

ADVANCE MATERIALS

Southern New England conferences Annual Meeting

November 1-2, 2019 | DCU Center | Worcester, MA



WE'RE ALMOST THERE!

The new conference officially comes into being on Jan. 1. But before that happens, our three conferences will gather for the last time as separate entities at this, our third joint Annual Meeting. Join us!

Cloud of Witnesses: UNBOUND John 11:32-44

Keynote speaker: Valarie Kaur, founder of the Revolutionary Love Project
Storytelling | Worship Together | Plenary Sessions | Transition Vision Update



Please bring this booklet with you to Annual Meeting



**The Southern New England
conferences of the United Church of Christ**

Connecticut ~ Massachusetts ~ Rhode Island

Southern New England conferences Annual Meeting

November 1-2, 2019

Cloud of Witnesses: UNBOUND
~ John 11:32-44

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For Annual Meeting related resources and information, go to www.macucc.org/2019AM

Dear Delegates, Clergy and Friends,

Welcome to Annual Meeting! We eagerly anticipate our first gathering as an affirmed new conference of the United Church of Christ.

This Advance Materials packet contains some, but not all, of the documents you will need for the meeting.

As we transition to being a single, new Southern New England Conference, meeting planners are posting many shared materials on the web rather than distributing them on paper. The following shared information may be found at www.macucc.org/2019AM.

- Information about the theme, keynote speaker and preacher
- The schedule for the meeting
- A list of business items and actions to be taken
- Information about the venue, directions, hotels and nearby restaurants
- A proposed Behavioral Covenant and Rules of Procedure
- Proposed revisions to SNEUCC bylaws
- Proposed Foundational Justice Commitment for SNEUCC
- A Funding Agreement, 2020 Budget, and information on Proportional Giving

In addition to shared materials, we are posting to the website (www.macucc.org/MA2019) a number of Massachusetts-specific documents. These include:

- Proposed revisions to bylaws of the historic Massachusetts Conference
- A Resolution against Bullying and accompanying information
- A letter from the Moderator

This paper Advance Materials packet includes those items that we are currently required, by our MACUCC bylaws, to send via paper mail. However, the bylaw revisions proposed will allow all materials to be sent via email in the future, saving costs and lowering our environmental impact.

We thank you for your adaptability and look forward to seeing you in November!

– Dawn Hammond,
staff, for the Annual Meeting Logistics Team

Our Sponsors



Report of the Board of Directors



The Rev. Corey J. Sanderson, Chair, Board of Directors, Second Congregational Church of Greenfield

For more years than I would care to admit, I watched a wide variety of ‘procedural’ shows on TV. Whether it was *Law & Order* or *NCIS*, *Criminal Minds* or *CSI*, there was something powerful about these shows that pulled me in. At first, I thought solving crimes and meting out justice made the chaos of our world feel a little more manageable. Yet later on, I realized the deeper lure of these shows for me; I wanted to be on a team. I wanted to be on a team where everyone gives sacrificially in service of something greater by using the skills they have to make the world a more loving and just place.

Four years ago, I found my team when I joined the Board of Directors. Over and over again, I have marveled at the members who have made up the Board. These leaders, who all hail from our local churches, are deeply committed to the ongoing health, vitality, and success of our conference. You need to know this is no ‘rubber stamp’ board. We challenged and encouraged, critiqued and provoked one another to ensure we were giving the best we could so the conference could support our local churches. This is what made us a real ‘dream team.’

Much of this year’s work focused on the continuing governance of the Conference and attending to the needs of our local churches. This included organizational and strategic work on staffing and budgets, policies and procedures. We also spent time ensuring the programs, opportunities, and resources that our local churches utilize are at their very best. Whatever it is that your church wants to do, the Conference has incredibly talented people to help connect you to the resources you need to carry out your ministry.

A major facet of the Board’s work involved the heavy lifting that was needed to live into the new Southern New England Conference of the UCC. Guided by the vision, mission, and values of the new conference, we began leaning in to this emerging reality. We tackled project after project. At every turn we discovered something else that needed our attention and focus. Of primary importance was the process of due diligence. The Board took seriously the responsibility to ensure there were no legal or financial problems with our two sister state conferences that would necessitate our withdrawal from the Covenant and Affiliation agreement. After countless conversations and meetings, the Board affirmed the Annual Meeting’s decision to become an official part of the new Southern New England Conference. Our Board was also instrumental in making the case to General Synod that this new conference would best be poised to serve the ministry needs of our local churches. Since only General Synod can create or dissolve conference boundaries, we worked steadily and carefully through the timetable to get everything set.

Jesus said, ‘No one puts new wine into old wineskins; otherwise the new wine will burst the skins and will be spilled, and the skins will be destroyed’ (Lk. 5:37). This is why learning

remained at the center of our work. We spent time learning about team-building, leading adaptive change, organizational cultures, and how we can unmask and help dismantle racism.

We read Shane Snow’s book, *Dream Teams*, which explores how teams of all types work best. Tod Bolsinger’s visionary book, *Canoeing the*

Mountains, helped us understand the unique challenges church leaders face in the midst of our shifting postmodern culture. *White Fragility*, by Robin Diangelo, helped us learn how to talk about race and the white supremacy that is deeply embedded in our culture. *White Fragility* was read in conjunction with the historic Boards of Directors of Rhode Island and Connecticut, as well as with the new Board of the Southern New England Conference.

Throughout the year our Board members were constantly on the move, serving as ambassadors of the new conference. They gave updates at Association meetings, answered questions at Super Saturday, and solicited feedback from people in our local churches. With all the progress taking place, they were glad to share the enthusiasm and momentum that was building in the formation of this new conference.

We worked a great deal with the Board of the new Southern New England Conference to convey what is precious and valuable in our Massachusetts Conference culture. While the new conference is not a merger, there are certain things each of our three states wants to carry forward. These open and revealing conversations were well received and we are on track to bringing the best we can offer to this new conference. It is a big step to entrust our staffing, programming, and vision implementation to the new Board, but we have full faith and confidence that ‘all shall be well.’

Letting go is a hard thing to do. Sending your kid off to school isn’t easy, yet it has to happen for them to fully thrive. Being able to gracefully relinquish control, ownership, and even future plans takes a great deal of faith. The new conference’s Board of Directors is already strong enough and steady enough to allow us to let go and know that things will be even better than they are now. As we embark on this new adventure of faith with our siblings in Christ who live in Rhode Island and Connecticut, you can rest assured that you have a great team of leaders at the helm. We couldn’t ask for better company on this journey of faith.

The best teams rise together and fall together, so while there are many individual contributors, the deepest thanks goes to everyone who has been part of this journey. ■

“Whatever it is that your church wants to do, the Conference has incredibly talented people to help connect you to the resources you need to carry out your ministry.”

Report of the Treasurer



*John "Chip"
Hamblet,
Treasurer
Pawtucket
Congregational
Church, Lowell*

I'm delighted and grateful to be able to report that the Massachusetts Conference ended 2018 with a substantial surplus of income over expenses. As you will see in the Budget Report in your Advance Materials, the \$75,000 deficit initially projected did not materialize. Instead, we ended the year with an operating surplus of about \$65,000.

There were two key components to this outcome.

First among these is the generosity of our churches. For the second year in a row, support for our shared ministries was higher

than we had budgeted – this year, by about \$70,000.

Your Finance Committee has learned to budget conservatively given the stresses faced by many of our local congregations. We rejoice when churches are able to provide more support than our anxious anticipation led us to budget! This was clearly the case in 2018.

The other major factor in the operating surplus was cost savings in the area of personnel. Staff transitions and realignment of positions resulted in a savings of about \$70,000 relative to budget. While this sounds straightforward, it is really a manifestation of the adaptive change called for in the Vision Statement for our new Southern New England Conference. Rather than simply replacing staff who depart, our Conference Ministers are always thinking how things might be done differently in order to better use the resources entrusted to the wider church.

The blessings of unanticipated income and savings enabled the Board to allocate money for a short-term increase in the hours of our Faith Formation consultant for 2019. This is a direct response to our churches, from whom we hear many calls for help in their ministries with young people. We were also able to allocate some additional money for capital needs, which are always somewhat under-funded.

For those of you who like to focus on budget line items, I want to mention two other things.

First, you will note that program income and program expense are both significantly under budget. This reflects the fact that our staff is often somewhat ambitious in projecting the level of program activity in the budget, especially given that unexpected demands on their time often arise during the year. The net cost of program activity (expenses less income) is within a few thousand dollars of budget projections.

Second, Miscellaneous Income and Legal, Audit and Contingency Expense are both significantly over budget. These two items are directly related. Cost reductions granted by our lawyers are booked as "Donated Services" in accordance with generally accepted accounting principles. The Conference had a large legal bill related to a church closure in 2018, ultimately paid from legacy funds contributed by the congregation. However, both

legal expense and miscellaneous income were inflated by this event.

2019 BUDGET REVISIONS

Based on 2018 results, the Board made revisions to the 2019 budget which was presented to Annual Meeting last June.

1. Projections for receipts from churches (United Church Mission, Basic Support, and Dues) were increased by about \$67,000.
2. Investment income projections were reduced, as we are working to gradually reduce our "draw" on endowments from 5% to 4% at the advice of the Investment Committee. For 2019, rates range between 4 and 4.5%.

These and other changes yield a budget with a projected deficit of \$66,250, consistent with last year's Annual Meeting vote.

2020 BUDGET

The budget proposed by the MACUCC Board for 2020 looks very new this year! You will see that it contains only two items – utilization of investments, and the transfer of that utilization to the MACUCC capital budget and to SNEUCC for an operating budget.

As of January 1, 2020, all Conference work with our churches, clergy and Associations will be carried out by the new Southern New England Conference. All staff will be employed by the new Conference. All outdoor ministry and meeting center operations will be carried out by the new Conference. This means that most budget activity will be the purview of the new Conference, as delegated to the new Board of Directors.

The work remaining for the Massachusetts Conference will be to invest its historical endowments, and to maintain its properties. Thus, the Mass. Conference will need a capital budget, but not an operating budget. Income from endowments will be transferred to the new Conference to meet staff and other operating costs, in accordance with a legal Funding Agreement currently being drafted.

You will soon be able to access the unified, projected 2020 budget for the Southern New England Conference, as well as the Funding Agreement. It will be an exciting tool for our new, shared, vision-driven mission and ministry! Meanwhile, you will note that the Mass. Conference portion of the Annual Meeting includes only a single budget vote, shown on page 8 of these Advance Materials.

TRANSITIONING FINANCIAL GOVERNANCE TO THE SOUTHERN NEW ENGLAND CONFERENCE

A key focus of your MACUCC Finance Committee and Board this past fall was to review hundreds of financial and legal documents presented by the Connecticut and Rhode Island Conferences of the UCC. This was the 'due diligence' process to which

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Report of the Treasurer

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we committed when we asked for the consent of the Annual Meeting to create a new conference “together, as one.” Your Board and staff asked dozens of questions, some of which led to in-depth conversations about financial, accounting and HR practices. Our conclusion was that there were no significant financial risks or concerns that would warrant pulling out of the agreement to create a new Conference.

Through all of this conversation, the financial leadership of the three conferences continued to get to know one another and to build trust. Since September 2018, the Finance Committee of the new Conference has been meeting regularly to plan financial aspects of the transition. As your Treasurer, I serve on this committee as well as on the Board of the new Conference.

The new committee has developed a plan to bring our budgets together. We are finalizing the Funding Agreement mentioned above, which will be available for the information of Annual Meeting delegates. And, we have committed to a new funding mechanism for the new Conference based on Proportional Giving, about which you will be able to learn more at

any one of many meetings taking place around southern New England this fall, or on the Conference website at www.macucc.org/proportionalgiving.

We are excited that this new way of raising funds for our shared ministries will be theologically grounded, aligned with our Vision, and easy to understand.

Many cultural and operational differences remain to be negotiated among representatives of our three historic conferences. More crucially, your Conference leaders eagerly seek to listen for God’s voice and guidance as we try to create something that is not

merely a compromise among old ways of doing things, but seeks to be the new church Jesus needs for this new, rapidly-changing, ever-challenging, exciting and blessed time. I am confident that the Holy Spirit is with all of us, and appreciate your trust in your financial leaders as we carry forward all of our commitment to transparency, strong financial controls and good stewardship into our new Conference structures and practices.

Thank you for your support, your faith and your vision, as together we seek to live the love and justice of Jesus! ■

“Our conclusion was that there were no significant financial risks or concerns that would warrant pulling out of the agreement to create a new Conference.”

Budget Report 2018-19 — MACUCC

	<u>2018 Revised Budget</u>	<u>2018 Actual Pre-Audit</u>	<u>2019 Revised Budget</u>
OPERATING REVENUE			
Total United Church Mission Receipts	764,900	832,361	807,400
Remitted to National UCC	<u>-267,750</u>	<u>-295,735</u>	<u>-282,600</u>
United Church Mission Retained	497,150	536,626	524,800
Total Basic Support Receipts	867,800	877,972	851,600
Remitted to National UCC	<u>-433,900</u>	<u>-422,888</u>	<u>-425,800</u>
Basic Support Retained	433,900	455,084	425,800
Fellowship Dues	644,750	665,139	645,200
Annual Fund	<u>34,000</u>	<u>24,414</u>	<u>68,000</u>
Total Support from Churches	1,609,800	1,681,263	1,663,800
Use of Restricted Gifts	472,250	489,625	398,900
Income from General Endowment	114,700	114,700	110,000
Net Conference Center Revenue	84,100	66,109	71,900
Program Income	159,500	85,781	183,200
Miscellaneous Income	<u>16,850</u>	<u>54,496</u>	<u>31,400</u>
TOTAL OPERATING REVENUE	2,457,200	2,491,974	2,459,200
OPERATING EXPENSES			
Salaries & Benefits	1,765,900	1,692,872	1,760,200
Travel Reimbursement	88,550	101,766	84,000
Staff Devt, Sabbatical Coverage, Searches	<u>12,950</u>	<u>13,434</u>	<u>12,850</u>
Total Staff Costs	1,867,400	1,808,072	1,857,050
Program Events & Trainings	163,750	84,504	177,600
Print & Web Resources	14,300	12,534	15,550
Grants	57,400	52,603	56,650
Communities of Practice & Other Groups	59,150	52,200	63,250
Consultants	22,700	37,061	2,700
Meetings, Travel	16,100	19,487	19,700
Dues, Subscriptions, Partnerships, Scholarships	<u>13,600</u>	<u>7,478</u>	<u>13,350</u>
Total Program Costs	347,000	265,867	348,800
Annual Meeting, Synod, Board & Staff Meetings	49,100	59,564	54,600
Legal, Audit, Contingencies	66,800	107,346	67,800
Development Costs	7,400	1,815	7,500
Regional Office Costs	15,400	14,401	15,200
Telecommunications, Web & Network Support	34,000	33,497	34,100
Office Equipment & Supplies	37,900	29,024	36,800
Framingham Office Rent, Maint	<u>107,200</u>	<u>106,693</u>	<u>103,600</u>
Total Institutional Costs	317,800	352,340	319,600
TOTAL OPERATING EXPENSES	2,532,200	2,426,279	2,525,450
OPERATING EXCESS/DEFICIT	-75,000	65,696	-66,250
TRANSFERS:			
Faith Formation accrual for 2019		10,000	
To Capital Budget		<u>33,000</u>	
NET EFFECT ON OPERATING FUND	-75,000	22,695	-66,250

Use of Restricted Gifts

	<u>2018 Revised Budget</u>	<u>2018 Actual</u>	<u>2019 Revised Budget</u>
Sustaining Pastoral Excellence Funds	53,000	53,000	49,600
21st Century Congregations	16,000	16,000	0
Everett Fund	41,600	41,600	40,000
Gift & Promise Endowment Income	138,050	138,050	125,600
Barnes Fund for Justice & Witness Ministries	47,200	19,100	32,000
Blake Fund	0	28,100	74,000
Boston-Cambridge Ministries in Higher Education	16,000	14,951	14,000
Strengthen the Church	5,000	5,000	5,000
Youth & Young Adult Fund	10,000	10,000	0
Church Development & Renewal Funds	16,050	12,829	11,000
Justice & Witness Funds	11,000	11,000	4,600
Funds for Development position	111,850	111,850	40,100
Friends of the Conference	3,500	26,145	0
Area Ministers Funds	<u>3,000</u>	<u>2,000</u>	<u>3,000</u>
Total Use of Restricted Gifts	472,250	489,625	398,900

Retreat Centers 2018-19

	<u>2018 ACTUAL</u>	<u>2019 REVISED</u>
Framingham		
UCC Center (Cost Allocation)		
Internal Rents	189,400	107,800
Expenses	<u>-169,201</u>	<u>-84,700</u>
Net Income (Expense)	20,199	23,100
Edwards House		
Revenue	216,303	198,100
Expenses	<u>-232,365</u>	<u>-226,100</u>
Net Income (Expense)	-16,062	-28,000
Pilgrim Day Camp		
Revenue	802,965	863,600
Expenses	<u>-740,992</u>	<u>-786,800</u>
Net Income (Expense)	61,973	76,800
Total Sites Net Income (Exp)	66,109	71,900

2020 Budget - Massachusetts Conference UCC

Recommended to the 220th Annual Meeting by the Board of Directors

	General Endowment	Board Designated Endowments	Restricted Endowments	Totals
Utilization of Endowments:	154,500	62,000	216,000	432,500
Transfer for MACUCC Capital Budget	121,300	3,700	0	125,000
Transfer to Southern NE Conference, UCC	<u>33,200</u>	<u>58,300</u>	<u>216,000</u>	<u>307,500</u>
Total Transfers	154,500	62,000	216,000	432,500

Proposed 2020 Budget Vote

The Board of Directors recommends to the 220th Annual Meeting:

2020 UTILIZATION OF ENDOWMENTS

The Board of Directors recommends to the 220th Annual Meeting: “The 220th Annual Meeting adopts a 2020 budget with utilization of endowments of \$432,500, transfers of \$125,000 for MA Conference capital purchases, and transfers of \$307,500 to the Southern New England Conference of the United Church of Christ for operations.”