by the retirees.

SUPPLEMENTARY INFORMATION

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
SCHEDULES OF CHANGES IN UNFUNDED PENSION BENEFITS LIABILITY - MODIFIED CASH BASIS
Year Ended December 31, 2009 and 2008

EXPECTED UNFUNDED PAST SERVICE LIABILITY, December 31, 2008	\$ 3,524,445
Actuarial changes	
Recurring changes	
Asset growth rate	14,359,465
Mortality and other demographic assumptions	696,500
Liability impact due to Defined Benefit Service Money	<u>(3,363,858)</u>
	<u>11,692,107</u>
Past Service Liability, January 1, 2009, after actuarial corrections	15,216,552
Interest at 7% through December 31, 2009	1,065,159
Annual Past Service deposit	<u>(485,998)</u>
EXPECTED UNFUNDED PAST SERVICE LIABILITY, December 31, 2009	<u>\$ 15,795,713</u>
EXPECTED UNFUNDED PAST SERVICE LIABILITY, December 31, 2007	\$ 4,348,192
Actuarial changes	
Recurring changes	
Asset growth rate	(1,015,563)
Mortality and other demographic assumptions	<u>525,012</u>
	<u>(490,551)</u>
Non recurring changes	
One time increase due to changes to retirement eligibility	<u>(11,653)</u>
Past Service Liability, January 1, 2008, after actuarial corrections	3,845,988
Interest at 7% through December 31, 2008	269,219
Annual Past Service deposit	<u>(590,762)</u>
EXPECTED UNFUNDED PAST SERVICE LIABILITY, December 31, 2008	<u>\$ 3,524,445</u>

BOARD OF PENSIONS
 CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
 SCHEDULES OF NET ASSETS AVAILABLE FOR BENEFITS BY FUNCTION- MODIFIED CASH BASIS
 December 31, 2009 and 2008

	2009	2008
NET ASSETS AVAILABLE FOR BENEFITS		
Total General Fund	\$ 4,884,104	\$ 3,598,624
Necessitous Grant Program	41,405	41,405
Health Care Program - Actives	83,573	163,130
Health Care Program - Retired	(3,553,047)	(2,297,110)
Death Benefit Program	395,511	379,516
Methvin Memorial - Corpus	67,412	67,412
	1,918,958	1,952,977
General Board of Pension and Health Benefits		
Past Service Deposit Account	16,939,839	13,851,989
Current Service Deposit Account	339,700	277,305
DBP Deposit Account	47,324	42,622
	17,326,863	14,171,916
Pension Benefits	(15,795,713)	(3,524,445)
Health Benefits	(43,315,000)	(43,315,000)
TOTAL NET DEFICIT AVAILABLE FOR BENEFITS	\$ (39,864,892)	\$ (30,714,552)

BOARD OF PENSIONS
CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
SCHEDULE OF DEDUCTIONS FROM NET ASSETS - MODIFIED CASH BASIS
Year Ended December 31, 2009

SCHEDULE OF PAYMENTS FOR PENSION BENEFITS (PRE-82)

Current Service Deposit Account	
Church contributions and Conference build up and adjustments	\$ 3,224,147
Past Service Deposit Account	
Past service funding deposit and special grants	485,871
Payment by Conference to General Board of Pension and Health Benefits	<u>485,998</u>
	<u>\$ 4,196,016</u>

SCHEDULE OF PAYMENTS FOR NONPENSION BENEFITS

Contributions from Death Benefit Deposit Account	\$ 5,528
Health care premiums	3,763,646
Retiree health care premiums	1,750,759
Health care premium refunds	25,338
Conference treasurers accounts	
Proportional deficiencies	40,390
Retiree health care premium refunds	<u>770</u>
	<u>41,160</u>
	<u>\$ 5,586,431</u>

SCHEDULE OF ADMINISTRATIVE EXPENSES

Accounting and professional fees	\$ 25,461
Bank charges	820
Board and committee meeting expenses	1,111
Computer training and software	5,973
Depreciation	3,397
Office expenses	10,440
Postage and freight	4,721
Rent	16,200
Salaries and benefits	192,173
Telephone	3,419
Travel and meeting expenses	<u>11,870</u>
	<u>\$ 275,585</u>

BOARD OF PENSIONS
 CALIFORNIA-NEVADA ANNUAL CONFERENCE UNITED METHODIST CHURCH
 SCHEDULE OF DEDUCTIONS FROM NET ASSETS - MODIFIED CASH BASIS
 Year Ended December 31, 2008

SCHEDULE OF PAYMENTS FOR PENSION BENEFITS (PRE-82)

Current Service Deposit Account	
Church contributions and Conference build up and adjustments	\$ 3,100,504
Past Service Deposit Account	
Past service funding deposit and special grants	543,824
Payment by Conference to General Board of Pension and Health Benefits	<u>590,762</u>
	<u>\$ 4,235,090</u>

SCHEDULE OF PAYMENTS FOR NONPENSION BENEFITS

Contributions from DBP Deposit Account	\$ 8,663
Health care premiums	3,381,522
Retiree health care premiums	1,682,020
Health care premium refunds	24,756
Necessitous grants	1,000
Conference treasurers accounts	
Proportional deficiencies	58,727
Retiree health care premium refunds	<u>1,172</u>
	<u>59,899</u>
	<u>\$ 5,157,860</u>

SCHEDULE OF ADMINISTRATIVE EXPENSES

Accounting and professional fees	\$ 19,433
Bank charges	482
Board and committee meeting expenses	1,130
Computer training and software	2,601
Depreciation	2,328
Office expenses	10,477
Postage and freight	5,900
Rent	14,995
Salaries and benefits	184,528
Telephone	3,603
Travel and meeting expenses	<u>13,170</u>
	<u>\$ 258,647</u>