

AFRICA TASK FORCE

In its commitment to promote the covenant relationship between our New England Conference and our sister United Methodist Conference in West Angola the Africa Task Force invited churches in our Conference to participate in the Adopt-a-Pastor program (Advance Special) for pastors in West Angola Conference, most of whom have not been paid for months. The program requests participating churches to pay at least half (\$500) the annual salary (\$1000) of a West Angola pastor in a three year commitment. In addition to making a contribution to pastoral ministry in West Angola in this way it is hoped that this mission link would further strengthen the covenant ties between the two Conferences. We also gave the West Angola Conference \$4000 for ongoing and new mission projects. Contributions were made to the BIG Ministry International (\$400), Liberian Ministry (shipping medical supplies - \$300) and to graduate African student Coleen Mukono. During summer the Revs. Abiot and Tsitsi Moyo led a team from BIG Ministry International on a mission trip to Zimbabwe to meet with pastors and visit projects sponsored and supported by this Ministry. For those who made the trip it was truly a transforming, eye-opening and spiritually uplifting experience. Bishop Peter Weaver and a team from Africa Task Force are hoping to visit West Angola Conference in November 2006.

Ed Grant - Chair

BOARD OF LAITY/CONFERENCE LAY LEADER

It is challenging to write the Annual Report of the Board of Laity and Conference Lay Leader. The board is comprised of the representatives of all of the eight districts and members such as the United Methodist Women, youth, New England Assembly of the Laity, et al. Secondly, as your Conference Lay leader, I have the pleasure and the opportunity to represent almost 100,000 laity in the New England Annual Conference. Since we have so many talented, gifted and involved laity, one runs the risk of mentioning or highlighting one individual or group while ignoring others. Therefore, this report will mainly focus on events, plans and future directions.

Although I began my second year on July 1, 2005, I would be remiss to not express appreciation for the wonderful attendance and participation of the laity at the 2005 New England Annual Conference. The Conference in part served as the culmination and celebration of the year's work by laity and clergy. It was a time to review, assess and affirm the past; or make plans for alterations and proposals for the ensuing year's agenda. We experienced mixed emotions; anxiety, remembrance, frustration, joy, etc.

The Board of Laity was busy with efforts to honor our vision (transformed by the Holy Spirit and united in trust, we will respond to God's call to proclaim Christ boldly to the world) and mission (to equip, connect and support local, regional and global ministries to make disciples of Jesus Christ and to serve all in his name). Some of these activities were: leadership and participation on committees, boards, agencies and other groups. We conducted successful Lay Speaking Ministry workshops, Lay Leaders Training and

Leadership Training. The board was represented on the North Eastern Jurisdiction (Partners Ministries Table and Committee on Episcopacy). On the national scene, we attended Conference Connexion held in Dallas, Texas to train conference leadership teams and we were represented at the National Association of Annual Conference Lay Leadership.

During September 23-25, 2005, the first North East Jurisdiction Development Training was held for Lay Leaders, District Lay Leaders and District Directors of Lay Speaking Ministry in Philadelphia, PA. There were a total of 53 attendees from 13 conferences in the Jurisdiction. New England Conference was recognized for having the largest representation of 9 persons. Their participation was truly outstanding. Much spiritual bonding, sharing and caring occurred during the drive to and from Massachusetts in a rented van.

The clergy and laity partnering has become a highly desired and respected relationship by clergy and laity. We give much credit to Bishop Weaver for his tremendous leadership in this process. He models this in his daily demeanor. Such a process can only support and enable both groups to develop and maintain a shared vision of a healthy church community.

In my opinion, the Capital Campaign has had greater returns than the already reached goal of ten million dollars. Raising the money was a phenomenal effort. However, the faith, prayers, cooperative efforts, trust and spirituality have served as rewarding principles. The memories and relationships of the combined efforts will last forever. I pause to remember receiving a letter from an 87 year young woman who wrote "I am sorry that I can only give this \$25.00. I will give more when I can." Brushing tears from my eyes, I was tempted to send her \$25.00. However, I understood that it was not the money, but it was her cause or reason for giving which motivated her behavior. The mentioning of this situation was not intended to differentiate between those persons electing to give and those electing not to give, it is to honor and affirm her unselfish giving.

Accompanying the Bishop on his visits has been one of the most rewarding experiences I have had in my role as conference lay leader. When the Bishop says "I am a local pastor", likewise, I affirm that I am a local lay person. Regardless of the size of the church, its location, socioeconomic status or other defining variables, you have greatly expressed your warmth, caring and hospitality.

During the visits, we heard repeatedly from you that you want service programs and meetings in or near your districts. Bishop Weaver has consistently said that the conference is here to serve the districts and the local churches and not for the districts and local churches to serve the Conference. The new structure and plans recommended by you and presented by the Conference Transformation Team, offer challenges, as well as many possible opportunities. The development of a Lay Academy has been mentioned numerous times during these visits. A district formation where persons aspiring to use their gifts could easily receive training without traveling a

long distance would be desirable. Additionally, there would be programs for persons who would like training but do not want to become lay speakers.

A planning and training retreat for the Board of Laity was held March 31-April 1, 2006 at Grotonwood Conference Center in Groton, MA. The primary focus of the meeting was the development of the Lay Academy. Details will be forthcoming at Annual Conference.

Oscar Harrell - Conference Lay Leader

REPORT OF THE ASSISTANT TO THE BISHOP/DIRECTOR OF CONNECTIONAL MINISTRIES

In my combined roles as Director of Connectional Ministries (DCM) and Assistant to the Bishop, I am privileged to be present in a wide variety of settings. My DCM responsibilities deal with oversight and coordination of programs and ministry of the Annual Conference in the context of the vision and mission. As Assistant to the Bishop, I continue to support various aspects of the Bishop's work. Therefore, my functioning takes me from a Cabinet meeting to local church events, from meetings for a camp site board or Board of Laity or CFA to gatherings for the Lawrence staff and local church preaching opportunities.

During 2005, the Conference Staff saw several changes.

? Upon the appointment of John Blackadar to be the New Hampshire District Superintendent, resources were made available to create a new position of director of congregational development. By August, the Rev. Curtis Brown had been selected to serve in this capacity among us.

? Among the existing staff, we realigned our responsibilities once again so that Curtis and Wanda Stahl could be more focused in their primary areas of responsibility (congregational development and Christian formation, respectively) while I serve in a generalist, coordinating, and connecting role.

? In the fall, new co-directors for the Wanakee United Methodist Center were selected. Jean and Michael Moore entered into this work in November.

? In December, Michael Hickcox resigned as director of communication for the annual conference after having served with us for eleven years. At this writing, we have developed a part-time interim team to handle some of the communication responsibilities with the expectation that we will be able to name a new director of communication by June.

I relate to many committees, boards, and work areas in our conference. This past year I have especially been active in supporting the Conference Transformation Team, as well as being part of the Bishop's Financial Summit and offering staff support for the Board of Laity. Specific programs and arrangements that I have been part of include anti-racism work, staff workshops, CTT focus groups, and annual conference

planning. Generally my role is a connecting one, seeking to relate and coordinate important work and ministries that occur in various places across our structure.

It is a privilege and pleasure for me to be associated with the Staff of the Annual Conference – in Lawrence, in our districts, among the camping/retreat sites, and through the network of conference parish consultants. All of these persons are extremely gifted and dedicated to their ministries on behalf of our local churches and annual conference. We are blessed by their service for Christ and for the rest of us.

James T. McPhee

COMMISSION ON ARCHIVES AND HISTORY

The New England Conference Commission on Archives and History met twice during 2005. Our spring meeting was held at the Gouldsboro, ME, UMC on Friday, May 6, for the purpose of moving the marker for Historic Site #218, originally appearing on the North Sullivan UMC to the Gouldsboro UMC and re-dedicating the Historic Site. The North Sullivan UMC was one of the first churches served by the Reverend Margaret Henrichsen, who was one of the first four women in the Maine Annual Conference to be received into conference membership in 1956 after the landmark decision at the 1956 General Conference to extend full clergy rights to women. In 1967 she became the first woman in American Methodism to be appointed as a District Superintendent. In 2000 the North Sullivan congregation made the decision to close the church due to the small size of the congregation and the building was subsequently sold. Thus, the decision was made to re-dedicate the Historic Site at the Gouldsboro Church, another one of Margaret's famous Seven Steeples.

The Golden Cane Award, recognizing the oldest living member of the annual conference with the longest service to the conference, was presented to the Rev. Lawrence Staples, who currently lives in New Hampshire.

It was noted that the Commission had been notified by the New Hope Baptist Church, former site of the Tremont Street MEC where the Woman's Foreign Missionary Society was organized in 1869 that the building has become too difficult to maintain by the current congregation and plans are being made to sell the building. This church was designated a Heritage Landmark of the UMC by the 2004 General Conference and the New Hope Congregation has assured us that the historic aspects of the building, in particular the stained glass windows will be preserved.

The Parsonage at Crystal Lake, CT, believed to be the first Methodist parsonage in New England reported on their efforts to renovate and winterize the building. Plans are being made to make the parsonage into a museum.

Our fall meeting was held in Chichester, NH, on November 4 and 5. The Commission welcomed Kara Jackman, the newly hired archivist at our archives at Boston University, and Luis Benavides, our newest commission member. A schedule for keeping records has been developed and Kara has worked on a power point presentation to assist local church historians in understanding what records to keep and how long to keep them. Plans are underway for training local church historians and

pastors in using maintaining and preserving their records. The training will be piloted during 2006 in New Hampshire.

The Commission met in conjunction with the New England United Methodist History Society on Saturday, November 5, for their annual meeting. We welcomed Dr. David Hempton, professor of church history at Boston University School of Theology as our guest speaker for the morning. Dr. Hempton has recently published *Methodism: Empire of the Spirit*.

2006 marks the 50th Anniversary of Full Clergy Rights for Women and members were encouraged to celebrate this anniversary in their churches. Resources for the celebration can be found at on the UMC.org web site by clicking on the logo for the 50th anniversary celebration.

Three members of the Commission have published books recently. Luis Benavides, our newest commission member, has written, *Latino Christianity: History, Ministry, and Theology: The New England United Methodist Situation* (available from the author). Margaret Bickford, our conference biographer, has written, *Getting a Grip on Grief: A Handbook for Widowers*, which is expected out by April 1, 2006 through Authorhouse Publishers. Patricia J. Thompson has written *Courageous Past, Bold Future – The Journey Toward Full Clergy Rights of Women in the United Methodist Church for the 50th Anniversary Celebration of Full Clergy Rights for Women*, available April 1, 2006 through Cokesbury. Pat Thompson has also written a chapter on Samuel Snowden, the first African American Methodist pastor in New England, entitled, "Samuel Snowden: Preacher, Anti-Slavery Activist, and Minister to Mariners," for *Maine's Visible Black History: The First Chronicle of Its People*, H.H. Price and Gerald E. Talbot, Tilbury House, Publishers, June 2006.

Patricia J. Thompson, Chair

REPORT AND RECOMMENDATIONS – BISHOP'S FINANCIAL SUMMIT TASKFORCE

At last year's Annual Conference, Bishop Peter Weaver announced the formation of the Bishop's Financial Summit Taskforce in an effort to focus efforts toward identifying and developing responses to some of the critical financial and structural issues faced by the New England Annual Conference. Meeting in early October, the Taskforce began its work, meeting monthly throughout the fall and winter. Gathered around the call of Bishop Weaver during Annual Conference, the Taskforce focused its work: to develop a strategic financial plan for the New England Annual Conference that will enable the Vision of the Conference, (transformed by the Holy Spirit, united in trust, we will proclaim Christ boldly to the world), to be supported and made possible. Focus of the Taskforce's efforts centered on three primary areas highlighted in Bishop Weaver's address to Annual Conference; 1). apportionment/interpretation, 2). alignment of the Annual Conference budget to our vision, mission, and critical issues, and 3). future challenges that will affect our ability to live out our Vision.

The Taskforce received information from various sources to both broaden and deepen its understanding of the financial realities faced by the New England Annual Conference and its churches. While it became clear during our work that many issues would require greater deliberations, the Taskforce was able to come to consensus on a set of recommendations to be brought to the 2006 Annual Conference. The Taskforce believes that though some of the recommendations may be difficult to implement, to not make the dynamic strategic changes highlighted in this report at this critical juncture will further erode our ability to faithfully live out our Vision. In essence to continue to do what we have done in the past, including within our financial life, will mean reaping the same unsatisfactory results in the future.

To that end, the Bishop's Financial Summit Taskforce makes the following recommendations for approval by the Annual Conference:

I. APPORTIONMENT/STEWARDSHIP RECOMMENDATIONS

A. Apportionments

In order to fulfill the purpose of the Annual Conference "to make disciples for Jesus Christ by equipping its local churches for ministry and by providing a connection for ministry beyond the local church; all to the glory of God," we recommend that:

1. by 2009 the New England Annual Conference achieve its financial support through a combination of means.

We affirm the current practice of direct billing for property and liability insurance and for clergy health insurance, we support the recommendation:

2. to add the direct billing of clergy pension costs.

In addition to direct assessment of our actual bills, we recommend:

3. that CF&A request financial support from local churches in the same way that local churches request support from their members—through tithes and offerings. We propose that churches be apportioned at a rate of 10% of the prior year's gross income with the provision that each District be given latitude to adjust the amount when deemed necessary and appropriate by the District Superintendent, the District Mission Share Review Committee, and/or any other District bodies that might be created in this area on the recommendation of the Conference Transformation Team. We recommend that the details of implementation be developed by CF&A in conversation with the Bishop's Financial Summit and other parties that CF&A would deem appropriate.

Just as Scripture both instructs us to tithe and invites us to also bring offerings, we invite:

4. churches to go beyond the tithe and to contribute voluntary offerings to Fund 4: Holy Spirit Initiatives, giving us the financial freedom to follow as God leads. (See II.B. Budget Realignment section below)

B. Stewardship Resources--A Modular Approach

Believing that long-term financial health is dependent on a deeper understanding of our general identity as stewards in God's world, we propose a set of whole-life stewardship modules that give local churches flexibility in addressing their particular strengths and weaknesses. We also recognize that many churches struggle with finding practical ways to implement their theology of stewardship both in the life of the congregation as well as the daily lives of their members. With this perspective, we recommend the following approach:

1. "Faith and Money: Implementing a Year-Round Financial Stewardship Program." Developed by the United Methodist Foundation of New England, this module will include stand-alone seminars such as "Good Sense Personal Finances," workshops on planned giving, wills, etc.
2. Other modules would be designed to take 1-3 months each, and would emphasize the broad range of stewardship responsibilities, including time, talent, Creation, our neighbors, and other such concerns in addition to money and personal resources.

These modules would be developed by the Stewardship Task Force, who would also offer training for local churches, clusters, Lay Speakers, District teams, and other interested bodies across the Annual Conference.

We also recommend:

3. that the Stewardship Task Force be charged with the development of a network of stewardship consultants to facilitate training, resourcing, mentoring, and dialogue about stewardship in all districts of the Annual Conference.

II. ALIGNMENT OF BUDGET TO VISION, MISSION, CRITICAL ISSUES

A. Mission Share Interpretation

Clear understandable interpretation of Annual Conference apportionments through Mission Shares requires the development of comprehensive educational and information resources. We recommend:

1. The Annual Conference establish a Mission Share Interpretation Team to develop materials and resources to be shared with each church and pastor that will tell the stories of the vital missions and ministries supported through our Mission Shares. The Team will be comprised of representatives of the Council on Finance and Administration, Resource Team, Communications, and interested lay/clergy from within the Conference. The Conference Council on Finance and Administration will be responsible for coordinating this work and will bring to the 2007 session of Annual Conference a report its progress.

B. Budget Realignment

In an effort to be more descriptive and clear, we recommend:

1. the 2007 Annual Conference budget will be structured and presented in a different format and the necessary rule changes to implement this change will be presented to the Special Session of Annual Conference to be held in the fall of 2006. The new presentation format for the 2007 Annual Conference Budget will include 3 funds (instead of the current 4 fund structure): FUND 1, WORLD MISSIONS – All General Conference apportionments currently dispersed throughout the four funds of the present budget will be consolidated into this single area of the budget; FUND 2, NEW ENGLAND MISSIONS – All line items in the current budget structure that relate to the support of mission and ministry throughout the Annual Conference i.e. Regional Ministries, Congregational Development, Urban Ministries, Council on Youth Ministries, Resource Team and Site Directors staffing, will be consolidated into this area of the budget; and FUND 3, MINISTRY SUPPORT – All line items in the current budget structure that relate to the functional support of the Annual Conference, i.e. Board of Ordained Ministry, Episcopal Office, Equitable Compensation, District Superintendency, Administration will be consolidated into this single area of the budget. The Conference Council on Finance and Administration, in conjunction with Treasurer, will be responsible for bringing to the Special Session of Annual Conference to be held in the fall of 2006, a 2007 budget that meets this new structure. The Rules Committee, working with the Conference Treasurer, will bring to the fall Special Session all necessary changes to the Conference policies/procedures and rules to implement this new structure.

We further recommend:

2. that beginning with the 2008 budget, a fourth fund will be developed, FUND 4, HOLY SPIRIT INITIATIVES – Second mile giving for special conference related ministry opportunities for congregations that have meet 100% of other 3 funds askings. The “Visioning Table” of the Conference, in conjunction with the Bishop and Cabinet will recommend to Annual Conference annually the priorities and “goal” amounts for this fund.

C. Direct Billing Modifications

The direct costs related to each pastor assigned to a local church and property insurance coverage carried by the Annual Conference for each local church are bills and should be treated like any other bill a local church receives. In addition, as administrative costs and allowances for uncollected premiums increase, there is a need to address those issues in a way that is equitable to all churches within the Annual Conference and insures the financial resources are available to meet the requirements of the Annual Conference’s “Unit” Property Insurance and Health Insurance Programs. In an effort to meet the ongoing challenges of providing local churches of the Annual Conference the most cost-effective programs possible, the following modifications to the current direct-bill systems are recommended:

1. Property/Liability Insurance Billing – Beginning September 1, 2006, all local churches of the Annual Conference will be encouraged to establish an ACH (Automated Clearing House) relationship between the Annual Conference and the local church's bank, setting up a regular monthly withdrawal for the purposes of paying the local church's property/liability insurance automatically. Any reduction in administrative overhead and allowance for bad debt will be passed on to each church that establishes such relationship in the form of a discount to the regular premium cost. Establishment of such account will become a requirement for participation in the Conference's Property Insurance Program in 2009.

2. Health Insurance Billing – Beginning January 1, 2007, all local churches of the Annual Conference that participate in the Conference Health Insurance Program will be encouraged to establish an ACH relationship between the Annual Conference and the local church's bank, setting up a regular monthly withdrawal for the purpose of paying the local church's health insurance obligation. The reduction in allowance for bad debt will be passed on to each church that establishes such relationship in the form of a discount to the regular health insurance premium. Establishment of such an account will become a requirement for participation of the church's pastor in the Health Insurance Program in 2009.

3. Clergy Retirement Security Program/Clergy Protection Plan – General Conference approved effective January 1, 2007, a new retirement program and changed the disability program for clergy of the church. This new program ascribes to each church their portion of the cost of their pastor's retirement defined benefit and defined contribution liabilities. Beginning January 1, 2007 each local church within the Annual Conference will be billed directly the proportional cost of their pastor's retirement plan and disability program liability. Establishment of an ACH account will be encouraged and the reduction in allowance for bad debt and any related administrative savings will be passed on to each church that establishes such relationship. Establishment of such an account will become a requirement for participation in these programs in 2009. The costs associated with these programs will be removed from the 2007 Annual Conference Mission Share budget, thus reducing the total amount apportioned to each church.

III. FUTURE FINANCIAL CHALLENGES

A. Annual Conference/Local Church Property

With the New England Annual Conference local churches, conference properties, and parsonages valued at more than \$650,000,000, the Taskforce believes that a major strategic look at our properties and the development of a comprehensive strategy for the highest and best use of our assets would, in the long run, be a major factor in our plans for using conference resources for maximum missional impact. We recommend:

1. the establishment of a conference taskforce that would conduct a full and comprehensive review of local church properties held in trust with an emphasis on missional intention, utilization, self-sufficiency and role in living out the Vision of the Annual Conference. The Bishop will be responsible for convening this taskforce which may include persons from Conference Trustees, Congregational Development, Resource Team, CFA and local congregations.

2. that a taskforce be established to look specifically at Conference-held properties with an emphasis on missional intention, utilization and role in living out the Vision of the Annual Conference and in reviewing the camps and conference centers to include utilization, self-sufficiency and role in the larger life of the Annual Conference. The taskforce will be convened by the Bishop and should include staff, site committee members, Conference Trustees and other relevant parties.

As noted above, the largest asset held in trust with the local church in the New England Conference is property. In previous sessions of the Annual Conference, resolutions were passed to determine how abandoned/discontinued properties were to be distributed (e.g. RS-225/2004, RS-143/1995). The resolutions did not include a comprehensive scope for deploying those resources in strategic ways to enhance the Annual Conference living out its Vision, Mission, and Critical Issues. We recommend:

3. that a taskforce be established to develop a conference-wide strategic plan on how to best deploy the financial assets of closed/abandoned/discontinued churches for mission and ministry in the New England Annual Conference. The Bishop will be responsible for appointing this taskforce.

B. Health Care and Pensions

At present this is the single largest element within our mission share monies. A new pension program will be implemented beginning January 1, 2007 (approved and mandated by the 2004 General Conference) which will be more expensive to support but will provide greater financial stability for our pastors in retirement. Summit participants realize that hard questions need to be addressed in this area: What are the 5, 10, 15, 20 year projected costs of our current program? Do we have clarity on our current funding and eligibility requirements? Do health care and pension concerns play a large role in determining a viable congregation? Are costs equitably shared between congregations and participants? What is the future of our Retirees Medicare Supplement program?

We do have answers to some of these concerns. While we do not know the future rate of escalation of health care costs, we do have figures on projected retiree costs. We know that we will shortly pass the point at which we have more retired clergy than active in our Annual Conference. We know that we have a pool of resources available to us through the General Church, which has been generated by a pre-82 pension fund surplus, good cash management, positive investment strategies and beneficial actuarial experience. These resources will become available beginning in 2007.

The Taskforce supports the work of the Conference Board of Pensions Retirees Health Benefit Task Force and their interim recommendations including suspension of another year credit to retiree health care for the year 2007. We recommend:

1. the Retiree Benefit Taskforce explore options to bring future projected costs to a level sustainable by the resources of the local churches of the Annual Conference given their financial resources including: placing a cap on the conference portion of retiree health care, modifying the qualifications for participants, and providing a broader range of alternatives for future retirees.

IV. NEXT STEPS

The Summit Taskforce will pass on its background materials, notes of discussions, and preliminary ideas to the groups designated for further exploration or implementation. During 2006-2007, the Taskforce will meet periodically to monitor the progress of each recommendation and report to the 2007 Annual Conference.

Respectfully submitted: Bishop's Financial Summit Taskforce

Members: Barbara Cann, Bernard Campbell, Joan Humphrey, Wee-Li Tan, Thom Gallen, Gary Shaw, Charles Carnahan, Jim McPhee, Bud Tracy, Rick Black, Anne Robertson, Erica Robinson-Johnson, Bishop Peter Weaver (Chair)

CHOREOGRAPHER'S REPORT

As we continue to discover the wholeness of who we are as an Annual Conference and the holiness of what God is calling us to become, I give thanks for the opportunity to work with hundreds of volunteers who contribute to our Holy Conferencing experience each year. As each person contributes their gifts, from golf cart driving, to recruiting communion servers, to hosting retirees, to holding a camera, to offering reports and presentations; each and every gift is part of the whole Conferencing experience! While some parts are visible and delightful (speaking, music, visuals), the most valuable parts care for our safety and personal needs (food service, housing, transportation)! Being part of holy community means we all care for the safety and needs of the whole!

The Planning Teams hope you will enjoy the whole conferencing experience including worship, Learning Center workshops, Cokesbury and displays, conferencing and other special events!

Blessings,

Bonnie Marden – 2006 Choreographer

REPORT OF THE CONGREGATIONAL DEVELOPMENT COMMITTEE

Last year at Annual Conference the committee was delighted by the response at the breakout session, helping to build a list of people in the Conference with a passion for building new and transformed congregations. We have tried to build on that through direct contact with our new Director of Congregational Development, The Rev. Curtis Brown, and through such gatherings as the one in Rochester, NH, last fall.

During the last two years, the committee has tried to build a strategic plan, only to have the scene around us shift dramatically. Nevertheless, certain themes and issues have emerged, and we share them with you on a provisional basis:

Strengths:

1. We have the Good News of a Loving God.
2. We have a Wesleyan Tradition of Social Holiness.
3. We have a national heritage of freedom of religion.
4. We have educated leadership, strategically positioned property, and organizational support systems.
5. We have people with passion about making disciples of Jesus Christ.

The Christian faith was first brought to New England with only parts of the above.

Weaknesses:

1. The pathos of God seems to excuse our apathy.
2. A "remnant" theology seems to excuse our shrinkage.
3. Religious freedom seems to excuse our timidity of witness.
4. We have deferred maintenance on buildings and deferred funding of retirement obligations.
5. We have institutionalized a maintenance mindset.

If the strengths and weaknesses seem to be related, perhaps they are. Can it be that we are turning our strengths into weaknesses instead of relying on the power of God to bring us from weakness to strength?

Opportunities:

1. We have an Episcopal leader who embodies a passion for new and transformed congregations.
2. We have models such as the Hispanic Plan and Cooperative Parish.
3. We have new funding streams through Resolution 225 and the Capital Campaign.
4. We are creating a new Conference model where visioning is closer to the regional and local level.

It should be clear to us by now that we cannot afford to wait and see what will happen. But change is threatening, even to the most confident among us.

Threats:

1. Congregations in survival mode may be threatened by new and transforming congregations.
2. Clergy and laity with a passion for institutional maintenance may be threatened by apostolic clergy and laity with knowledge from other kinds of organizations.
3. Partnerships that are neither prescribed nor proscribed by the Discipline may cause us to gasp that “we’ve never done it like that.”

Therefore,

1. We need to make use of Natural Church Development and other models and provide regional gatherings for resources and on-going support.
2. We need to regain a vision for local congregations teaming up with Superintendents, District Boards of Building and Location, and other passionate people in exploring new church starts.
3. Members from Congregational Development, Cabinet, and Board of Ordained Ministry should meet twice a year to discuss how to locate, recruit and keep apostolic leaders to make them available for appointment.
4. We need to make sure that, whatever new Conference structure emerges, Congregational Development is involved at every level.

There is a lot more to do to make this a true strategic plan, and it needs to be done in partnership with others in our Conference. If you have a passion for congregational development, we need to talk. Stay tuned.

Ed Deyton, Chairperson

REPORT OF THE DIRECTOR OF CONGREGATIONAL DEVELOPMENT

What does a Director Congregational Development do? Simply listing out that in my first 7½ months I have worked with 74 churches, conducted 31 training events, and had innumerable phone conversations doesn’t really convey what this position is really about. Neither does describing my role within the complex and fluid leadership systems of our Conference structures, where I spend a lot of time resourcing District Superintendents, Conference committees and other folks who are interested in helping us grow our churches.

The best description of what I do came in the first few weeks after I began. I was visiting one of our churches for Sunday worship with my family. Naturally, we arrived late while the pastor was still doing announcements. She noticed us and introduced us to the congregation saying, “This is Curtis Brown. He works in the Conference office and has some big title that I can’t really remember... Anyway, he’s the guy who helps make churches grow.”

Helping churches grow is what I do. This year I’ve been focused on introducing and preparing leaders for the Natural Church Development program. This is an excellent tool that I believe can help almost every church in our connection grow healthier and larger. I’ve also been investing time in developing our clergy leaders through our

Leadership Incubator groups. These groups provide leaders an opportunity to grow in their spirits, in their knowledge of congregational development methods, and in their ability to apply their understanding in their specific ministry contexts. Five pilot Leadership Incubators are meeting this year, and we're looking at rolling out the next generation next year. In my travels around our Conference, I've been encouraging local church leaders to think about beginning new congregations while they are transforming existing churches. We are seeing some of this work newly emerging in places like Providence, Lawrence, and Lynn. I hope by the time you read this, the number of places where United Methodists are beginning new congregations will have doubled or even tripled.

This final work of starting new churches is probably the work that I am most passionate about. I believe that the United Methodist Church is uniquely situated and equipped to spark a powerful revival throughout New England. I believe our blend of progressive social justice and passionate evangelicalism fits perfectly with the needs and concerns of the people of our land. I believe that we can not only grow our churches, but that we can transform our region with the power of God's love in Jesus Christ. Within the bounds of our Conference there are approximately 11,000,000 people, of which approximately 7,000,000 come from a historically Christian background but have little or no faith connection today. This means that even if all of our current churches grew to over 200 people in active participation, we would still need over 34,000 new churches to meet the spiritual needs of the people God has placed in the care of our Conference. Planting and growing new churches has been the hallmark of the growth of our Methodist movement in the past, and I believe that it is the primary method of our future growth as well. I hope that you will join with me in praying and seeking God's guidance on how we are each being called to join in this wonderful work. Thank you for your support, your prayers, and the privilege of serving Christ in your midst.

Curtis Brown

TOWN AND COUNTRY SUB-COMMITTEE

VISION STATEMENT

We will resource, educate, provide spiritual growth opportunities and be a voice for the many challenges facing small membership churches.

In 2005 living out our vision became more challenging for this committee due to funding restrictions. The dedicated members of this committee have continued to resource and support those congregations who are working with the NOW model for church structure. The Rev. Pat Williams has been available for this effort and she has developed a PowerPoint presentation for use in the NOW program presentations.

Two projectors were purchased this year to be on loan to the outlying congregations who normally would not be able to have access to this technology. One projector is kept in New Hampshire --- please contact the Rev. Pat Williams for details 603-763-5549. The other projector is in Maine --- please contact Pastor Kay Webb for details 207-998-5343.

In April of 2005, this committee sponsored a series of six workshops by Julia Kuhn Wallace, Director of Small Church and Cooperative Ministries for the General Board of Discipleship. Julia is co-author of the book, Partnersteps, Developing Cooperative Ministries Today, published by Discipleship Resources Workshops were held in Bangor, Me., Skowhegan, Me., Eliot, Me., Martha's Vineyard, West Boylston, Ma., and at Moultonville, N.H.

The members of the committee are available to train new congregations who are interested in exploring the theology and vision as well as the missional purposes of establishing a cooperative ministry. For more information, please contact Pastor Kay Webb 207-998-5343 or Pastor Norman Boulay 207-693-3295.

Laity or clergy interested in serving on this committee should contact either Kay or Norman for more information.

Kay D. Webb
Norman Boulay
Co-Chairs

UNITED METHODIST ECONOMIC MINISTRY WESTERN MAINE RURAL REGIONAL MINISTRY

This ministry to the struggling communities of western Maine continues to be a safe haven and a compassionate witness for Christ. Living and working in an isolated area with high unemployment rates and high numbers of families who live in poverty remains a challenge. Each day the importance of our ministry is affirmed by the people who come seeking resources to help them meet the basic necessities of life.

Our food cupboards continue to supple supplemental food for families who would otherwise not have enough food. Volunteers work within a network to provide food, information regarding storing and cooking the food as well as providing referrals as needed. This is often the first contact we have with a family and we strive to make them feel welcome and an important part of our day.

Other programs include:

- Thrift Shops in Salem and Solon, Me.
- A furniture repair and refinishing shop in Salem, Me.
- We also do chair caning --- even canoe seats.
- Outreach to individuals and families
- Support for area United Methodist Churches
- Summer Housing Repair Ministry
- Back to school programs that provide new sneakers, backpacks and supplies
- A Christmas Shop where parents can shop using coupons instead of money.

2005 has been a year of struggles for this ministry due to reductions in funding from the Annual Conference combined with a drastic reduction of donations from individuals and churches. As United Methodists, we need to honor our commitment to mission in this

northern Appalachian region where we have been a compassionate witness for more than thirty years.

We are blessed by the prayers and support of many churches and individuals and we are thankful for their faithfulness. We look forward to 2006 with hope and joy knowing we are witnessing in the name of Jesus Christ on behalf of all United Methodists.

Kay D. Webb
Executive Director

CHRISTIAN UNITY AND INTER-RELIGIOUS CONCERNS

During 2005-2006, the committee on Christian Unity and Inter-religious Concerns (CUIC) has continued to meet every other month to discuss our commission, review ecumenical and inter-religious material sent to us from the General Commission on Christian Unity and Inter-religious Concerns for congregational use, and to pray together about those things with which we as a people of faith continue to struggle. Through these meetings and conversations, CUIC committee has been faithful to our larger commission, which is to address issues of racism, sexuality and inter-religious concerns.

Through conversation and participation, the CUIC continues to work to produce educational materials adequate to addressing difficult issues within local congregations, ecumenical circles, and in the inter-religious world. Our efforts have remained focused on teaching love (unconditional, inclusive, and unlimited) in our communities. We believe that love is a building block upon which conversations about race, sexuality and inter-religious relationships begin and are nurtured while growing deeper and more substantial for generations to come.

About our projects: In our times together we reviewed and discussed the viability of our previous internet project called, "What's Love Got To Do With It?" Although we continue to be committed to new ways of sharing resources, we have determined that this will be a long-term project. As a committee, we discussed and assessed a study document called, "Mutual Recognition and Mutual Reconciliation of Ministries" developed by the organization Churches Uniting in Christ.

With regard to our ecumenical work: During the last eight months, five committee members from our conference have been meeting monthly with a committee from the Evangelical Lutheran Church in America to discuss and review the interim full communion proposal. The fruit of our conversations will culminate in an afternoon in April 2006 at Wesley United Methodist Church in Worcester, Massachusetts where we will join our Lutheran brothers and sisters in fellowship, study, worship and Holy Communion. Likewise, many committee members are actively committed to the Council of Churches in that serve the states that make up our conference.

For the Christian Unity and Inter-religious Concerns committee, the previous year has been a fruitful one. We continue to passionately engage our commission and are encouraged by our conversations with one another, our communities of faith and the world around us. We pray that the work will bear fruit and that we will remain instruments of God's love and grace in the world.

Respectfully Submitted,
Hope N. Luckie, Chair

Members: June Carter, Hailani Chan-Williams, Diana Eck, Paula Fletcher, Cliff Gunthrie, John Holt, Althea Jackson, Sam Johnson, Michael McShane, Roland Pugsley, Carol Szculc, Sakena Young-Scaggs

REPORT OF THE NEW ENGLAND DEACONESS ASSOCIATION

Since its founding in 1889 by Methodists, the New England Deaconess Association (N.E.D.A.) has had as its mission, to provide retirement and healthcare facilities and services to meet the changing needs of older adults. In the health care field of today, this is a mission filled with opportunities and challenges. But, over a century of service has provided N.E.D.A. with a unique perspective which is leading us to expand to meet the growing numbers of older adults that require the accommodations and services we provide. With dedicated staff and excellent facilities, we continue to adapt in order to provide high quality support and care to all of our residents. Our Core Values Statement highlights the foundation for all we do:

N.E.D.A.

Cares compassionately for our residents, staff, volunteers, and their families while sharing

Abundant life with an attitude of joy, hope and commitment;

Reaching out to our community with a holistic focus on body, mind and spirit in an Environment which leads to continued excellence and financial strength as we

Strive for new and innovative ways to better serve older adults.

We help people through important changes in their lives. And as an organization this year we continue to move through changes ourselves. Mahatma Gandhi once said, "you must be the change you wish to see in the world," and we have embraced this as an organization both in practice and in name. We made the decision to begin operating as Deaconess Abundant Life Communities in recognition of our approach to care in more residential settings with more personalized service. This change is a reflection of a new reality for older adults who are seeking to continue to live life to the fullest, having access to highly valued amenities and services, with support and assistance provided as their individual needs require it.

Our Board of Directors guides our journey. With clarity of purpose, decisions were made that were from the heart and will prepare us for the future. These decisions led to tangible results like this new 35-suite expansion to Newbury Court and the new cottages and apartments in Rockridge. It has led to the construction that has just begun for a 62 abundant life apartment building called Newbury Commons and for a 28 resident Alzheimer's care neighborhood called the Gardens. In Provincetown, MA we began managing Cape End Manor Nursing Home in anticipation of our developing and building Seashore Point in its place which will provide abundant life apartments, skilled nursing

and outpatient therapy. New projects in Malden, MA and Gilford, NH moved through the planning stage and are beginning to be marketed, while other new opportunities to meet the changing expectations of older adults are being pursued around New England.

These new projects are in addition to our ongoing operations, which include the Rivercrest Skilled Nursing Care and Deaconess Residential Care Communities, the Chamberlin Apartments where many retired United Methodist pastors live and enjoy the nurturing environment, Newbury Court Independent living community, and Rockridge at Laurel Park in Northampton, MA.

NEDA itself is about transformation – re-creating itself for a sustainable and growing mission in the future. And each of us is transformed by the people we have the privileged to serve...and by the people we work with. Mother Theresa also said once, “Love cannot remain by itself - if it does it has no meaning. Love has to be put into action.” Throughout our organization, our staff on a daily basis put love into action through the ways we provide for those who we serve.

We are proud of our historical connection with the United Methodist Church and look forward to providing leadership in elder care and ministry within the Conference in the future. Our Chief Executive Officer, Rev. Herb Taylor, is providing his leadership to help the New England Deaconess Association meet the changing needs of older adults into the future. Please feel free to contact us at (978)369-5151 if you have any questions or needs concerning our organization, issues of long term care, or retirement living and we would be glad to assist you.

COMMISSION ON EQUITABLE COMPENSATION

While we have not reached our goal of bringing the Minimum Salary Level in the Conference up to the rate of 55% of the top 25 salaries, we continue towards this goal. The recommended 5% increase to a minimum salary for FT elders and deacons of \$31, 400 was approved by the 2005 Annual Conference. This year, in consideration of both the fiscal health of the Conference, and the Consumer Price Index increase of 4.03% for 2005, the Commission recommends:

- A 3.98% increase to a 2007 minimum salary of \$32,650 for Full Time Elders and Deacons and \$29,400 for Local Pastors.

The Commission met on six occasions in 2005 both in person and by teleconference to review applications, make awards, for development opportunities and to make required adjustments to the budget. The distribution of grants for the year 2006 was as follows:

District #	District Name	Grant Amounts	Percent of all grants
1	Northern Maine	\$25,475	21
2	Mid Maine	14,121	12
3	Northern New Hampshire	5,867	5

4	Tri-State	27,560	23
5	CT/WMA	0	0
6	Central Massachusetts	19,544	16
7	Metro Boston HOPE	6,012	5
8	RISEM	20,347	17
	TOTAL	118,926*	

(*as of February 15, 2006. Figures are rounded off to the nearest whole number)

The Commission redesigned application forms for grants it distributes, however those forms were not finalized in time for the August deadline for Conference-wide distribution. We anticipate that the new design will be available for use during the 2007 grant cycle and will be available by August 2006. The new forms are designed to help applicants be more precise in providing information to enable the Commission to make grants that are appropriately sensitive to the individual needs of congregations, and that represent a just application of Equitable Compensation guidelines and church law.

In 2005, the Commission hosted a listening session during Annual Conference. This was helpful in creating a dialogue between congregations and the Commission and in providing a “face” for the Commission. We will host another listening session during this year’s annual conference, with the goal of further improving communication and understanding of the role of the Commission.

As a result of two resignations from the Commission during the past year the Commission currently numbers six. Congregations may direct their questions to any of the following members:

Raymond Brady	Steuben, ME	207-546-3712	District 1
Alfred Gibbs	Contoocook, NH	603-746-3020	District 3
Cindy Edgerly	Rochester, NH	693-332-4496	District 4
Ralph Ellis	Holden, MA	508-829-2384	District 6
Laurel Scott	Boston, MA	617-698-2088	District 7
Beverly Blaisdell	Bath, ME	207-443-4574	District 2

ANNUAL REPORT FROM THE BOARD OF TRUSTEES

Bernard H. Campbell, Esq., President

June 2006

It is again my pleasure and responsibility as President of the Conference Board of Trustees, to draft and submit an Annual Report of the Trustees. The Trustees have responsibility over several major Conference functions including; management of Conference owned parsonages, offices and camps and conference properties; overseeing the conference unit insurance program; administering the NE Grant Program; making loans from various Missional loan programs and disposal of abandoned local church properties. I want to take a moment to highlight a couple of these activities:

Conference Parsonages: In looking back two years ago to my report to you, I noted the “high cost” of deferred maintenance expenses. The Trustees faced this again this past year as we engaged in significant repair work with the parsonage at Concord, New Hampshire. Recently, we have also committed to make a significant investment in our central Massachusetts parsonage in Holden, Massachusetts. In many cases this work was as a result of failure to make ongoing investment in things such as exterior maintenance and landscaping. The conditions of the Connecticut/Western Massachusetts parsonage are such that the Trustees have decided the best course of action is to sell and replace that structure. With the change in appointment in the District, there is a short-term opportunity to sell that structure with the luxury of time to replace it. However the Conference needs to be mindful that we need to be prepared to replace not only the CWM parsonage, but acquire a HOPE District Parsonage.

It would not be appropriate to conclude this report without thanking Jim Rose for his tireless efforts to oversee Conference parsonages throughout his years on the Trustees. As Jim anticipates his departure from the Trustees, we extend our heartfelt thanks and best wishes.

Grants: Throughout most of the year, there were relatively few Grant requests that were processed, an untapped opportunity for some of our churches. The spring floods of 2006 suggested a unique opportunity to extend a helping hand to many local churches hit hard by flood damage, and the Trustees will be pleased to announce a series of “flood repair” grants at this year’s Annual Conference.

Camps and Conference Centers: Much like our conference owned parsonages, our camps and conference centers have major issues with deferred maintenance and major repairs. The Bishop’s Financial Summit was asked to address the issue of funding our camp activities, and a serious effort needs to be made to make camps more self-sustaining, including the establishment of reserves for future repairs to things like buildings and equipment. The impact on the ongoing Capital Campaign on our camps will be positive, but must be managed appropriately. Under the leadership of George Reagan, a Trustees sub-committee has been evaluating the progress of our camps in addressing issues with the Trustees in the Master Plan prepared several years ago. And the Trustees in 2006 have begun a program of meetings at each camp facility, beginning with Aldersgate in May, and Wanakee (scheduled) in July.

Conference Office Properties: One of the more frustrating areas of our year has been the situation with the former conference offices on Commonwealth Avenue in Boston. It has been vacant for a year, but efforts to dispose of the property have been frustrated by legal issues going back to its acquisition. The Lawrence office building continues to serve us well, but it too needs some maintenance work, including addressing deficiencies in the elevator system and roof. Some thought has been given to leasing portions of the building not central to the mission of the conference, in the hopes of creating a revenue stream to help fund other expenses with the property. Finally, the former Church of All Nations (COAN) property in Boston remains under Trustee control.

It now appears that the property may be acquired by local government officials in connection with transportation improvements planned for the downtown Boston area.

Abandoned Properties: The Trustees continue to see increasing activity in the area of disposal of abandoned church properties. This past year saw disposal of the former St. Paul's church in Lowell, fortunately to a community group dedicated to serving urban youth through community outreach. We also completed closings on a pair of churches in Maine. Currently we are moving to sell a parsonage in Lowell, and the Trustees are aware that financial pressures may bring about future closings. Rev. Stuart Price continues to coordinate the Trustee efforts in this area.

The Year Ahead: One immediate issue at Conference is the issue of Trustee membership. With retirements and resignations, there are several openings on the Trustees which will require dedicated and imaginative people to participate in our work. This coming summer will likely involve sales of the Bolton property, as well as abandoned church properties in several locations. We will continue our visits to Camps and Conference locations. We will anticipate the recommendations of the Bishop's Financial Summit, and the ongoing capital campaign will impact Trustee activity. And there is always the "unexpected development" which makes life as a Trustee so interesting...

REPORT OF THE INSURANCE COMMITTEE OF THE NEC BOARD OF TRUSTEES

Submitted by Bruce Maxwell, Chairperson

The Insurance Committee of the New England Conference Board of Trustees will have met 3 times since the last annual conference to monitor the Conference Unit Insurance Plan. For the period 8/1/2005- 7/31/2006, Acadia Insurance Co. continues to be our primary insurer, providing coverage for Property, General Liability, Crime, Automobile and Excess/Umbrella Liability (as well as our Workers' Compensation coverage that renewed in January 2006). Fred C. Church Insurance continues as the Conference's broker, providing you service on claims, loss prevention, risk management and general insurance questions.

The average increase to all local churches for the 2005/2006 year is 4.5% compared to 14% and 17% increase that occurred during the past two years. There are four key reasons for this moderation in our increase:

- Excellent claims experience over the past 12 months
- Risk management commitment on the part of the Conference, local churches, and broker toward safety and loss prevention
- Long-term relationship with insurance provider, Acadia, and desire on their part to retain the Conference as a client
- The competitive negotiating on the Conference's behalf by the staff of Fred C. Church Insurance that included two other bidders for the Conference Unit Insurance Program business

We are very pleased to continue the New England Conference's relationship with these excellent service providers. Despite a property/casualty insurance market which continues to be unfavorable for churches, our program for this year still features outstanding coverage. Full sexual abuse and molestation liability up to a \$1MM limit; very broad property coverage with a \$1,000 deductible for most claims; a \$10MM excess/umbrella liability limit: and coverage for virtually any activity of our churches as well as the camps and all other conference programs including coverage for church groups traveling overseas.

As an ongoing process, all outstanding claims are reviewed periodically during the year with Fred C. Church and Acadia.

The Insurance Committee had a concern about a potential liability on church owned vehicles. As a result, Fred C. Church sent out an Auto Survey to all the churches in the conference to determine if all church vehicles are properly covered either by Acadia or another insurance carrier.

The Insurance Committee continues to monitor local church payments of their insurance billings and challenges every church to make payments on time and in full. The committee thanks all of the churches that faithfully pay their premiums on time.

For the upcoming renewal period, the Insurance Committee with the help of Fred C. Church, our agent, will provide the best coverage and rate possible for the 2006/2007 renewal period.

The committee also especially thanks Fred C. Church our agent, for the wonderful cooperation with our churches.

Finally, we ask you to take risk management and loss prevention especially seriously in the coming year. It is critical for every church that they do everything possible to minimize insurance costs. Acadia, Fred C. Church, the Conference Insurance Committee and the Conference Administration are all committed to providing as much guidance and assistance as you need.

METHODIST CONFERENCE HOME - Rockland, Maine

Methodist Conference Home envisions a supportive community in which persons, particularly the elderly and disabled, are assisted in adapting to changes in life situations while maintaining their independence with dignity. Our commitment to the work that we do comes in response to Christ's command to love our neighbors as ourselves and to his example in treating all with whom he came in contact as God's beloved children.

MCH's major focus is on affordable senior housing provided at the Methodist Home, Rankin Center and Stevens House, all in Rockland, Maine. Our housing facilities continue to have good occupancy rates. Programs at Methodist Home and Rankin Center offer housekeeping, meals, transportation, personal care and other services

intended to extend the ability of residents to live independently. These programs are heavily utilized. Sharp increases in the cost of utilities and insurance have placed stress on facility budgets. These have been partially offset by our successful appeal for a property tax exemption at Rankin Center. This exemption will make available some funds that allow us to undertake some extensive repairs and renovations at the facility next year. We provide housing in 104 apartments in our own facilities and manage another 43 units for other owners, including the Knox Hotel Apartments in Thomaston and the Bartlett Woods Cooperative in Rockland. We no longer manage Bartlett House. During the year MCH created a part-time development position. This has resulted in a number of successful grant applications that we would not have achieved without someone in this important role. Because of these grants we have been able to start a new transportation program for seniors who are not eligible for programs that subsidize transportation. We also had a significant increase in the results of our fundraising efforts.

We continue to serve many people in the community outside of our residential facilities. Our best known program is probably the Meals on Wheels program that we operate in Knox County. In addition to meals provided to residents through our Congregate Housing Services Program, we served another 30,000 meals to seniors in the county, either at senior meal sites or delivered to homebound seniors. Our transportation program served more than 2,000 individuals in the three counties we cover, and provided more than 2.5 million passenger miles of transportation.

In addition to providing support and oversight to the staff, our Board of Directors has worked hard this year at developing a new Board Manual that is more “user-friendly” and contains information for Board members that is easily accessible and relevant to their work. They have also updated the bylaws of the organization and embarked on a Strategic Planning process.

MCH is grateful for the support of the New England Annual Conference through the Golden Cross offering, the gifts of churches and individuals, gifts of time given by Board members and other volunteers and the prayers of many throughout the Conference.

Methodist Conference Home Board of Directors

Class of 2006

Juni Shepardson
Ted Sylvester
Katherine Carrigan

Class of 2007

Kathleen Christie
Daniel Day
Jeannette Perry
Rev. Kathleen Towns

Class of 2008

Julie Clement
Richard Sheppe
Jane Sturgeon

Class of 2009

Elizabeth Bilodeau
Charlotte Gulezian
Ann Parent

Ex Officio

Troy Osgood
David Svenson

BOARD OF ORDAINED MINISTRY

The Board of Ordained Ministry of the New England Conference continues to provide leadership in identifying, training and caring for those who provide ministry in many different roles. This year the Board transitioned again saying goodbye to our previous registrar John Blackadar as he joined the Cabinet. We welcomed a new registrar, Susan Evans. Susan has brought a strong commitment, wonderful communication, and a great ability to deal with detail to this key position for the work of the Board. She has been working to help the District Committees on Ministry to understand the work of the Board and their part in the process of approval for ministry.

The Board has continued to place a great deal of emphasis on the work of Local Pastors. We are preparing to hold the Local Pastors Licensing School in an earlier time slot which will make it easier for new Local Pastors to be recognized at Conference and be prepared to fully serve at the beginning of their appointments in July. The Local Pastor committee is also hoping to develop a program of continuing education for Local Pastors that will make it easier for them to receive continuing education and the opportunity to develop their collegial relationships. There is also ongoing work toward the development of an extension Course of Study for part-time Local pastors within the bounds of the Conference.

The Board continues its commitment to the work of anti-racism in our own process as individuals and in our work as a Board. At each gathering we have covenanted to educate ourselves on the issues of racism and how we can better recognize when it is functioning around us or within us. We also seek to hold one another accountable when we recognize racism present in our meetings or deliberations.

We have begun an intensive conversation with the Bishop and the cabinet about Transformational leadership in ministry. We believe that it is key to the future of the church and we are hoping to create a common definition for transformational leadership that can be used throughout the work of the conference. It will especially be applied to the process of entering ministry and evaluating ongoing ministry in the life of the conference and local churches. We are also working with the Bishop to clarify leadership needs of the Board for the coming years. We are trying to be intentional about the diversity of the Board ensuring adequate representation of Elders, Deacons, local pastors and laity.

The Board has been affected by budget cutbacks as have all the agencies of the annual Conference. We continue to work with CF and A to define the areas that we believe are essential to the work of the Board. We especially want to advocate for continued funding of maternity and paternity leaves for pastors. This ensures that we are supportive of pastors who are new in ministry and just beginning their families. The funding provides the support for local churches to have pastoral coverage during their pastor's leave. We will continue to advocate for this funding and other areas of funding that strengthen those who serve in the leadership of ministry.

THE ORDER OF DEACON

The Order of Deacon joined with Diaconal Ministers and Deaconesses for an annual gathering, on Nov 18-19, at the Walker Center in Newton, MA. It was a time of sharing stories and engaging in spiritual reflection on our diverse places of ministry. Joining us for the first time, Marion Styles-McClintock shared with us some of her call and journey as a deaconess. Marion is new to the Conference, having been in covenant with the New Jersey Conference, she is now living in Rhode Island and making connections here in New England.

Barbara Schrierer, Dot McMahan, Rosemary Word, Bev Abbott, Cathy McGovern and Becky Hamann attended the week long DIAKONIA World Federation Conference in Durham, England July 20-27, 2005. The conference theme was Diakonia at the Margins – Challenge and Hope. Cathy and Barbara reported on the educational and formational aspects of the event during our retreat, sharing slides and insights as well as leading our evening prayer service.

Nancy Smith reported on the National Spiritual Leaders Conference in Nashville and updated us on the work and organization of the Fellowship of UM Spiritual Directors and Retreat Leaders. Barbara Schreier was Dean/Asst. of the UMW School of Christian Mission held at Scarrett-Bennett as well as attending the School of Christian Missions at Aldersgate.

Robert F. Kohler, Assistant General Secretary of the Division of Ordained Ministry, invited the Orders of Elder and Deacon and the Fellowship of Local Pastors to participate in a "Study of Ministry Commission" project, consisting of an on-line survey and structured small group discussions. In as much as our Order engaged in a very similar process over the past two years we, again, reviewed our work in the areas of Mission, Identity, and Ordering and affirmed our recently developed Deacon handout that is now available for use by the BOM, District Superintendents, and DComs. Additionally, we prayerfully reviewed our covenants as stated in the Book of Discipline (Deacon, Diaconal, and Deaconess).

We reflected, in depth, on the Judicial Council decisions related to the removal of a UM ordained pastor in the Eastern PA Conference who is a self-avowed practicing homosexual; and the upholding of a pastor in the Virginia Conference who had refused to receive into United Methodist membership a practicing homosexual. We pooled our

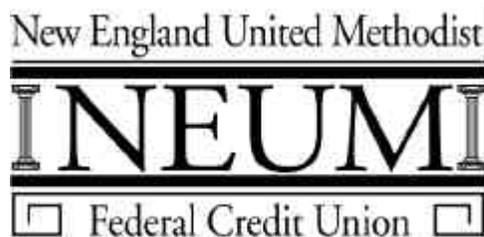
information derived from several of the Bishop's sessions of 'holy listening' across the Conference. We entered into our own time of prayer and holy listening. Like our brothers and sisters in the Order of Elder, these types of judicial decisions and how we as members respond, have far reaching implications for how we live out our ministry in the church.

In summary, we listed several challenges worthy of continued reflection: to find, maintain and express a sense of Christian hope in the midst of cultural wars, injustices, and conflicts, including those in the Church; to be less invisible as ordained clergy in our ministry in the church, particularly within the Conference and in the Districts we relate to; and recovering balance between church, work, family, continuing education in our areas of specialization, and spiritual formation.

In addition to this work, we celebrate the ongoing work of Diaconal minister Donna Costa. As director of F.A.C.E. (Faith in Action for Community Education) Donna was one of two recipients of a \$25,000 grant from The Center for Substance Abuse Prevention of the U.S. Office of Health and Human Services. F.A.C.E. partnered with Brockton Area Multi-Services, Inc., (BAMSI) to collaborate on a pilot project addressing substance abuse and HIV infection in minority faith communities. As a grant recipient, Donna attended the 16th National Leadership Forum sponsored by the Community Anti-Drug Coalitions of America, in Washington, D.C. Details of Donna's work in Brockton are available by contacting her directly.

The Diakonate in New England stay connected through an online email group which allows us to include Deacons and Diaconal ministers who are serving outside the New England area. We continue to pray and celebrate with one another through family crisis, births, deaths and illnesses, retirements, and the struggles of ministry. We encourage one another in our work and occasionally reflect on current topics of interest or concern. Our shared vision is for growth of the Order in New England, increased diversity in our membership, and an increasingly positive impact on the churches and communities we serve.

Cheryl Gates, Chair



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Phone (508) 393-2203 • FAX (508) 393-1562
Outside MA (866)303-NEUM •
www.neumfcu.org

Since the New England United Methodist Federal Credit began 49 years ago, as a small institution formed to help Methodist clergy in New England secure automobile loans, your Credit Union has been dedicated to providing sound financial service for all kinds of people in New England, particularly those who are underserved or rejected by for-profit financial institutions.

The Credit Union Board of Directors, staff team, and I are honored to continue in this fine tradition of providing personal, financial service that is available to all members, employees and families of United Methodist churches and organizations of the New England Conference. We offer sound, affordable financial services to individuals, families and organizations through our free share-draft checking accounts and share savings accounts; free on-line account accessibility; free VISA Check Cards; IRA accounts and other investment opportunities; as well as vehicle, student, debt consolidation and personal loans.

In the past year, we have been able to increase our ability to do all of these things through development of our staff team, streamlining the loan process, including direct access to our Mortgage partners for full service treatment. We have been working closely with our Federal examiners to ensure the strength and continued viability of this credit union for many years to come. Our strategic plan has also been updated to include the areas we will be focusing on to provide the best possible service to our membership and to grow that membership throughout the New England Conference and beyond!

As a direct result of our dedication to our members and our continued commitment to the future, we were able to give a bonus dividend in December! This was in celebration of our 50th Anniversary (2006) of Methodists helping Methodists through the New England United Methodist Federal Credit Union.

As a not-for-profit organization, we depend a great deal on the support of volunteers. Our Board of Directors and various other committees meet regularly to guide and oversee the credit union and its staff team. Without their dedication, we would not be where we are today. In 2005, the Board of Directors voted to reduce the number of members on the Board of Directors from nine to seven, to enhance the dynamics of our particular Board. We would like to thank the following Board members who stepped down in 2005: Barbara Asinger, Thomas Kachadoorian, and Joanne Susag. Their commitment and dedication to the credit union is greatly appreciated.

I want to extend a personal thank you to our staff team, especially Marty Anderson, for their exceptional work to extend friendly, personable and knowledgeable service to everyone who calls, writes, or walks through our doors. I also want to thank our Board Members for their diligence in working together to strengthen and expand the work of the Credit Union.

Shelly Page
CEO

2005 Board Members:

John Parker, President
Curtis Brown, Vice-President
Louise Dumas, Treasurer
Matthew Wissell, Secretary
Gary Akeley
F. Richard Garland
Abraham Waya

PREACHERS' AID SOCIETY OF NEW ENGLAND

What a year! Our United Methodist Church has been challenged and responded in dramatic ways! Tsunamis, hurricanes, war, terrorism, turning political tables, loss of epochal leaders and a host of other issues which challenge faith and community have surrounded us. Still we have watched in awe as our laity and pastors have responded in remarkably faithful ways to so much in the world of poverty, injustice and self-serving parochialism. We have continued to present to the world a God who is faithful to those who would rise up and deliver the message of peace, personal and global.

PAS has enjoyed a wonderful year of creative ministries and continued support from our people and our churches. We have now turned over much of our clergy training programming to the administration of the United Methodist Foundation of New England and we are supplying leadership and financial resources for their implementation of these programs. We are truly grateful for this partnership.

We have extended our support for the Retiree Health Care Benefit Stabilization Fund from two and a half million to three million dollars. This commitment will end with our 2006 payment.

Our Board of Managers has taken bold steps in supporting the Together For Tomorrow Capital Fund Drive with two initiatives: First a challenge matching funds commitment of one million dollars in the early stages of the campaign; Second a challenge commitment of one and a half million dollars for the last segment of the campaign. The first has been met by generous donations and we have great faith that the second will be met as well.

In the fall of 2006 the Society undertook something unprecedented in our history. The Board of Managers, realizing the extreme gravity of our brothers and sisters who were hurt by hurricane Katrina, began working with the Louisiana and Mississippi Annual Conference Foundations to provide aid and assistance to retired United Methodist clergy families affected by the storm. To date we have provided crucial support for housing, clothing and other emergency living expenses for over 65 clergy families and surviving spouses within our United Methodist churches there. These grants have totaled well over \$125,000.00.

We continue with our "core" programs of retiree visitation, retreats, social gatherings and emergency assistance where appropriate. Our visitation staff tries to be present in the homes of each retiree family every year. We continue to provide low-cost refinancing options for residual clergy education debt and small grants to begin education savings plans for families with newborn children. Through these and a host of other

PAS continued:

programs, the Society is working hand in hand with our pastors to improve the quality of life and effectiveness in ministry that we all so desire.

We are most grateful for the continuing financial support we have received this year from lay and clergy families within our conference. Even with so much need generated by natural disasters and world chaos, you have supported our work strongly and helped us to help others. For that we are very thankful. The Board of Managers and staff of the Society look forward to another wonderful year of faithful service and growth for our congregations and those who lead them.

Submitted on behalf of the Board of Managers by,

C. Arthur Hughes
President

Thomas J. Gallen
Executive Director

CONFERENCE BOARD OF PENSIONS ANNUAL REPORT

The Conference Board of Pensions continues to monitor a number of very important issues that affect our pastors and their families and our local churches. Our goals are to provide the best, most cost-efficient health care for both active and retired pastors and to administer the conference aspects of the pension programs appropriately.

Healthflex: We continue to be one of almost 30 conferences and agencies that participate in this shared health insurance program. Due to low claims experience and good management by our health care provider, we do not anticipate more than a 5% increase in health insurance for 2007. The one problem that does affect the blended rate is the deficit caused by congregations who are behind on their payments. Unfortunately, we have had to remove two clergy and their families from the health insurance program because of very large debts and the failure to keep to a planned payback schedule. A very large percentage of our pastors and their spouses did the Health Risk Assessment this past year.

Retiree Health Benefits Task Force: Over the past year the Retiree Health Benefits Task Force of the CBOPHB has met regularly. It has continued to review the impact of increasing health care costs and the Conference's growing unfunded liability for the cost of the Retiree Health Care Benefit. Members of the Task Force attended meetings of retired pastors to share information and solicit feedback as to the value of the benefit.

In December, new actuarial figures became available to us from the General Board, and the Task Force commissioned a further actuarial study of our liability, the results of which became available to us in February '06.

- In consideration of the value which the retiree health benefit currently provided by our Conference has for our retired pastors, the growing cost of health care, the resources available to our Conference, and the ongoing work of the Conference Board of Pensions and Health Benefit's Board Task Force on Retiree Health Benefits,
- In view of the actuarial analysis of our projected retiree health care liability received by the Board in January 2006
- In view of the funds being committed towards the Retiree Health Care Benefit through the Together for Tomorrow Capital Campaign,
- And in light of the transition to a new clergy pension program in January 2007,

The CBOPHB intends to continue its work to structure all of our benefits programs in such a way as to provide benefits to our pastors that are both appropriate and affordable to the Conference over the long term.

Task Force for Promoting Wellness will provide a self-guided walk at Annual Conference to promote wellness during the long sessions.

The Board of Pensions has been very blessed to receive a generous grant this year as in the past from the Preachers' Aid Society. We shall miss that support next year but rejoice in the extraordinary commitment that organization has made to the Health Benefit portion of the Capital Campaign.

We are deeply appreciative of the careful and compassionate work of our Conference Treasurer Charles Carnahan and Janis Salesi, Pensions Officer. We are also grateful that Diane Peak as a Director on the General Board of Pensions and Health Benefits attends our meetings.

This year we bid farewell to two faithful and valuable members of our board – Mark Conner who has served as investment chairperson and Paul Samuelson who served as secretary. Their insights and faithfulness in attendance have been greatly appreciated.

New England Annual Conference Funding Plan For Pension Related to Pre-1982 Service (Supplement One, MPP)

The 2006 Past Service Rate (PSR) is \$495 or 1.09% of the Conference Average Compensation (CAC). The Conference looks at several factors in deciding how the subsequent years' PSR will change. The CAC gives an initial clue but it is a 2 year lagging indicator. A more useful factor is the expected cost of living. There are also special circumstances taken into consideration which affect retirees' lives (e.g. the 2002 change to have retirees contribute to the cost of their retiree health care.) We expect to maintain some parity between active and retiree changes in remuneration and we are committed to maintaining the Disciplinary 0.9% for the purpose of exercising the greatest MPP contribution rate. Unless inflation places needs in a significantly upward trend (above 3 ½ %), we anticipate future PSRs to increase by an average of about 3½ % per year.

The present value of benefits and current assets as of January 1, 2004 for the funding plan as of January 1, 2006 is summarized below.

	Present Value Of Benefits	Current Assets
Supplement One Funding	\$ 47,041,597	\$ 58,745,748

There are no required funding payments to make based on these numbers.

“Diversity is a G/I from God”

COMMISSION ON RELIGION AND RACE

The Commission decided to focus on Cross-Cultural and Cross-Racial (CC/CR) ministry as our primary work for the 2004-2008 quadrennium. The Commission initiated Dialogue

Day in 1999 following the “Diversity” Critical Issue of our Conference Vision and Mission statement.

This turned out to be a very productive year for the Commission. One of the most significant steps was presenting our concerns and issues to the Cabinet regarding appointment process, and preparations for pastors and congregations to receive support in CC/CR ministry.

At the last Annual Conference session, we made a special effort to present ourselves as a multiracial team when we reported the results of our monitoring responsibilities to the delegates. We witnessed that there was intentionality for inclusiveness during our annual conference. The Commission presented a skit, “Divinely Designed,” which dramatized an example of the appointment process for an ethnic female pastor being interviewed by the PPRC of a white congregation. It was well received as a reflective moment.

Forty-one pastors, laity, and conference consultants attended at the Dialogue Session for CC/CR ministry. Those who came to the session passionately shared their interest, curiosity, anxiety, frustration, a need for preparation, a need to share their stories and a need to create a website for information in CC/CR ministry. Laity and pastors strongly urged that the white congregations should be educated and trained prior to CC/CR appointment and supported within 2 months after appointment being done in order to prevent any difficult situation that may occur.

The Commission continued to discuss the above issues during our meetings in the fall and winter. We truly believe that the time has come to invite both pastors and congregations to the CC/CR dialogue table to share their experiences, seek understanding, and examine their tolerance for this unique ministry.

On March 7, 2006, Bishop Weaver and the Cabinet members held a listening session for ethnic pastors in CC/CR appointments. The Bishop encouraged those pastors to share their positive and negative experiences regarding the appointment process, as well as their concerns and issues at the present time. Preparation of pastors and congregations for the long term and expectations from the Bishop and the Cabinet were also discussed. The pastors spoke of their frustration, deep concern, and expressed an urgent need for better preparation for this challenging ministry.

The Commission has been working on the coming Dialogue Day for both clergy and laity in CC/CR ministry to be held on April, 29, 2006 at Rolling Ridge. We have been urged that this ministry should be strengthened by sharing pastors' grace and gifts and demonstrating of congregations' open heart and open mind as both parties will embrace "differences of culture, language and faith practice" as gifts of God. We have hope that this ministry can be A TRUE Blessing for our conference in this time, when both clergy and laity are willing to understand each other and work together for a truly committed CC/CR experience. Ongoing support by District Superintendents as well as training will be crucial elements of successful ministry in healthy way. I have personally had several positive experiences by serving several pastors and laity who needed encouragement, information, and consultation for their situation in CC/CR ministry.

Beginning in 2006, we would like to recognize a clergy, or lay person who has made significant effort in Anti-Racism work as well as promoting diversity in the New England Annual Conference. We are consulting with the General Commission on Religion and Race about setting categories to select candidates.

I would like to express my deep appreciation to the Commission members, who have worked hard, and especially Bonnie Marden who has been our consultant, and Jim McPhee who has taken a role of liaison between the Conference and the Commission. I also wish to thank the First United Methodist Church, North Andover, MA and the Rev. Barbara Herbert, for their hospitality in hosting us for our meetings. On behalf of the Commission, I also extend deep appreciation to Bishop Weaver who has shown his interest and willingness to listen to our concerns, as well as his compassion to those pastors in CC/CR appointments for their sacrificial ministries.

Yong Ja Kim
Chairperson

DIRECTOR OF CHRISTIAN FORMATION

2005 brought yet another change of title and emphasis for my seventh year of work for the New England Annual Conference. In essence, however, it is a return to the work of resourcing in Christian education, spiritual formation, leadership development, youth and other age-level ministries I was engaged in prior to my brief tenure as Director of Connectional Ministries. Some areas I have been working on this year include:

- 1) Christian Education Coaching – In the fall of 2005, our conference was one of three selected as pilot conferences by the General Board of Discipleship to assess the

possibilities of personal coaching (primarily via phone) as a means of supporting persons working in Christian Education. Persons participating in our conference (and the others) found this to be an extremely helpful experience. I will be looking to expand this program in the coming months.

2) Spiritual Formation Initiative – Last spring, Bishop Weaver asked me to gather persons representing groups offering continuing formation experiences for clergy in our conference. This group included folks connected with Pastors' Assembly, Preachers' Aid Society, Clergy Spiritual Formation Retreats, seminaries, retreat ministries, chairs of the Orders of Elders and Deacons, chair of the Local Pastors Association, and others. The initial purpose was to assess current offerings for clergy and seek ways to coordinate our ministries in the future. The group has conducted a survey, explored ways to strengthen our current offerings, and is working on additional ways to support clergy in their spiritual formation. Now called the Spiritual Formation Initiative, the group will continue to work together in these areas, expand its membership, and, in the future, seek to broaden opportunities for laity as well.

3) Regional Youth Ministry – At the 2005 session of Annual Conference, a proposal was made to develop youth ministry opportunities at Camp Aldersgate, Camp Mechuwana, Rolling Ridge Retreat and Conference Center, and Wanakee United Methodist Center. Since then, we have been working to implement this proposal. Each of the sites has made progress toward this goal, though all are at different places on this journey. In March, Terry Carty and Jay Clark traveled to each site to offer training for youth and adult workers with youth in developing these regional ministries.

4) Resourcing Team – In early 2006, we concluded the work of the Resourcing Team. For the past six years, this model helped us envision and develop some new ways of working together in the program ministries of the conference. The Visioning Table proposed in the Conference Transformation Team report will help us move to the next steps.

In the coming year, I will continue to work on the above initiatives. I also look forward to supporting the emphasis on Natural Church Development. The key quality characteristics of Passionate Spirituality, Gift-Oriented Ministry, and Holistic Small Groups are areas in which I can provide support and resources to local churches. I will also be working with a variety of groups in the area of clergy effectiveness.

The purpose of my ministry is to equip, resource, and support the ministry of local churches in making disciples of Jesus Christ for the transformation of the world. If you have a need of support in Christian education, youth and other age-level ministries, spiritual formation, or leadership development, please call me. I am available for workshops, retreats, and consultations in your congregations, clusters, and districts. If I am unable to assist you for whatever reason, I will do my best to connect you with the support you need.

Respectfully submitted,
Wanda J. Stahl

SPIRITUAL FORMATION INITIATIVE

We are a newly constituted Conference working group whose purpose is to develop, implement, promote, and evaluate a cohesive and effective multi-year program of spiritual formation for the New England Annual Conference. After three half day meetings in October, March and May, we have organized and engaged ourselves around a number of key tasks; these include developing and publishing a master calendar for the larger Conference wide events like clergy retreats and Pastors Assembly; organizing the information in a central location on the NEUMC website; conducting formal and informal topical interest surveys among a wide variety of affinity groups, to name a few. This work will assist us in assessing the kinds of formation events being offered and discovering areas and needs that are not being addressed by current programs.

Some of our goals include designing and offering formation events for “first time retreat participants”; providing training for laity and clergy to become retreat leaders; working responsively to the spiritual formation needs of newly ordained clergy and licensed local pastors; and coordinating as much as possible with the Board of Ordained Ministry to support their work towards greater clergy effectiveness. Our hope is that effective planning, promotion and financial support will make spiritual formation events accessible and appealing to the widest audience of laity and clergy alike.

Members of this committee include persons involved in Clergy Spiritual Formation Retreats, Pastors Assembly, the Five-Day Academy of Spiritual Formation, New England seminaries, the Board of Ordained Ministry, Retreat Center leadership, Conference Director of Christian Formation, Preachers Aid Society, the chairs of the Orders of Elders and Deacons, and the Fellowship of Local Pastors. We are seeking to broaden the membership base to include more lay persons, persons of color, and representatives of other spiritual formation ministries like music and the arts.

Why is spiritual formation important? How can we be more accountable for our continuing education? Will intentional spiritual formation make a difference in the lives of our clergy, laity and faith communities? What can we learn from one another? How can we be more effective in our ministries? These are the questions the Spiritual Formation Initiative seeks to answer on behalf of, and for the benefit of, members of this New England Annual Conference.

Members of the Committee

UNITED METHODIST FOUNDATION OF NEW ENGLAND

The delivery of superior investment services to United Methodist churches and conference agencies in New England is the Foundation’s primary focus. Our offering of church loans, assistance with endowment development and the resourcing of United Methodists who desire to make planned gifts to benefit their churches remains a significant part of our ministry.

We have enhanced the portfolio offerings available to our investing churches in order to continue our fine long term record of performance. In September 2005, our Investment Committee implemented a new strategy for the Foundation's equity portfolio that reflects our commitment to broad diversification and social responsibility. Several experienced investors have described our new equity offering as "institutional caliber". This new investment portfolio includes almost 1,000 names in large cap, mid cap and small cap U.S. companies as well as international companies.

We are delighted to report that the portfolio's performance since the transition has been excellent. More importantly, back-testing of this investment strategy using historical data shows that the Foundation would have outperformed the S&P 500 Index for each and every period over the last seven years, and that it would do so with lower volatility and risk. Furthermore, we enhanced the Socially Responsible Investing (SRI) benefits of this portfolio by adding an active proxy voting component that allows the Foundation to advocate for social justice, good corporate governance, and for responsible environmental behavior on behalf of our investing churches.

The Foundation's Strategic Plan identifies stewardship education as another important ministry and priority for the Foundation. In fulfilling this priority, the Foundation conducted and sponsored numerous "Good \$ense Ministry" workshops throughout our annual conference. Good \$ense Ministry is not just about managing money, but about helping Christian disciples develop a biblically-based understanding of money and its place in their daily lives. It is "transformational stewardship" as participants are taught to become "diligent earners, generous givers, wise savers, cautious debtors, and prudent consumers" so as to honor God with their life's resources. The feedback from these workshops is very positive.

The Foundation was also represented on the Bishop's Financial Summit, a consultative group resulting from action of the 2005 annual conference. As part of the work of this Summit, the Foundation is proposing a stewardship resource entitled "Faith & Money: Implementing a Year-Round Financial Stewardship Program". This program will assist local churches in creating an effective, comprehensive financial stewardship program that will educate and guide their members in developing faithful personal and congregational stewardship. The program's focus will be on practical tools and aids to assist stewardship formation within the local church.

Gary Melville, the Foundation's Director of Development, provided leadership in helping organize the Ecumenical Stewardship Conference on "Spirituality and Stewardship: Growing Generous Stewards" (March 17-18, 2006) under the sponsorship of the Northeast Ecumenical Stewardship Council.

Working collaboratively with the Preachers' Aid Society, the Foundation has planned a series of events for clergy under the theme of "Planning for a Life-time of Ministry." This series comprises three financial planning seminars specifically tailored for clergy at different phases in life and ministry, i.e. first five years of ministry, clergy with five+ years of ministry, and clergy anticipating retirement.

“Clergy Tax Seminars” were also conducted by the Foundation at Acton, Massachusetts and Bangor, Maine, with leadership provided by Mark Conner and Foundation President, Wee-Li Tan. This ministry is important and needful for both clergy and local church treasurers in the specialized field of clergy taxes, and clergy compensation and benefits.

The Foundation continues to play a key role in developing the Nehemiah Affordable Housing Strategy in our annual conference, a program that helps churches participate in securing no-interest loans for affordable housing construction. A resolution addressing affordable housing will be brought to the 2006 session of annual conference.

I would like to express my appreciation and thanks to both our hard working staff and a gifted Board of Directors. We recognize the following outgoing board members for their faithful service and contributions: Evelyn Cooke, Andrea Hatcher and Rev. Martin McLee.

The 2005 Board of Directors consisted of the following persons:

Officers/Committee Chairpersons

David W. Fitts, Chair of the Board

John R. Regier, Vice-Chair

Edward W. Abrahams III, Secretary and Chair of Grants & Financial Assistance Committee

Cindy Sroda, Treasurer and Chair of Budget/Audit Committee

Joan A. Humphrey, Chair of Personnel/Nominating Committee

Andrea Hatcher, Chair of Development & Marketing Committee

Robert B. Needham, Chair of Investment Committee

Board Members

Thomas J. Baziak

Ha-Kyung Cho-Kim

Evelyn Cooke

Patricia Deyton

Philip Hall

Sophia Harrell

Bishop Peter Weaver

Marian Lippincott

Dave MacMahon

Martin D. McLee

Diane Peak

Alexander Stewart, Jr.

M. Philip Susag

Ned C. Watts, Jr.

Submitted by Wee-Li Tan, President

CONFERENCE MISSION SHARE REVIEW COMMITTEE (CMSRC)

In 2005 the Annual Conference approved RS-213 which authorized and extended the work of the Conference Mission Share Review Committee (CMSRC). While the CMSRC had begun the process of establishing criteria for mission share review and relief, as well as discerning the root causes for low mission share payment, full implantation was not yet completed.

RS-213 charged the CMSRC with the following:

Establish and refine a process for continued mission share review and relief
Such a process have been determined and tested on all districts. A Mission Share Review training guide has been codified and shared with District Committees, Superintendents and through reporting with CF&A, The Bishops Financial Summit and Bishop Weaver. The manual contains an interview process for mission share review as well as instructions that apply for mission share relief. CMSRC has also posted on the conference web page the application process needed for mission share relief.

Provide Training to District Committees

Training sessions were held for District Committees (DMSRC) throughout the Annual Conference and conducted by members of the CMSRC assuring wide geographical representation.

Receive reports and recommendation from District Committees

Each District Committee and Superintendent was given information relative to mission share review and relief for distribution within the district. Mission share review will be an ongoing process for each district committee over the next three years, while mission share relief was made available beginning in 2006.

Make annual recommendation so the Conference Council on Finance and Administration (CF&A) regarding mission share relief (per-RS-227)

Applications for mission share relief were to be reviewed by the DMSRC and recommendation submitted to the CMSRC for consideration by mid-April 2006. CSMRC will make their recommendations to CF&A on May 6, 2006. Local churches will be notified of the decision no later than June 1, 2006 and any relief will be applied to the 2006. Churches receiving mission share relief will be reported to the 2006 Annual Conference.

The CMSRC has completed the task assigned by the 2004 Annual Conference (RS-227) and the 2005 Annual Conference (RS-213) and hereby submits the following resolution.

Submitted by the CMSRC

TREASURER'S REPORT 2005

In the midst a year of significant disasters around the world and continued financial challenges within the Annual Conference, God's graciousness was evident. We experienced an increase in gifts to United Methodist Committee on Relief (UMCOR) unprecedented in the Annual Conference's history, embarked on the \$10 million Together For Tomorrow Conference Capital Campaign, initiated efforts to enhance cash management and continued our moderation of health and property insurance premium increases.

Financially, while receipts from Mission Shares were down 5.75% from 2004 levels, the Annual Conference ended the year in a positive position by keeping expenses inline with actual receipts. With our practice of more closely tying future expenditure levels to past receipt levels, the Council on Finance and Administration established a modified spending level for 2006 that tracks with our 2005 experience. Continued difficult choices will be called for in the months and years ahead the Annual Conference seeks to be faithful to its mission and ministry, and development and use of its financial resources.

The generosity of New England United Methodist was evident through the unprecedented response to both the Tsunami and Katrina hurricane appeals of the UMCOR. Our office processes an average of \$350,000 annually in gifts from local churches to the various Advance Special and Special Appeals of UMCOR. In 2005, we processed more than \$1.1 million in UMCOR gifts.

Also, the initial response to the Together For Tomorrow Campaign demonstrates the faithfulness of the local churches and individual United Methodist of the New England Conference. By the end of 2005, the Campaign, with less than half of the districts having begun their efforts, had exceeded more than \$6 million. Examples abound of congregations with \$5,000, \$10,000 and even \$100,000 conference suggested goals exceeding their goals by thousands, tens of thousands, and even hundred's of thousands of dollars.

On the insurance front, both of the conferences insurance programs were able to continue the recent trend of passing along below average premium increases. While the property/liability insurance market as a whole saw increase in the 9% - 13% range, the average increase passed on to the local churches of the Annual Conference in 2005 was 4.5%. Similarly, while health insurance premiums within the industry average 12% - 15%, the average increase passed on to the local churches of the Annual Conference was 2.8%.

The Office of Administrative Ministries continued its efforts to find new, better, and more efficient ways perform the administrative ministries of the Annual Conference. 2005 saw the completion of the implementation the on-line statistical reporting. We completed the segregation of Trustee accounting activities from Conference activities and continue to refine these processes. In an effort to better manage the cash flow operations of the Annual Conference, we began the process in 2005, to be completed by summer of 2006, to secure more comprehensive banking and financial services. These enhanced services will provide better returns on our liquid assets.

An area that remains a significant challenge to the Annual Conference both in the short-term and long-term is Retiree Health Benefits. In 2005, the Annual Conference received a preliminary projection of the unfunded liability of providing retiree health insurance to the pastors of the Conference based on the current formula. The projected unfunded liability amounts to more than \$43 million. The Conference Board of Pension

will be proposing legislation to the 2006 Annual Conference to take an interim step toward addressing this shortfall, with a more comprehensive set of recommendations to follow in 2007.

Finally, I can confidently report, once again this year, that this Annual Conference is being well served by a dedicated staff of individuals who graciously respond everyday to a myriad of requests for information and assistance out of their sense of Christian witness and calling. I sincerely appreciate the contributions to ministry made by:

- Janis Salesi, Conference Benefits Coordinator
- Steve Hart, Financial Services Manager
- Merry Hoyt, Remittance Specialist
- Jennifer Picard, Administrative Assistant
- Daniel Sierra, Accounts Payable
- Alise McCall, Administrative Financial Secretary

I extend a special word of thanks to the members of the Council on Finance and Administration, Board of Pensions and Health Benefits, and Conference Trustees with whom I have the privilege of working, the local church treasurers I have had the opportunity to talk with and meet, and my colleagues in Ministry through out the Conference who have kept and continue to keep me in their prayers.

Charles R. Carnahan, M.Div., M.B.A.

Treasurer/Director Administrative Services/Conference Benefits Officer

UNITED METHODIST WOMEN

The organized unit of United Methodist Women shall be a community of women whose PURPOSE is to know God and to experience freedom as whole persons through Jesus Christ;

to develop a creative, supportive fellowship; and to expand concepts of mission through participation in the global ministries of the church.

United Methodist Women in New England participate in the global ministries of the church, through our support of Women's Division. Through our donations to undesignated giving we minister to the homeless, the hungry, and the sick. We support schools and hospitals. We advocate for justice. We work to change the systems that create poverty and inequality. We support regional missionaries, youth and young adult mission workers, and training and continuing education for deaconesses. In our local communities we are involved in soup kitchens, shelters, after school programs, prayer shawl ministries and many other forms of outreach.

We also provide mission education, leadership training and opportunities for spiritual growth for the women in our conference.

This past year we held weekend School of Christian Mission events at the University of Maine in Farmington, at Gordon College, Wenham, MA and at Camp Aldersgate in

Rhode Island. In an effort to meet the needs of those who could not devote a whole weekend to a school event, we also held one day school events in Enfield, Connecticut and Danielson, Connecticut.

Our theme for our Annual Meeting in October was Find Us Faithful. We had as our speaker Janice Love, Deputy General Secretary of the Women's Division, General Board of Global Ministries.

Belle Harris Bennett, an early leader in the Woman's Home Missionary Society, said "Let the future bring what it may, 'God is our refuge and strength, a very present help in time of trouble.' The field is wide, the need is great, God loves us. Let us do the work he has committed to our hands, and let us be much in prayer for wisdom and guidance." The United Methodist Women in New England are prepared to do the work God has committed to our hands and to do it with courage, strength and vision.

Carolyn D. Gray, President United Methodist Women



Candler School of Theology is grounded in the Christian faith and shaped by the Wesleyan tradition of evangelical piety, ecumenical openness, and social concerns. Its mission is to educate—through scholarship, teaching and service—faithful and creative leaders for the church's ministries in the world. These purposes define Candler's role as a school of Emory University and of the United Methodist Church and point to the unique challenges and opportunities we face in leading a national research university in re-discovering what it might mean to relate to a major denomination.

Our school, unique in its placement within a top twenty research university and its commitment to educate pastoral and academic leadership, is poised to play an active role in the positive transformation of the church and the world. Religion has bound and divided communities since the beginning of time and now is no different. When polled about their research, over three hundred Emory professors named "religion" as a theme in their work. Ethically aware, theologically profound voices are desperately needed in our society, and Emory draws on its Methodist heritage and looks to Candler to bring wisdom, clarity, compassion, and tolerance to the conversation. For example, leading off one of our university strategic initiatives, "Understanding Religions and the Human Spirit," is Carol Newsom, C. H. Candler Professor of Old Testament.

Candler's faculty continues to be among the most distinctive in theological education. Forty-four members hold full-time appointment, and six hold part-time appointments. An additional fifteen serve in an adjunct capacity. Woodie White and Jack Meadors serve

as United Methodist bishops in residence. Bishop L. Bevel Jones III remains at Candler working with the Development Office.

In our commitment to the practice of ministry, we partner with eighty churches to ensure that ministerial preparation takes place in both the local church and on the campus. Candler's Contextual Education program intentionally pairs a faculty member with supervisors from church and community ministries so that teaching teams represent the church and the academy. Thirty-two Teaching Supervisors support our Contextual Education and Teaching Parish (student pastor) programs. Dr. Alice Rogers has broadened the Teaching Parish program, and it now includes students appointed to churches in the Alabama-West Florida, North Alabama, North Georgia, South Georgia, and South Carolina Annual Conferences.

This year, enrollment was 513, with 417 in the Master of Divinity program, 55 in the Master of Theological Studies program, 15 in the Master of Theology program, 7 in the Doctor of Theology program and 19 enrolled as Special, Non-Degree students. Eighty-three percent of students are enrolled full-time. The student population is 25% US ethnic minority, 9% international, and 48% women. More than 52 denominations are represented with 60% of M.Div. students being United Methodist from 40 Annual Conferences. Other denominations of the Methodist family represented at Candler include African Methodist Episcopal, African Methodist Episcopal Zion, Nazarene, Methodist-Wesleyan and the Methodist Churches of Brazil, Korea, and the Caribbean.

Good things are happening as we develop and put into action a plan for the life-long learning of church leaders. An exceptional conference, Faith, Politics, and Public Policy, is planned for October 8-10, 2006. Candler's own faculty with expertise in this field, as well as Jim Wallis, Jim Forbes, Susan Pace Hamill, and several others, will provide leadership. Information about this and other upcoming events is available at <http://candler.emory.edu>.

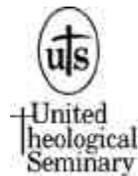
Progress has been made toward the construction of two new buildings to house the Pitts Theology Library, faculty and administrative offices, state-of-the-art classrooms, a teaching chapel, and the University's Ethics Center, with groundbreaking on Phase I planned for spring 2007. The University plans to gather its rich religious resources within and near the Candler facilities to create a "religious complex" centered around Candler.

The faculty has completed an inspiring strategic plan that calls for the facilities noted above, new faculty chairs, program support, and increases to our scholarship endowment. Last year, 80% of eligible students received scholarship support from Candler with an average scholarship covering 80% of tuition. Gifts from the Methodist Education Fund (MEF) have played a large role in this success. However, so much more still needs to be done. More than 60% of Candler's M.Div. graduates leave school with educational debt. This burden undermines their effectiveness in ministry, such that some seek alternative employment. Your continued support, gifts and prayers mean a great deal as we work to provide a strong educational program as well as support for

the courageous and committed students who choose to undertake the challenge of theological education.

It has been my privilege to serve as Candler's dean for the last six years. Next year, I will be on sabbatical, working on the long overdue "new" book on the history of the Methodist Church in America and other writing endeavors. Thereafter, I will return to Candler as a member of the faculty. Thank you for your support throughout my deanship and for your support of Candler—and my successor—in the years to come.

Russell E. Richey, Dean and Professor of Church History



UNITED THEOLOGICAL SEMINARY

UTS Mission Statement: United Theological Seminary is a Christ-centered graduate school of the United Methodist Church that equips leaders for the church in a pluralistic world through the nurture of piety, the love of learning and the pursuit of justice.

2005 was a year of change for us as we relocated to a new campus after 80 years in the previous location. As part of a two-year planning process beginning in 2001, the seminary staff and trustees examined buildings and facilities and came to the conclusion that the school's historic location on Harvard Boulevard would not meet the seminary's future needs. On February 18, 2005, we signed the documents that closed the purchase of a new campus in Trotwood, Ohio. The property, formerly owned by the Jewish Federation of Dayton, consists of an 80-acre campus at 4501 Denlinger Rd.

Renovations began in April, 2005, and seminary staff began to move into the new facility in September of 2005. A gala three-day celebration of the new campus was held October 10-13, 2005, with more than 600 people participating in the celebratory events.

The new campus gives the seminary many new opportunities with expanded classrooms, state-of-the-art technology, a new space for the EUB Heritage Center, a renovated library, programs in Wellness Ministry, and partnerships with the community. The new facility has academic and recreational resources that will allow us to make programmatic, educational, and economic impacts on the entire region.

The technology at the campus creates one of the most sophisticated learning centers in the area, suitable for nearly every constituent group conceivable. Our recreational facilities, which include in-door and out-door swimming pools, a walking track, softball fields, and tennis courts, have provided us with new opportunities for educational programming and community partnerships. Already, a partnership between

the City of Trotwood, the YMCA, and UTS has provided a unique initiative to serve children and families with a day camping program held on the campus last summer.

The academic plan at UTS includes a full range of degree programs and initiatives including on-line learning and distance education. The M.Div. degree, with its noteworthy contextual education program, is among the more dynamic in the country, while the Doctor of Ministry program is innovative in its mentor-based contextual model.

United Theological Seminary began a Wellness Initiative in July 2004 in order to explore the establishment of a Center for Wellness Education within the Institute for Applied Theology at the school. The program includes health screening and assistance for incoming students, curriculum development for wellness education with the degree programs, and a full range of strategies for assisting congregations in the exploration of health, healing, and holiness.

The outreach of the seminary through the Institute for Applied Theology includes the Center for Urban Ministry, The Center for Worship, Preaching, and the Arts, and the Pohly Center for Supervision and Leadership Formation. With the addition of the Wellness initiative the seminary is prepared to address many of the current and emerging needs of lay persons, clergy, and the larger church.

G. E. Zeiders, President and CEO

CENTRAL MASSACHUSETTS DISTRICT REPORT

In the second year of the leadership of Bishop Peter D. Weaver, the congregations of the Central Massachusetts District continue to have a strong working relationship with the Bishop, the Cabinet and the Conference staff. Bishop Weaver's visit to local churches, the Twenty-First Century Creative Evangelism program last October and the Together for Tomorrow Campaign have all reminded us that we are partners in ministry. Most pastors and many congregations responded enthusiastically to these events and felt strengthened and uplifted because of their participation.

The District consists of 68 churches and 64 charges. Forty-four of these congregations are served by full-time pastors and fifteen by pastors serving half-time. Eight of these congregations are two-point charges. Included in these numbers are the eleven Federated Churches in the District. There are forty elders, two probationary elders, thirteen local pastors, two deacons in full connection and nine pastors from other denominations serving in the District.

Some celebrations across the District I wish to lift up are the growing frequency of hands on involvement in missional activities including Volunteer-in-Mission projects in Central America and West Africa, work camps in Maine, South Carolina and other parts of the country, involvement in local shelters, soup kitchens, food and clothing banks, medical and eye clinics, ministry to inner city kids and the accompanying growing awareness of the great lessons that the poor and marginalized have to teach us about what it means to respond to the call of Jesus Christ. Other celebrations include the

worship and outreach of growing congregations in South Athol, Hudson, Chelmsford and Sudbury and music ministry of the Ghanaian Choir of Wesley Church, Worcester.

At Charge Conferences this past year we focused on one of the five critical issues of the New England Conference – Evangelism and Church growth: “As a people who yearn for God, we recognize that others yearn with us and we will reach new people with the gospel of Christ.” During our time together, pastors and Lay Leaders were invited to share their congregation’s vision for ministry and their ministry action plan. It was heartening to see several congregations seeking to discover and articulate a vision that will offer them a unifying sense of where God is calling them. Congregations in the District will continue to focus on reaching the unchurched, organizing for faithful discipleship and serving critical human need. I thank God for the pastors across the District who are working in the difficult situations in today’s world. This is not an easy time to pastor. Supported by dedicated members who are faithful to their tasks, the ministry of Jesus Christ goes forward.

I am looking forward to the implementation of the Conference Transformation Team Report in the District. I anticipate working with others in building a strong, positive District identity as a way to develop high morale, enthusiasm and trained leaders for local churches. This is fundamental to helping strengthen local church outreach and witness and attaining our Conference priorities.

Central Massachusetts continues to be an exciting area for ministry. I am grateful to our Bishop for the impact of his leadership on the life and work of our District and its sixty-eight churches. I look forward with great hope and ever increasing enthusiasm, thanking God for the opportunities we have been given.

Ronald V. Wilson,
District Superintendent

METRO BOSTON HOPE DISTRICT OVERVIEW

In the Hope District the NE Conference has 58 worshipping centers where Christ’s gospel is preached every Sunday in English, in Spanish, in Korean, In Portuguese, and in French–Creole. You can say we are a multicultural, multilingual and multiethnic community indeed. Most of our churches are located in urban areas or very close to it. We are blessed with diversity in theological perspectives, approaches to ministry, and worshipping style, and we are all united in one faith in Jesus Christ and one baptism which melt down any barriers that can separate us from the love of God and one another.

We are also blessed by an excellent lay leadership in the district who is not shy to invite everyone to their Leadership School and Lay Speaking Courses. These two settings, directed by Ralph Oduor, our District Lay Leader, Kristine Anderson, Wendy Page, Karen Peters, Ruby Blake and Nizzi Santos Digan offer opportunity for both laity and clergy to come together for equipping learning opportunities. Subjects such as congregational development, gifts assessments, contemporary worship, media and PowerPoint, stewardship, Trustees, PPRC, Church Council and finances are offered to

the community by outstanding lay and clergy facilitators. In addition, participants have the opportunity to do some networking and enjoy the companionship of each other.

This past year we decided to combine the District Committee on Building and Location and the District Committee on Congregational Development. The results have been fruitful. We have a very able and talented team of both lay and clergy that discern the use and /or disposal of church property guided by their commitment to develop, strengthen, and support the ministry of the local church. For the new term the Rev. Tony Jarek-Glidden was re-elected by unanimous vote and the Rev. Doug Robinson-Johnson was elected as co-chair. Tony will facilitate the trustee issues and Doug will facilitate the congregational development matters. We are so pleased to have a very dynamic and skilful team.

We continue to develop our Clergy Covenant Groups under the skillful care of seven Covenant Leaders, Erika Robinson-Johnson, Jill Wiley, Twila Broadway, Martin McLee, Chuck Hartman, Anthony Brima, and Gary Nettleton. The Covenant Groups gather regularly for spiritual life, support, supervision and spread of information. The main purpose is to help pastors be strong transformational spiritual leaders. This year we express our appreciation to Twila and Anthony as they move to other appointments. We also welcome two new Covenant Leaders, Maria Coleman and Natalie Wimberly. We also have to L3 Incubators group in the district; these are facilitated by Curtis Brown and Richard McKinley. These are groups sponsored by the Congregational Development Office and designed to help pastor develop a strategic planning for congregational development in their local churches.

We celebrate the ordination of Nizzi Santos Digan, Laurel Scott, Abraham Waya, and Tiffany Steinwert as elders in full connection with the United Methodist Church. We also celebrate the commissioning as probationary elders of Henrietta Montjane, and Jeremy Smith and of Kerry Greenhill as probationary deacon.

Four of our candidates for ministries graduated with their MDiv from Boston University School of Theology; Pastor Glen Mortimer from Wakefield –Lynnfield, John Park from St. John's Korean UMC, Susan Feurzeig from Calvary, Arlington, and Seok Cheol Shin from Community, Brighton. George Walter-Sleyon graduated with an MTS from BUSTh and Jin Park also graduated with an MTS from Princeton Seminary. We also give thanks to the faithful and thoughtful work of our District Committee on Ministry led by the Rev. Ruth Oduor. In addition, we celebrate the new position of Alexx Wood from Calvary UMC as the new Director of Communications for the New England Conference.

The fall was very busy for us this past year. We enjoyed an inspiring Day of Evangelism in the district with more than 150 people participating. Union UMC in Boston did an excellent job hosting the event and during the community leaders luncheon we hear the voices of a senator, representatives, educators, ecumenical religious leaders, and grass root leaders. The altar call during the closing worship was not only moving but also powerfully healing as those who have been away from the church returned home. We have excellent participation in the New England School of Congregational

Development. One of our churches, East Saugus, won the prize for bringing most participants, 18 including the DS. Praise the Lord! Hope also said present both with financial aid and human resources during the natural disasters suffered during the fall. For example, on one Sunday College Ave collected \$20,000.00 for UMCOR. Hundreds of buckets and health kits were collected through out the district.

We had again a very successful individual and cluster charge/church conferences season were the people called United Methodist came together to set goals for ministry, worship, and celebrate what God has been doing in their local churches. The Spirit of the Lord was indeed in our midst. We prayed for those ministries that needed encouragement and support in the midst of challenging times.

I have to say that this past year has been full of pleasant surprises in the district such as churches turning around with an increase in worship attendance and membership in places such as Scituate, St. John's Korean in Lexington, Woburn, Quincy, and Wakefield- Lynnfield. I also have seen church growth in Norwell, Winchester, Newton, Harvard Epworth, Melrose, Chelsea, Malden, Dorchester, Saugus, and Peabody. I am thankful and hopeful for those churches which have expressed a desire for a "second chance", for a radical change in the way they do ministry in Stoneham, East Saugus, Waltham, Dedham, Roxbury, Braintree, Jamaica Plain, Whitman, Rockland, Lynn, Holbrook and Brockton. Churches like Union and Old West, Bethany and Parkway continue to be a powerful presence in the city reaching out and been vocal in the life of the city of Boston. Grace UMC in Lynn has developed a holistic strategic planning which includes intentionally ministering to the body, soul, and mind. For example, they have designated the Union Street as the HUB, a place where Healing Urban Brokenness happens.

I want to recognize and thank all those churches in the Hope District who faithfully, enthusiastically and successfully participated in the Together for Tomorrow capital campaign. The fact that more than \$1,770,000 million dollars were pledged, in the midst of all the financial stresses and difficulties of our urban area, is a testimony of the commitment our Hope churches have first to our Lord and Savior, Jesus Christ, and to our United Methodist connectional system.

Two new congregational development projects are being launched in our district during this annual conference. One will be an English speaking re-development ministry in East Saugus led by the Rev. Nizzi Santos Digan and the second one is a new Korean ministry in the Boston area led by Pastor Han Kim. We also want to acknowledge the new beginning of an English Speaking ministry with second generation Korean American at St. John's Korean UMC in Lexington.

We want to join the 50th Anniversary celebration of the ordination of women in the UMC. Felicidades!

I want to express my deepest gratitude to all pastors and churches for a good partnership during this past six years. I am looking forward to continue to be in ministry

with you in the time ahead. As we move forward into the future I invite you to sing the lyrics of David Haas hymn, We Are Called;

Come! Open your hearts!
Show your mercy to all those in fear!
We are called to be hope for the hopeless
So all hatred and blindness will be no more!

We are called to with justice,
We are called to love tenderly,
We are called to serve one another,
To walk humbly with God!

Love,
Aida,
District Superintendent

MID-MAINE DISTRICT REPORT

This past year has been one of challenges, wonderful successes, and of reaching out in word and in deed in the name of Jesus Christ in the churches of the Mid-Maine District. The district itself is comprised of 70 churches and 60 charges. Of those charges, 32 are full time, 1 is $\frac{3}{4}$ time, 15 are $\frac{1}{2}$ time, 8 are $\frac{1}{4}$ time, and 4 are less than $\frac{1}{4}$ time. Our pastors are comprised of 24 elders, 8 retired elders, 2 probationary members, 17 local pastors, 3 pastors from other denominations, 6 superintendent's supply.

Some of the challenges for the churches have been in the area of increased financial pressures such as health insurance and fuel. The number of persons in attendance in a congregation that have in the past supported a full time pastor can no longer do so. Because of this, some of the churches have had to make adjustments. Included in this group are the churches in Bridgton (from $\frac{3}{4}$ to $\frac{1}{2}$ time), North Sebago (from $\frac{1}{4}$ time to less than $\frac{1}{4}$ time), Orr's Island (from $\frac{3}{4}$ to $\frac{1}{4}$ time), and South Thomaston from $\frac{3}{4}$ to $\frac{1}{2}$ time. These financial pressures will continue to affect the ways our churches respond to the spiritual and physical needs of our communities. The adjustments in size will continue.

Of concern in our district is the United Methodist Economic Ministry that is located in Salem, Maine. This ministry has been vital to the region for years. Because of necessary budget cuts in the conference budget, new means of funding this essential ministry need to be found. Under the capable and energetic leadership of Executive Director Kay Webb and Board President Linda Campbell-Marshall efforts are being made that will secure the continued growth and future of this ministry.

Among the successes on the past year, a very successful Evangelism Day was held at the Belfast United Methodist Church under the leadership of Bishop Weaver in

September of 2005. This district day was not only of benefit to the Belfast Church, but also to the many pastors and lay people who participated from other churches on the district. The Southport church has constructed (in record time) a new parsonage. The North Vienna church, after much planning and prayer, is putting on an addition that will contain wash room facilities, Sunday School space, a meeting hall, and a kitchen. The Winthrop and Camden churches have purchased additional property adjacent to their churches that in both cases will open new possibilities for the future ministry and mission of both churches. The Belfast church has celebrated their fifth year in their new facility by conducting a capital campaign that will enable on the sanctuary and debt reduction. The Augusta church has finished a major renovation to their sanctuary making the chancel area handicapped accessible, enhancing the worship space, and making the use of new technologies in worship possible.

The work of our district has been enhanced by the ministry of our team of District Lay Leaders. Ruth Cannon covers the "southern" part of the district. Harbour Mitchell covers the "Mid-Coast" area. Randee Bourgoin covers the "central" part of the district, while our newest addition to the team, Jack Hoyt covers the "northern" part of the district. This number of lay leaders exists because of the geography of the district and their inspiration and presence is vital to the district's ministry.

As superintendent of this district, I continue to be amazed at the faithfulness and the fruitfulness of the congregations that comprise this district. Outreach has been provided to our communities through food pantries, thrift stores, spiritual life groups, and faithful witness. It is a joy to be a part of such wonderful churches and people.

David Svenson,
Mid-Maine District Superintendent

NEW HAMPSHIRE DISTRICT

The New Hampshire District is an exciting place to be in the ministry of Jesus Christ. During this last year much time was spent on transition as the new District Superintendent learned more about the 67 churches on the district and the folks in the churches of the district tried to understand their new superintendent. It was exciting as church conferences were held in each appointment to discover the wealth of resources that are available within this district alone. There are churches with unique youth ministries that are meeting not only the needs of the youth, but also the needs of marginalized persons within their community. There is a church that has raised almost 7 times its goal for Together for Tomorrow. There are churches that are getting ready to build new buildings or to expand existing ones. There are churches using new and creative models of outreach and evangelism to make the Gospel of Jesus Christ meaningful to their community. There are churches that are committed to justice ministries and churches that continue to reach out to their community and to the world. Churches with sister congregations in Nicaragua and churches that allow community

organizations free use of their space. We are alive in so many different ways in this district.

There are also churches that agonize about how they are going to be able to continue in ministry in their communities. There are churches wondering why their numbers are dwindling. There are churches wondering why their congregation seems to be getting older and older. There are churches that have worked to intentionally develop a new vision and mission while others are anxious about their very survival. There are some churches that have intentionally downsized this year for financial reasons. While there were 2 churches this year on our district that increased the appointment time for their pastor there were 8 churches that decreased the appointment time.

All in all though our churches are finding new ways to involve themselves in ministry. Churches that have struggled for a number of years to pay their mission shares are making intentional decisions to “right-size” in order to be able to pay their fair share of the conference budget. Churches are deciding to empower laity to carry more of the responsibility for ministry and depending less on a “professional pastor” to do the work for them.

Our district sponsored a Volunteer in Mission team to Slidell, LA in February and another VIM team to Waterville, ME in July 2006. Those who participated have returned with new stories of how the United Methodist Church is making a difference in others lives and how it is possible because we are so connected.

Our District Committee on Lay Speaking has sponsored over half a dozen training events for those wishing to become Lay Speakers or to be recertified. Churches are discovering once again the power that individuals experience when they offer themselves to be used by the Spirit of God in different areas of leadership. Some churches have moved to an entirely “gifts based” model for Committee on Lay Leadership asking people to serve where their gifts are best suited and not just trying to fill in some holes in the slate.

Several churches took advantage of the Igniting Ministries Training that was offered this spring and are busy planning new ways to enhance their exposure in the community, once again offering God’s message of hope, love, and justice in creative ways.

I thank God for all the work being done in the name of Jesus Christ in this district. Your steadfast faithfulness in all matters of the Gospel is exemplary.

John Blackadar,
District Superintendent

NORTHERN MAINE DISTRICT REPORT

Vision: The vision for the Northern Maine District is to have a vibrant United Methodist faith community serving every populated area in the Northern Maine District.

Our mission: We are called to unite in mission and ministry to proclaim a holistic gospel that addresses the urban/rural realities and needs of the Northern Maine District.

I. Description of the Northern Maine District

The district encompasses the greater part of eastern and northern Maine. The southern-most churches are in Dixmont, Winterport and Stonington, while the eastern and northern boundaries extend to the Canadian border. The western-most church is the Greenville Junction UMC, in the Moosehead Lake region. The district consists of 67 churches, 44 charges, 16 of which are single-point full-time charges. There are 14 two-point charges. Of the 14, 5 are 2-point full-time charges and 9 are 2-point part-time charges. There are 18 single-point part-time charges. There is 1 cooperative ministry and 2 federated churches. Fifty seven pastors serve the Northern Maine District: 17 elders, 4 probationary members, 20 local pastors and 6 supply pastors. There are 3 deacons, 3 pastors serving from other annual conferences, 3 pastors from another denomination, 1 associate member and 1 person serving in extension ministry (Bangor Theological Seminary). In terms of gender and ethnic diversity, there were 26 male pastors, 31 female, 4 ethnic men and 3 ethnic women.

II. Changes since last year

In January 2006, the Dexter/Ripley charge moved from a $\frac{3}{4}$ -time status to a half-time status. The Ellsworth UMC will increase from $\frac{1}{4}$ to $\frac{1}{2}$ effective July 1; the Monticello UMC will move from $\frac{1}{4}$ to a limited status--weekly class meetings but no Sunday worship services—effective July 1. The Danforth church was assisted in its ministry by a worship team from the First United Methodist Church in Lincoln. A covenant was established for one year in order to allow the members of the Danforth church to develop their leadership skills in preparation for a pastoral appointment. The Cutler United Methodist Church also lived in covenantal relationship this past year with a lay missionary. Pastor David Arruda traveled from the RISEM District each week to provide a ministry of healing and leadership development for the Cutler members. In the span of less than one year the church moved from having nearly \$20,000 in debt and being financially depleted, to being able to offer financial support to a sister church, donating to a variety of missional needs and ending the year with a \$3000 in the checking account. As a result of the renewed vitality of the congregation, the church will receive a pastoral appointment this year, and will increase from $\frac{1}{4}$ time to $\frac{1}{2}$ time. In April, Grace United Methodist in Bangor hosted the Bishop's Evangelism event. 120 people from their sister United Methodist churches participated in the training event, including visitations to the community. That evening, over 100 attended the worship service that was held at the Bangor YMCA. New people have continued to visit Grace Church—as well as some of the other United Methodist Churches in the area, since the event. By the grace of God, there were not many significant negative changes in the district, and there were no church closings.

III. Evangelism Efforts

In 2005 there were 123 people that joined the Northern Maine churches through profession of faith. That was a slight decrease from 127 that joined in 2004.

Submitted by:
The Rev. Marcelle Dotson, M.B.A.
District Superintendent for Northern Maine

RHODE ISLAND AND SOUTHEASTERN MASSACHUSETTS DISTRICT (RISEM)

I continue to be thankful to God for the laity and clergy who constitute the RISEM District; their love for Jesus, community and the world remains a beacon of hope and discipleship. As in any year there have been changes in appointments, challenges in local churches, communities that have changed and beloved saints that have gone on to be with God. Into all of these changes the church is called to be a witness to the world as we boldly proclaim Christ.

On June 21, 2006 the Rhode Island House passed a bill that would exempt local churches in Rhode Island from installing fire sprinkler systems. Many thanks to the Rhode Island State Council of Churches for their advocacy work in this matter. Also to the many United Methodists in the state who actively petitioned, called, and emailed their representatives. Now if we can find ways to use that influence around housing, health care and education.

There have been some significant milestones reached. Washington Park UMC in Providence and Hillsgrove UMC in Warwick, RI voted simultaneously and unanimously to merge into as yet a new and unnamed congregation. The first worship of this new congregation was on Pentecost Sunday and it was awesome! The four churches on Martha's Vineyard-Chilmark, Edgartown, Trinity and Christ-overwhelmingly voted to become the Martha's Vineyard Cooperative parish, signaling to the island that the United Methodist Church is well, alive and modeling what it means to live in community and with one another. Several churches had anniversaries including Cuttyhunk where Jim Todd is the pastor and the permanent population stands at 86! There were no increases in appointment time and three decreases: Westport Point, Marion and Pawtucket (Epworth).

The District responded well to the "Together for Tomorrow" capital campaign raising about 1.8 million throughout the district. The participation rate was outstanding and several churches have remarked on how transformational this campaign was. In May Asbury UMC hosted the District Evangelism Day where 30 teams were sent into the field making some 400 calls in the local neighborhood. Some great stories have been told and will continue to be shared as hopefully other churches and clusters will engage this process in their own communities. Bishop Weaver completed his visits to local churches on the district (except for Cuttyhunk) which has also been a great lift to each

local church. My thanks to Phil Viall, John Gonsalves, Rebecca Hewett and Oscar Harrell for braving the highways, byways, ferry's and small aircraft as we traveled about the district.

Seventy five percent of the churches in the district had at least one person join on profession of faith in 2005, with Osterville, Mathewson Street, Abundant Life, Bridgewater and Christ (Kingston) leading the way, affirming that people are hungry for Christ regardless of the community or the size of the church.

I have been blessed to be part of this wonderful district. I pray that we all will continue to grow in discipleship and faithfulness so that the world may see the fruits of love and justice born from this body of Christ called RISEM.

Gary Shaw,
District Superintendent

TRI-STATE DISTRICT REPORT

The Tri-State District includes 74 churches in 3 states: Maine, New Hampshire and Massachusetts. The district covers coastal New Hampshire, the North Shore area of Massachusetts, and coastal Maine extending just north of Portland. The churches are in rural, urban, small town, and suburban settings. They are served by full time and part time pastors.

Many of our congregations have shown incredible faith, determination and grit as they've weather storms within and without, taken risks for the Gospel, explored new avenues of stewardship and sought to reach their communities with the good news of Jesus Christ in word and deed.

Highlights for the year include a change in superintendents, as we were appointed co-superintendents, a first in the history of the New England Annual Conference. Prior to our arrival, Edward Claus served as interim superintendent for three months. We are grateful for his leadership and assistance in the transition.

The conference wide capital campaign, "Together for Tomorrow", was a great success. Almost 50 churches from the district participated with \$1,319,176 pledged. More importantly, many congregations discovered new stewardship skills and began a deeper journey of faith. Thanks to all the volunteers who gave countless hours, planning, organizing, visiting, and praying. You've made a difference!

On May 20, 2006, the district met with Bishop Weaver in Milford, NH for a day of evangelism. Over 60 people participated in visiting homes in the area. Several congregations are already planning to use their new skills to reach out into their own communities.

The Tri-State district faces many challenges in the coming year. Many of our congregations struggle to find ways to reach the people of their community. Some struggle to maintain their current level of ministry. All of us seek to live out the Great Commission in these changing times.

On a personal note, we are grateful for the warm welcome we've received from all of you. We have felt your prayers and support.

These are exciting times to be disciples of Jesus Christ! We look forward to the years ahead as together we live out our vision to proclaim Christ boldly to the world.

Janice & Michael Davis
Co-District Superintendents

REPORT OF THE COMMITTEE ON HISPANIC/LATINO MINISTRIES

We begin this report by expressing our thanks to our Trine God for the many ways in which we pastors, ministries and local congregations have been blessed. We unanimously express our gratitude and recognition to Bishop Weaver and to the AC leadership and agencies for their financial support and accompaniment for these strategic ministries. Praise God and our Lord Jesus Christ!

Regarding state of our ministries and local churches.-

We wish to initiate this section of our report, by sharing with members of the 2006 Annual Conference, the fact that, by the most, "It is well with the soul" of the pastoral leadership and the local churches or ministries.

Most of our Hispanic/Latino ministries are growing spiritually, programmatically, and in numbers as well as in "social holiness". We want to emphasize that we have worked in unity, and that participation in joint programs has been very good.

1. - Leadership development, has been a top concern and practice by the newest churches. From local reports, this is particularly clear at "Abundant Life UMC", "Mt. Bellingham/Nueva Vida UMC", "Christ/Hispanic Ministry", and the "Brazilian UMC".

The lack of emphasis on leadership development in past decades, resulted in rendering disable the local ministries every time the pastor moved on to another appointment or left the Conference, or every time the finances for support were not available. That should not happen any more, thanks to giving attention to training local lay speakers, Sunday School teachers; worship, Bible study, and liturgical and musical leaders. Some churches are trying to prepare leaders for "cell groups". For "Abundant Life" in Providence, 2006 will be the 3rd consecutive year teaching a 40 hrs period of leadership development in Homiletics, Theology, and Biblical Hermeneutics.

2. - Evangelism, is alive and well in the life and ministry in most churches. The Gospel of Jesus Christ matters, because “God so loved the world”. No church can endure if evangelism is not its central concern. We all do it with different methodologies and degrees of success.

3. - Christian Education, revolves mostly around Sunday School. At least 4 churches have large Sunday School attendance. One run out of space, “Abundant Life”, and it is in conversations with another UMC in Providence to work in partnership in its larger building. Praise be to God!

4. - “Love the stranger in your midst”. We are all aware of the presence of million of documented and undocumented immigrants in the USA. The issue has been a subject of hot discussion and decision making by all branches of the Federal Government in recent months.

The Bible, the tradition of the Christian Church as a sanctuary for the downtrodden (certainly in Wesley’s praxis), and reason; compel all of us to be in solidarity with the immigrants. Absolutely all members of this nation have historical roots as migrants. Many of the Hispanic/Latino immigrants are friends, relatives, close family members of many of our church brothers and sisters, or known by them. They need God’s church, we need them. So, strong emphasis is given to assist them in all we can in Jamaica Plain, Chelsea, Saugus, and Lawrence. Outstanding has been the work in Providence, where the pastor and the congregation have been instrumental in setting up a “Church Committee on Immigration”, and through it have been able to set up a periodical ambulatory Consulate to assist the Salvadorean population to regulate their documentation. In recent weeks many of our pastors and church members participated in public demonstrations to highlight the presence and the contributions of the immigrants to the USA economic and social life. In Lawrence the pastor is building the Hispanic branch of Christ MC with the presence of immigrants. The Brazilian church in Saugus is the result of the work among immigrants. Methodism in North America began as a ministry among immigrants.

5.- “ Social Holiness “, Isaiah, John the Baptist, Jesus, and James, teach us that the kind of worship and sacrifices that God wants is to serve the socially marginal, the hungry and the physically needy. Therefore we are assisting many of the poor in our neighborhoods with food, by using our own means and/or with donations by business, individuals or charitable organizations. Lowell and Lawrence are assisting hundreds of people with food pantry programs every week in which members of the church faithfully do the work. St. Andrew’s has done work in the area of social justice and reconciliation among police and minority youth groups in the community.

6. - Joint activities. - Finally, we want to let the Conference know that we accomplished several joint short term ministry activities:

First, a team of ten Hispanic Lay leaders from “Abundant Life”, accompanied by Rev. Gabriela Garcia, Rev. Santos Escobar and Rev. Rivera, participated in August of 2005 in the Migrant Ministry in ME. It was a transforming experience for the participants to

share with the migrant workers at Jacksonville Camp and the surrounding blue berry plantations, where the migrant's workers are taken to work in less than human conditions, for several weeks, harvesting the berries. These Hispanic Ums volunteers visited several camps and shared some food, clothe, blankets, and basic personal necessities with the workers, as well as testimonies about impact of God's love in their lives. They preached to some large groups, did one to one evangelism, and distributed Bibles and other Christian literature. The group is planning to do it again in August 2006.

Second, our other important joint effort was a family Camp at Aldersgate in R. Island, where we had over one hundred in attendance, counting adults, youth and children, from the majority of churches and ministries. Several new converts were baptized at the same time. The main goals of the Camp were to strengthen the unity of the families, to increase our sense of being part of the Methodist family (Identity growth), and to know each other better as brothers and sisters of the same denomination.

Third, in May 05 we celebrated a second experience which we called "Corazones Ardientes" (Warm Heart experience), at "La Cruzada" UM Ministry in W. Springfield, Ma. All but one church attended, including the "New UM Hispanic Ministry" from Willimantic. It was a celebration of our Christian faith, experience and ministry together, in which we shared singing, prayers and the Word of God.

Fourth, a highlight was a meeting with Bishop Peter Weaver and our congregations at the Brazilian Ministry in Saugus, Ma. All the pastors and approximately 50 people attended from the majority of our congregations, for a worship of praise followed by an open dialogue with our Bishop. We ended with a time of talent sharing by each church or ministry, so Bishop Weaver could have a first hand experience of who we are.

Fifth, at the end of 2005 we participated together at the inauguration of the new Hispanic branch of Christ UMC in Lawrence, Ma. in which new members were received during a very hopeful and moving service. We had the attendance of English speaking UM pastors and members of Christ UMC as well as from most of the Hispanic/Latino congregations from the NEC.

Sixth. - We need to make a special mention of the research project written by Rev. Luis E. Benavides, Th.D. that has been published and is available now to any person in the Conference. The book was presented at the Fall 2005 meeting of the Commission on Archives and History in Chichester NH. The title of the book is: Latino Christianity: History, Ministry, and Theology (The New England United Methodist Situation) According to Rev. Benavides, the research-project is the product not only of his own research and writing but also of numerous conversations with Latino and Anglo colleagues all over the New England Conference. In his view, the history, ministry, and theology of the different Latino ministries and ministers in the New England Conference is locked in the colonization processes, emigrations from all over Latin America into the United States, and God's providence and care for the immigrant in the U.S. society.

This research project took about two years, and it has been supported by grants graciously given by the Conference Committee on History and Archives; the Conference Committee on Latino Ministries; and the General Commission on Archives and History of the UMC in New Jersey, which declared the book as the winner of the 2004 United Methodist Ethnic history grant for promoting excellence in research and writing in the history of Latinos in the New England Conference.

He hopes that the book will be both a provoking publication for other minority groups to write their own story, and also a stepping-stone for the different Latino ministries and ministers to gain visibility in the New England Conference as their history, ministry, and theology is unfolded in this book.

Finally, we are all working hard on becoming, as close as we may be able, financially self-sufficient, particularly by the churches with larger membership such as the ones from Providence R.I., St. Andrew in Jamaica Plain, and Chelsea, which are almost there.

Grace and Peace!

Conference Committee on Hispanic Latino Ministries: Co-Chairs, Rev. Gabriela Garcia & Rev. Juarez Goncalves. Secretary, Rev. Santos Escobar. Treasurer, Rev. Luis Benavides.

EPISCOPAL RESIDENCE COMMITTEE REPORT

This has been a time of transition. During 2005, we lost the caretakers of each residence. Alan, the caretaker for many years, retired and died shortly afterward. Carl, another caretaker for awhile, retired. Our best wishes for a happy retirement. We appreciate their years of service to the annual conference. Other committee members are; Bruce Maxwell representing the Board of Trustees, and, James Stephens (who serves as controller), representing the Council on Finance and Administration. My sincere thanks. We ensured regular grounds keeping; all windows were washed inside and out, at both houses; installations of a new sink, a new dishwasher and kitchen faucet, at the Episcopal Residence. Work on a bathroom in the Episcopal Residence is most urgent. We will preserve and protect these properties.

Diane T. Peak