

B. Reports to the 2009 Annual Conference Session

3/25/09

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Board of Ordained Ministry

Reach new people! Cultivate spiritual vitality! The Board of Ordained Ministry affirms these gospel imperatives. These imperatives will help us fulfill our mission: to make disciples of Jesus Christ for the transformation of the world. Healthy congregations with healthy, whole and effective leaders are essential to living out this purpose with excellence and vitality. To that end, the Board of Ordained Ministry helps people discern their call to ministry and develop their call and gifts for ministry as they move from candidate to licensed or ordained ministry. We also support and encourage appointed leadership by providing continuing education grants, funds for counseling and spiritual direction as well as seminary debt reduction grants in distributing Ministerial Education Fund grants. We work with the Cabinet, looking for and seeking to develop eight characteristics of effective leaders in every candidate, licensed pastor and all clergy member of the Minnesota Annual Conference.

In addition to continuing our current work and processes for credentialing and supporting clergy leadership, in 2008, the Board of Ordained Ministry continues to work on our four foci for the 2009-2012 quadrennium:

- Clergy effectiveness
- Recruitment of younger clergy
- Multicultural ministry
- Process evaluation and improvement for all Board processes

While we are working on all four of these foci, here are highlights for two of them.

Clergy Effectiveness

This year we established a Design Team for Clergy Development. This team, led by the Reverence Cindy Gregorson, Director of Congregational Development and members of the Board of Ordained Ministry, will be working on a process for developing clergy from the time when they become provisional members (formerly called “probationary members”) in their residency period (three years) before ordination and continuing throughout their years of service in the Minnesota Annual Conference. **The goal** is that every clergy will have the knowledge, skills, characteristics to effectively lead their congregation in living out the gospel imperatives of reaching new people and cultivating spiritual vitality. The Board and Cabinet agreed in our joint retreat in October, 2008 that expectations need to be clear in order for all clergy to thrive in their appointments. It is **our expectation** that:

- Clergy will be able to articulate their role in the strategic plan of the Minnesota Annual Conference and will commit to align their work to accomplish their part of the plan;
- Clergy will commit to personal growth and development in the 8 characteristics of effective clergy (a complete list of the Eight Characteristics for Effective Clergy can be found on the Minnesota Annual Conference website in the library section); and,
- Clergy will lead their congregations to embody the 8 characteristics of effective Christians.

In the next year the Design Team will work out a process which will include training and delivery systems for training.

Recruitment of Younger Clergy

A new team has been formed to work on this important initiative. The team is led by the Rev. Leah Rosso. This team has identified goals and preliminary strategies for this quadrennium. The larger goal is that by 2012, the Minnesota Annual Conference will have the largest percentage of young clergy in the connection. We are called to big, God-sized goals that can only be accomplished with God’s help. Please pray for this effort to strengthen our ability to reach out to younger generations and commit to creating a culture of call in your church. Who do you think God is calling out from your congregation? Encourage and mentor those persons to consider a call to ordained ministry.

The Board of Ordained Ministry will continue to seek God's wisdom and guidance as we serve the Minnesota Annual Conference. God is providing excellent leaders for the United Methodist Church and we are thankful. We thank the members of the Minnesota Annual Conference for their support and prayers as we work together to make disciples of Jesus Christ for the transformation of the world.

Judy Zabel, Chairperson of the Board of Ordained Ministry

Board of Pensions & Health Benefits

The Conference Board of Pensions and Health Benefits is composed of twelve lay and clergy persons, assisted by two consultants and five staff. The Board is responsible for certain benefits for eligible ministerial members who are currently serving or who have served the Annual Conference and other church workers and lay employees of the Annual Conference. Those responsibilities include: 1) pensions; 2) protection in case of death or disability; 3) health insurance; 4) medical and dependent care reimbursement; 5) incapacitation funding (pulpit supply); 6) maternity/paternity leave funding and 7) adoptive aid grants.

2008-09 CONFERENCE YEAR HIGHLIGHTS/DEVELOPMENTS/ISSUES:

- 1. The Pre-82 pension liability of the Minnesota Conference is currently funded. The Pre-82 plan funds have been affected by the recent downturn in the financial market. The Pre-82 funds are not funds that can be accessed for Conference purposes – these funds are committed to the payment of the obligations of the denominational pension plans. The plan requires a minimum 2% increase in the Past Service Rate each year and the PSR be equal to or greater than .8% of the Conference Average Compensation. In an effort to preserve a funded status the Conference Board of Pension has recommended the PSR be increased at the minimum level of 2% for the foreseeable future. The General Board of Pension and Health Benefits notified all conferences of the unfunded liability now experienced in the pension plans as a whole. Rough estimates from the GBOPHB indicate as of 1/1/2009 the Minnesota Pre-82 plan has a funded ratio between 100 and 114% when using the minimum 2% PSR increase. See the chart entitled “Total Past Service (Pre-1982) Pension Liability” for more detail on the funding status of the Pre-82 component of the denominational pension plan.*
- 2. The Annual Conference payment to the General Board of Pension and Health Benefits (GBOPHB) for the Clergy Retirement Security Program (CRSP) defined benefit component for 2008 in the amount of \$1,521,133 was paid through a transfer on December 31, 2008 from the Pre-82 surplus as approved by the Minnesota Annual Conference at the 2006 Conference Session in action item 520. The Conference Board of Pension and Health Benefits (CBOPHB) approved this transfer based on the funded status at the time. The 2009 CRSP defined benefit amount due on December 31, 2009 is \$1,646,617. Future payments of the CRSP defined benefit through a Pre-82 surplus transfer will be determined each year based on the funded ratio of the Pre-82 plan and the financial climate. Funds will not be contributed to the Benefits Reserve Fund (funded primarily by payments from local churches which otherwise would be used to pay the CRSP defined benefit portion) during years when Pre-82 surplus is not available to pay the CRSP defined benefit liability.*
- 3. Health care costs and the health of MAC Plan participants are continuing concerns. The MAC Plan outlook has changed significantly since September 9, 2008 when the 2009 premium was determined. At that time, claims were following the predicted levels and reserves were more than sufficient, giving flexibility to use some reserves to moderate premiums for 2009. The outlook of the MAC Plan changed in the fourth quarter of 2008 as reserves dropped with the market downturn and claims soared. The MAC Plan claims and stop/loss costs for the calendar year 2008 were \$5,397,589, up by \$871,030, a 19.24% increase from calendar year 2007. The CBOPHB took action at the November 2008 meeting to change the prescription drug co-pay and out of pocket maximum effective January 1, 2009 in response to the change in financial outlook of the MAC Plan. Additionally, in response to the change in the financial outlook of the AMC plan, the CBOPHB took action at its February 2009 meeting to change the plan design including the deductibles, out of pocket maximums and drug coverage, effective January 1, 2010. Details will be sent late September or October 2009.*

The following chart shows percentage premium increases since 2002 – increases were moderated by using reserves, Medicare Part D subsidies and lower claim increases as compared to projections:

Year	Premium Increase For Under 65	Premium Increase For Over 65
2002	28.5%	50.9%
2003	15.2%	14.5%
2004	10.7%	1.1%
2005	2.1%	2.0%
2006	1.75%	3.3%
2007	6.5%	0.0%
2008	8.5%	4.8%
2009	6.0%	0.0%

The proposed increases for 2010 are 9.0% for “over 65” and 18.5% for “under 65” depending on medical trend (inflation) and claims experience compared to projected experience. The increased claims and the 2008 market downturn have affected the MAC Plan “run out” and operating reserves by 34.6%. (Reserves were approximately \$4.2 million as of January 1, 2008 and \$3.0 million as of December 31, 2008). However reserves are still deemed to be at an adequate level to meet the financial obligations of the MAC Plan.

4. *The Amazing PACE walking program was added with great energy at the 2008 Annual Conference Session. About 80 people participated on a 3 mile fun walk prior to the opening celebration. There were 302 initially registered in the Amazing PACE program with 222 actively participating in the second journey from September to December 2008. The participants have walked around the world more than 6 times since June 2008. The traveling journey trophies have gone to three districts through two journeys. One trophy with gold and silver winners awards the districts with the highest percentage of PACERs completing the journey’s mileage goal. The second trophy with gold and silver winners awards the district with the highest percentage of PACERs wearing the pedometers daily and uploading. At the January 2009 Gateways Retreat we celebrated with a fun tropical presentation, certificates for the top walkers and an OASIS party with a tropical atmosphere, healthy snacks and music.*
5. *The Federal Government rolled out the Medicare Part D program January 1, 2006. The MN Annual Conference’s MAC Plan prescription drug coverage meets or exceeds Medicare Part D coverage and was approved to receive the federal subsidy starting in 2006 and continuing in 2009. The federal subsidy is based on the prescription drug claims for the retired Medicare eligible participants in the MAC Plan. The subsidy received for the 2007 Medicare eligible participants drug claims was \$136,858, slightly below the estimated subsidy of \$140,000. The federal subsidy is one reason the “over 65” premium did not increase significantly during the years 2007 through 2009. The decision to continue providing prescription drug coverage under the MAC Plan and receiving the federal subsidy will be reviewed periodically as more information and operating experience becomes available.*
6. *The Conference has an unfunded liability for the retiree health care premium subsidy. An updated actuarial study projecting that liability as January 1, 2009 has not been received from AON Consulting Inc. (the actuarial firm employed by the Conference) as of March 11, 2009. As of January 1, 2009, the unfunded liability is now reported to be \$8,205,410 using years of credited service (assuming no credit taken for the federal subsidy for Medicare Part D).*
7. *A Fun Walk will be coordinated by Jean Edin, Benefits Officer, for Tuesday, May 26, 2009 at 3:00 pm in St. Cloud prior to the Annual Conference Session Opening Banquet to add some physical activity before three days filled with sitting in sessions.*

INFORMATION RELATING TO PRE-82 PENSION PLAN AND COMPREHENSIVE PROTECTION PLAN:

1) Pre-82 Pension Information. The Conference made great progress in satisfying the past service pension liability for pre-1982 years of service. This is due to the philosophy adopted in 1985 of “funding in advance” rather than “paying as you go”. As a result of gifts, apportionments, pension campaigns, continuing support of Pension Partners, and investment earnings the Pre-82 Plan is projected to be in a fully funded position as of January 1, 2008, the most recent final report from the General Board of Pension and Health Benefits. The market downward turn during 2008 has changed the funded status of the Pre-82 plan

assets but the exact effect will not be known until fall 2009. Future changes in earnings or payments could alter this projection either up or down. The following partial chart illustrates the progress made since 1982. While the following chart, which is based on the most recent final report supplied by the GBOPHB shows a percent funded ratio significantly in excess of 100, preliminary estimates from the GBOPHB indicate, the Pre-82 funded ratio as of January 1, 2009 has been reduced to a range of 100 to 114% funded using a minimum 2% increase in PSR.

TOTAL PAST SERVICE (PRE-1982) PENSION LIABILITY

Year Jan. 1	Pension Rate	Total Liability	Funded Liability (Projected Value of Assets)	Unfunded Liability	Percent Funded
1982	\$178	\$24,869,910	\$9,947,960	\$14,921,947	40.0
1990	253	30,195,441	24,196,041	5,999,400	80.1
1996	357	38,914,290	38,914,290	-0-	100.0
2000	422	46,113,717	54,136,563	(8,022,846)	117.4
2004	495	44,461,173	57,215,223	(12,754,050)	128.7
2005	542	45,316,293	56,439,371	(11,123,078)	124.6
2006	556	45,366,389	54,938,387	(9,571,998)	121.1
2007	577	45,603,551	63,858,617	(18,255,066)	140.0
2008	595	47,756,544	66,593,769	(18,837,225)	139.4
2009	613	47,964,206	71,545,564	(23,581,358)	149.2

SUMMARY OF 2008 PAYMENTS FROM PENSION FUNDS ON DEPOSIT

	2008	2007
Annual Past Service	\$-0-	\$-0-
Special Grants	938	938
Lump Sum to Fully Fund Increase	<u>-0-</u>	<u>-0-</u>
Total	\$938	\$938

SUMMARY OF 2008 DEFINED BENEFIT PENSIONS PAID FOR PRE-1982 SERVICE, MPP ANNUITY AND CRSP (Clergy Retirement Security Program):

	2008*	2007
331 Retired/Local Pastors and Surviving Spouses in Conference	\$5,333,671	\$3,170,998
133 Retired/Local Pastors and Surviving Spouses Elsewhere	<u>606,573</u>	<u>462,059</u>
464 Persons	\$5,940,244	\$3,633,057

*New in 2008 MPP Annuity payments included.

2) Comprehensive Protection Plan (CPP):

FUNDS PAID OUT	2008	2007
Disability Benefits to Pastors	\$ 213,294	\$ 173,034
CPP Benefits to Children & Spouses	47,851	52,276
Total	\$ 261,145	\$ 225,310

INFORMATION RELATING TO MEDICAL INSURANCE – MAC PLAN:

1) General Information: The Minnesota Conference in August 1995 initiated a self-insured medical insurance program administered by Blue Cross/Blue Shield of Minnesota (BCBSM) called the MAC PLAN. BCBSM has arranged a network of health care providers committed to expert, cost-effective care. Use of network providers maximizes cost savings and quality of care provided. Non-participating providers may be used; however, the cost to the participant will increase.

2) Premium Rates: The following chart shows premium rates as of January 1, 2009:

PREMIUM RATES AS OF JANUARY 1, 2009

	ANNUAL PREMIUM	Local Church pays 80%		Conference & pastor each pay 10%
ACTIVE PASTORS		With ACH*	W/O ACH*	
Individual	\$7,200	\$ 5,760	\$ 5,880	\$720
Family	\$15,204	\$12,163.20	\$12,403.20	\$1,520.40
DISABLED PASTORS	Conference will subsidize 70% of premium (CBOPHB change July 1, 2005)			
RETIRED PASTORS	ANNUAL PREMIUM	Individual Pays		Conference Pays
Retiree or Spouse 65+ & MEDICARE	\$3,822 - Single \$7,644 - Couple	**		**
Retiree under age 65	\$ 7,200 - Single \$15,204 - Family	**		**
Retired (clergy and spouse) One over 65/one under 65	\$11,022- Couple	**		**

*ACH= Automatic withdrawal from bank or pension account

** New Subsidy Rules apply (See Retiree Subsidy for specifics)

3) Retiree Premium Subsidy: Approved at the 2003 Annual Conference and effective January 1, 2005. Five years of continuous participation in the MAC Plan immediately prior to retirement is required for continuation on the MAC Plan in retirement. Participation in Medicare Part A and B is required for continuation on the MAC Plan when retired and over age 65. The basis for subsidy is the year of retirement, the retirement type (full, early or 20-year rule), and years of service as follows.

Rules for Retiree Subsidy (subsidy is per clergy and per spouse on MAC Plan)

Type of Retirement	Retired before 1/1/1982	Retired between 12/31/1981 & 1/1/1991	Retired between 12/31/1990 & 1/1/2010
Full or Mandatory	Lesser of 100% of premium or \$320 per month	Lesser of 100% of premium or \$160 per month	Lesser of 100% of premium or \$4 per year of service
Early (62 years of age or 35 years of service)	Lesser of 100% of premium or \$320 per month	Lesser of 100% of premium or \$160 per month	Lesser of 100% of premium or \$4 per year of service
20 year rule	No Subsidy	No Subsidy	No Subsidy

For the complete detail of the legislation look in the 2003 Journal, action item #509 on pages 161- 164. Approved action item #536 in the 2008 Journal on page 149-150 adjusted the years of service used for clergy retiring after 1990 to include the year 2009. The Conference Board of Pension and Health Benefits will review the years of service used for subsidy regularly.

4) MAC Plan eligibility: A complete listing of categories of persons eligible for mandatory or optional participation in the MAC Plan was updated and approved by the MN Annual Conference 2007 and published in the 2007 Journal starting on page 138.

Note: Membership in the health plan is mandatory for certain categories of those eligible. Each member holds a certificate defining full benefits. Billing is issued monthly by the MAC Plan. Complete details regarding the coverage and operation of the program are on file with the benefits officer of the Minnesota Conference and with BCBSMN. Currently, 513 pastors, retirees, surviving spouses, and lay employees are enrolled plus dependents.

5) Brief Summary of Benefits:

MAJOR MEDICAL BENEFITS – *Blue Select Provider:*

Deductible: Individual \$500 Family \$1,000
 Maximum Out-of-Pocket \$2,000 \$4,000

Health Plan - Pays 80% after deductible to Maximum Out-of-Pocket, then 100%.

No Deductible for office visits and preventative care.

Prescription Drug – Co-pay by participant is \$12 OR 25% of cost per prescription, whichever is greater. Use of generic drugs is required, if available. Cost difference for brand names is paid by claimant. Maximum out of pocket expense of \$1200/year/participant. (This is a separate out-of-pocket maximum from the medical plan.)

Mental Health Care Benefits - on separate schedule.

Maximum Life Time Benefits - \$2,000,000

Call: 1-800-531-6676 or 651-662-5001 for questions concerning CLAIMS OR BENEFITS (BCBSM)
 1-612-230-6136 for questions concerning ELIGIBILITY OR BILLING

OTHER BENEFIT PROGRAMS:

FLEX PLAN: A benefit plan established for clergy in the Annual Conference on Conference medical coverage, and for clergy and lay employees of the Annual Conference office, under Section 125 of the Internal Revenue Code. Participants elect an amount to withhold before tax, which may be used to pay medical, dental, or dependent care expenses. Carryover of unused funds is not permitted.

INCAPACITATION COMPENSATION: See 1996 *Journal*, Page 136, for policies and funding of and by Conference Board of Pension & Health Benefits relating to incapacitation. The CBOPHB currently provides pulpit supply for up to 60 days when a clergy is incapacitated.

MATERNITY AND PATERNITY LEAVE – PULPIT SUPPLY FINANCIAL ASSISTANCE: See 2005 *Journal*, Page 125, for policies and funding of and by Conference Board of Pension & Health Benefits relating to Maternity and Paternity Leave. The CBOPHB will provide pulpit supply financial assistance to the church when arranged with the church, the District Superintendent and the Benefits Officer for no less than the first 8 weeks of leave.

ADOPTIVE AID GRANTS: The Conference Board of Pension & Health Benefits provides an adoptive aid payment of \$500.00 to active clergy participating in Conference medical coverage for the adoption of a child other than a blood relative of either spouse, or a legal lawful child from a previous marriage. Blood relatives are defined as nephews, nieces, grandchildren, or cousins. A request for payment must be made to the Conference Board of Pension & Health Benefits within 12 months from the date of adoption. This payment is in lieu of a maternity benefit, which would have been provided under the medical plan. The Board of Ordained Ministry & Cabinet should be reminded annually that this benefit is available to clergy.

MISCELLANEOUS ADDITIONAL INFORMATION:

The 2010 Minnesota Conference Average Compensation (CAC) is \$57,149. The 2010 Denominational Average Compensation (DAC) is \$60,341. DAC is defined as cash salary plus housing plus any tax-deferred contributions made on the pastor's behalf. The CRSP billing to churches is capped at one times the DAC and CPP billing is capped at two times the DAC. The CRSP and CPP billing to churches is calculated as follows:

CRSP = 12% of Compensation (Salary + Housing) with a maximum of 12% of DAC
CPP** = 4.4% of Compensation (Salary + Housing) with a maximum of 4.4% of twice DAC

**The contribution rate for required participation in CPP for $\frac{3}{4}$ time clergy is 3.4% of the DAC. The rate for optional participation of $\frac{1}{2}$ time clergy in CPP is 4.4% of the DAC.

Clergy pension benefits starting January 1, 2007 with Clergy Retirement Security Program (CRSP):

3% to Clergy's CRSP Defined Contribution
1.25% times DAC times Years of Service beginning 1/1/2007 = Annual Defined Benefit at retirement

Jean Edin, staff, Pension/Benefits Officer

John Kirby, chair, Conference Board of Pension/Health Benefits

Barbara Carroll, staff, Director of Finance and Administration

Board of Trustees

The Board of Trustees is established by the Book of Discipline in each annual conference. Paragraph 1512. In Minnesota, the annual conference is incorporated as a nonprofit corporation; the members of the corporation are the same as the members of the annual conference. The Board of Trustees serves, for purposes of corporate actions under Minnesota law, as the board of directors of the corporation. The Book of Discipline entrusts the Board of Trustees with responsibility for receiving, collecting, and holding in trust all donations, bequests and gifts to the annual conference; administering such donations in accordance with the grantor and in the interest of the intended beneficiary of such gifts; receiving, holding and holding in trust for and on behalf of the annual conference the real property and personal property acquired by the annual conference for use in its ministries; investing, reinvesting, buying and selling all funds and property held in trust; and taking all necessary legal steps to safeguard and protect the interests and rights of the annual conference in any place and any matter relating to property and rights to property owned by or on behalf of the annual conference.

As a practical matter, the on-going responsibilities that absorb much of the time and energy of the Board of Trustees involves care and oversight of properties owned or leased by the annual conference – particularly the district parsonages and the campsites. The Trustees who act as district

parsonage liaisons face significant calls on time and energy, occasionally at awkward times, and deserve a great measure of appreciation. In an effort to make the task more manageable, the Board of Trustees has developed a process and checklist for streamlining the parsonage maintenance work while continuing good stewardship of the properties which are both a family residence and an asset of the annual conference.

In its legal capacity as the board of directors of the corporation, the Trustees are responsible for authorizing official acts of the Annual Conference when it acts as a corporation. Thus, the Board of Trustees acts as the legal representative of the annual conference in its conduct of business (buying and selling property, protecting the interests of the annual conference by procuring and maintaining insurance, participating in legal proceedings to protect the property rights of the annual conference, and authorizing instruments that bind the annual conference, such as deeds, mortgages, guarantees and the like).

The officers of the Board, as set by the by-laws of the annual conference, are elected by the members of the Board each year at an organizing meeting convened within 30 days of their election at annual conference, except that the Book of Discipline mandates that the office of Treasurer shall be filled by the Treasurer of the Annual Conference. For the second half of 2008, the following officers were elected: President, Don Sinnwell; Vice-President, Marva Jean Hutchens; Secretary, Lois Hansen; and Associate Secretary, Rick Ireland. We extend grateful thanks to Stephanie Hill, trustee chair from June 2007 to June 2008, for her excellent leadership. In addition, we are ably assisted by Barbara Carroll, Director of Finance and Administration and Treasurer, by Carol Johanneck, Administrative Assistant, Alan Felkner, Controller; and by Wayne Popham, Conference Chancellor. Each of them deserves special thanks for their work.

The Board of Trustees convened for 5 day-long meetings and held one teleconference in 2008. Thanks to the amended and restated by-laws adopted by the Annual Conference in 2006, we were also able to conduct some business between meetings by e-mail votes. In addition to attending meetings of the Board, each of the Trustees also is assigned to additional committee or liaison assignments, working with other groups and ministry areas of the annual conference, such as district parsonages, the annual conference camping ministries, and Grace in the City. Marva Jean Hutchens was elected by the Board to represent the Trustees on the Camping Transition Task Force. Placing the Board within the structure of the annual conference, the Board of Trustees is part of the Administrative Ministry Area and has a seat at the Common Table. Jef Olson was elected by the Trustees to serve as representative to the Common Table.

Among the actions undertaken by the Board of Trustees in 2008 are the following:

- Received and sold the church and parsonage of the former Pine City-Brook Park church.
- Accepted the Cass Lake United Methodist Church property and entered into a master lease for building with Bemidji UMC
- Entered into a maintenance agreement with Grace in the City for the New Horizons property;
- Offered for sale the former Southeast District parsonage at 2418 Northern Hills Court, Rochester, and the former Metro East District parsonage at 739 Skillman Ave E, Maplewood;
- Repaired and maintained 5 conference-owned parsonages plus 2 unoccupied parsonages that are being actively marketed for sale;
- Listed for sale the former Harron UMC church building;
- Renewed the office leases for the Annual Conference and Episcopal offices;

- Extended the master lease with Grace in the City for the Hobart Church for an additional year, and authorized a 1-year extension of the sublease with Solomon's Porch;
- Cared for several ground lease transfers and cabin sales at Lake Koronis Assembly Grounds;
- Approved a policy to use a portion of the proceeds of such properties to recoup our carrying costs and replenish property reserves, thereby seeking to reduce our dependence on apportioned funds for these purposes;
- Approved the purchase of the River Valley District Parsonage, 108 Pine Court, Cannon Falls, Minnesota, and approved a mortgage on the property;
- Authorized a study by the Minnesota Department of Natural Resources for possible conservation easement at Star Lake Camp;
- Accepted the Frontenac Resources Development Foundation bylaws;
- Accepted the Articles of the Minnesota Builders East of the United Methodist Church;
- Approved a sublease for the St. Peter new church start and approved a lease for the Big Lake new church start;
- Approved a mortgage for Decisions Hills camp;
- Entered into negotiations with the City of Sartell for a portion of the New Horizons property;

In addition, the Board receives requests from time to time for disbursements from funds overseen by the Board of Trustees, notably Bennett Fund requests to assist members of the clergy and employees of the annual conference, and their families, with extraordinary needs, upon application to, and recommendation by, the Cabinet.

One of the greatest challenges facing the Board of Trustees this past year, and into the years to come, is developing consistent policies and procedures in dealing with properties of abandoned and discontinued churches. The Trustees continue a dialogue with the Cabinet, Congregational Development and Grace in the City to attempt to ensure (1) that the Trustees have adequate notice of churches that will be discontinuing and abandoning their properties to the Trustees; (2) that local churches are reminded that they hold their property in trust for the United Methodist Church, and accordingly may not control the disposition of property upon voting to discontinue as a congregation; and (3) that we identify those properties of such special significance (such as a prime location or other compelling reason) that the annual conference would want to carry them for some period to afford Congregational Development or Grace in the City an opportunity to develop United Methodist ministries for the location. We recognize that most churches will not fall into this category (in large part because of the carrying costs in holding property not currently in use as a house of worship), but we have been working with these groups to identify those properties that do. On the other extreme, some of the properties that come to the Board of Trustees are so difficult to dispose of, or would impose unwarranted legal or economic liability on the annual conference, that we would also like to identify those properties early, to provide the Board of Trustees the opportunity, at the outset, to decline to take control of them.

An example of a property that has been identified as strategic to the church-planting goals of the annual conference is the New Horizons church on the edge of Sartell. In connection with carrying this property we have relied on assistance from Congregational Development and Grace in the City. A portion of the property is scheduled to be taken by the city in connection with a roadway project, and the property is expected to be annexed within the city limits in the next couple of year as well.

The Trustees have worked for several years to become less involved in discussing minutiae of real estate and more inclined to spend its energy thinking strategically and in developing consistent policies and processes to make our actions predictable to other agencies and to the annual conference. The present composition of the Board of Trustees is largely in agreement that real estate should not drive decisions of the annual conference, but can come alongside to support ministry decisions based on strategic and spiritual criteria. The Board of Trustees is committed to working in sync with the annual conference so that all of our activities may further the imperatives to Reach New People and Cultivate Spiritual Vitality.

Don Sinnwell, President of the Board of Trustees

Capital Facilities Development & Finance Commission

The primary purpose of Capital Facilities is to support the financing of new church development. The Commission provides this outreach ministry in the form of loan guarantees that add the credit of the annual conference to that of local churches.

The collateral to support the loan guarantee program comes from four sources in this order: cash and marketable investment assets of Capital Facilities; the Permanent Church Extension Fund; conference owned property; and the pledges of 249 local churches.

At January 1, 2008, Capital Facilities had 13 loan guarantees in place with a total value of approximately \$5,764,707. One loan guarantee in the amount of \$700,000 in support of securing funding to refinance a previously guaranteed loan for Spirit of Hope UMC in Golden Valley was issued by Capital Facilities in 2008. In addition, Capital Facilities members provided financial structuring and refinancing assistance to several churches that were able secure funding without the need for a loan guarantee and gave assistance in securing a release of guarantee by the lender for another church.

The Commission members have a broad background in finance and related disciplines and should be viewed as a resource for churches contemplating capital projects. If you have questions, please contact Barry Levins (763-577-2854 or e-mail:barry.levins@mosaicco.com.) or Barbara Carroll (612-230-6135 or e-mail: barbara.carroll@minnesotaumc.org).

As noted above, the Commission's ability to provide loan guarantees is dependent on pledges from local churches as collateral. By supporting this program local churches can leverage scarce financial resources with very little likelihood of incurring any expense. Churches should consider this as an outreach/mission project without the need of spending cash.

We encourage your congregation to participate in our guarantee program, either as a sponsor or recipient. Information about our program, including downloadable application forms, may be found on our website at www.minnesotaumc.org. Select “Forms and Documents” on the main page of the website, then enter “loan guarantee” in the Search Terms.

The financial information for the year ended December 31, 2008 follows.
Assets pledged to the Loan Guarantee Program

Capital Facilities Development & Finance	\$660,391
Permanent Church Extension Fund	1,259,163
Conference Owned Properties	4,000,000
249 Local Church Pledges	5,576,470
Total	\$11,496,024

Financial Statement

(funds on deposit in an account with the Minnesota United Methodist Foundation, Inc.)

	Capital Facilities Development & Finance	Permanent Church Extension Fund
Beginning Market Value	\$755,620	\$1,588,566
Total Receipts	0	62
Total Disbursements	0	-144,200
Realized Gain/Loss	15,971	30,962
Unrealized Gain/Loss	-111,200	-216,227
Ending Market Value	\$660,391	\$1,259,163

Loan Guarantees 12-31-2008

Guaranteed loans as of 1-1-2008:

Blaine UMC	Blaine	\$286,782
Delano UMC	Delano	387,381
Discovery UMC	Chanhassen	826,431
Faith UMC	St Anthony	462,836
Glendale UMC	Savage	577,585
Grace UMC	Pequot Lakes	45,907
Grace UMC	St. Cloud	690,122
Hawley UMC	Hawley	46,285
Montrose UMC	Montrose	353,209
Normandale-Hylands UMC	Bloomington	1,200,000
Northwood UMC	Esko	59,985
Peaceful Grove	Cottage Grove	158,846
<u>Spirit of Hope UMC</u>	<u>Golden Valley</u>	<u>669,338</u>
Total		\$5,764,707

Barry Levins, Chairperson of Capital Facilities Development and Finance Committee

Church and Society Ministry Team

The Church and Society Ministry Team continues to look for ways to provide leadership to the Annual Conference about the varied and pressing issues that challenge persons of faith while still taking into account the volunteer nature of its membership and the limited resources of time and money.

During the first half of 2008, the group met monthly, particularly with concerns about the impact of immigration laws and the understanding of immigration in general. With the leadership of Chad Gilbertson, the team provided a DVD to early church that could be used in a one hour session, allowing churches to fulfill the charge from the 2007 Annual Conference that all churches would study immigration during 2008. The DVD also received attention in general church circles and copies were sent to the General Board of Global Ministries and other groups that requested it.

Church and Society will continue to provide resources and leadership as needed for immigration study and advocacy. Other 2008 legislation asked that the team work with the statewide efforts to end poverty, in particular with a group from the Annual Conference and these connections were begun at the end of the year.

New members to the team bring expertise in environmental and children and family issues. At the same time the team said a heart felt thank you to Mary Grant who relocated to Ohio and had to

resign as Peace with Justice coordinator. The leadership she provided and the time she gave will be hard to replace.

While the team took a brief hiatus during the fall, it has begun to survey local churches for their needs in church and society work. 2009 will feature activities and work to respond to these needs.

Linda Gesling, Team Leader

Commission on History & Archives

The Conference Commission on Archives and History (CAH) met quarterly in 2008, having four very busy but productive meetings. We have had good success having two different Commission on Archives and History members attending meetings via conference calls (including myself!) and recommend its implementation in other settings.

One of our primary responsibilities is to care for the officially designated Historic Site status list of the Conference. This year we recommended to the Annual Conference session to adopt Portland Prairie UMC as an Historic Site, due to its architectural significance. Therefore, we now have 12 officially designated sites. For each site we keep current contact information, check on location each year, and publish a listing of the sites both on the Conference web site and as a hard copy. It is our intention to hand out brochures of the sites at the 2009 session of the Minnesota Annual Conference.

We submitted Wesley UMC to be designated as a General Historic Site of the United Methodist Church, and we will await to see if that is approved in 2009. We continue to seek the location of the first Finnish Methodist church in the world, believed to be somewhere near Moose Lake in northeast MN.

We have posted a suggested retention schedule on the Conference web site to help guide local churches in deciding how to retain church records and documents.

The *Book of Discipline* states that one of the tasks of the Commission on Archives and History is to engage with other Wesleyan, Methodist, or Evangelical United Brethren-related denominations in lifting up our joint heritage. Our commission researched this and discovered that there are no other headquarters or area leaders of other denominations within the state of Minnesota.

The Commission met in August on site of the Conference Archives so to have a better understanding of the archive needs. We are grateful that the Conference provides one location for all the archives in an appropriately controlled room. The archive room is very full, but will continue to suffice for the next few years.

In 2008 the Commission had \$5,000 budgeted for special needs of the Sesquicentennial. We did not need to spend it on the celebration, so we pursued other ideas. One was to have Charles Purdham edit and update his book *Fragile Starts*, recounting our Conference's history of Native American ministries. He declined at this point. We next tried spending the money in translating old records that are often used. We were unable to secure a professional translator for that budgeted amount in time. We decided to simply not spend the money and ask in the future for budgeted monies to do important translation.

We sent three delegates to the North Central Jurisdiction Commission on Archives and History in Mitchell, SD, in July. Several members of the United Methodist Historical Society of Minnesota attend as well. Minnesota will host the Jurisdictional meeting again July 11-14, 2011. We have begun to organize this event, brainstorming ideas for location and content.

We plan to hold quarterly meetings again in 2009, and hope to have a presence at the Minnesota Annual Conference Session in May.

David Werner, Chair Conference Commission on Archives and History

Common Table

The Common Table as defined over the last several years carries on the work of the Annual Conference between yearly conference sessions.

This year was no different as this group representing the ministry and action teams of the Annual Conference gathered several times to discern, process and move forward work, information and ideas that were generated during last year's Annual Conference Session, generated by the General Conference, generated by the Bishop and generated by the changing scope of the economy here in Minnesota, the United States and the World.

The General Conference generated a focus on the future of the United Methodist Church and has challenged each Annual Conference to respond. The Bishop has laid out 3 goals/challenges that have long-term ramifications on this Conference and are supported by our work with the Gospel Imperatives. The economy in decline has impacted the potential of our ministries because of the possibility of smaller revenue requiring the Common Table to look at a re-set of the 2009 budget and some changes in the 2010 budget anticipating a slow but positive recovery.

During the year some changes have occurred in the ministry and actions teams with some ceasing to exist and some making changes in their focus. All of this is in response to the ever-changing landscape of denominational religion. We move forward keeping God at the center of our work.

Jeff Kruse, Common Table Host

Communications Ministry Team

The challenge of communication in the local church remains a top task for the Minnesota Annual Conference Communications Ministry Team and since fall 2008, the team has worked with ways to innovate the process of providing top quality information and resources to the local church.

Committee Chair Judy Fallat - who served with distinction on this team - resigned her post early in 2009. We thank her for her long service on the committee and wish her well in her personal ministry.

Effort is underway to find a new chair for the team, but members continue working to develop communication resources.

The committee attempted twice during 2008 to hold a morning training event for church communicators and found the effort received little interest - both attempts ended in a canceled seminar. The committee is re-evaluating this approach and will explore alternative ways to deliver this information - including Web seminars (or webinars); conference calls and other distance-learning approaches for the future.

The team has also determined that Professional Association of United Methodist Church Secretaries may be a group in need of communications tools, and that we can work through that group. However, implementing this effort requires further development. As part of this the committee has discussed the possibility of creating and providing resources for "communication modules." This idea is still in development and will be tested with a focus group of individuals ahead of full implementation.

The concept involves putting together the materials, outline for presentation and the staffing (either staff or volunteer) to present the module to groups of interest. Initially this may be Professional Association of United Methodist Church Secretaries, or other groups that express a specific communication need. This underlying "module" structure would support future efforts to present valuable communication resources to the local church.

This effort to develop and refine these resources will continue during 2009.

Willie Vogt, Communications Ministry Interim Team Leader

Coordinator of Ethnic and Urban Ministries

“Vital, Diverse & Bold United Methodist Faith Communities Out On the Streets!”

The Spring Twin Cities Urban Congress met on April 19, 2008 and adopted a “Twin Cities Area Urban Strategy” which includes the following vision: “Within our cities, there exist vital, diverse, and bold United Methodist faith communities who are on the streets cultivating spiritual vitality, reaching new people and linking with their community in redemptive ways. The Minnesota Annual Conference commits, supports, resources, and continually plans for excellence in urban ministry.”

Recently, The Brookings Institute conducted a major study of the Twin Cities region called “**Mind the Gap**” and found that the Twin Cities has a lot to be proud of, but the overall health of the region masks stark disparities in race, class, and place. As jobs and people moved outward, the two central cities are now home to the bulk of the region’s poor and minority households. Our central cities’ poverty rate is 4.5 times higher than the suburban poverty rate which is a higher ratio than the metro areas of Baltimore, Detroit, Cleveland, Chicago, Washington, Newark – in fact higher than any American metro area except Milwaukee. The Metropolitan Council released its own report entitled “**Trouble at the Core**” confirming an ever widening gap between the extremely poor of the central cities’ and the privileged. This gap is found in housing, health care, drop-out rates, job opportunities, transportation, and home ownership. The main struggle is a fight against further disinvestment within central city neighborhoods.

A recent study of our United Methodist congregations within the core Twin Cities region reveals that 54% of them are worshipping below 100 persons per week and are facing financial challenges. How to bring about small urban church renewal and foster cooperative ventures which help our congregations become financially sustainable is a main focus of our urban strategy. The United Methodist Church plans to serve, thrive and flourish in the city!

In 2008, I worked closely with the following urban congregations: Asbury and Oakland UMC’s, Trinity and Grace UMC’s, Edgewater Emmanuel UMC, Community UMC in Columbia Heights, Riverview UMC in Brooklyn Park, South and West St Paul UMC’s. I have helped with the following urban/suburban partnerships: Cross Winds and North UMC’s, Good Samaritan and Simpson UMC’s. The United Methodist churches in and around Duluth are planning to study the Duluth region this fall and put together an urban strategy for that area. I have been facilitating this effort.

I have been working beside the following Minnesota United Methodist congregations of color: the new American Indian Spiritual Center at Cass Lake, the Richfield Vietnamese Language Ministry, the African United Methodist Fellowship, the Zimbabwe United Methodist Fellowship, the Mankato Korean United Methodist Church, the Duluth Korean United Methodist Fellowship, Hmong Community UMC, La Puerta Abierta, and exploring a new faith community with the Karen refugees.

An Urban Ministry Action Team has been formed with John Darlington as chair and includes: Victor Waters, Rachael Morey, Cynthia Williams, Lucy Suits, Kevin Schill, Reg Peterson, Linda Koelman, Cristina Lien, Bruce Bjork, Lee Burger, and Gail Alexander. As other cities in Minnesota develop urban strategies, additional regional persons will be added to this Annual Conference Team. I also enjoy working closely with Grace in the City, Congregational Development Ministry Team, Conference Board of Trustees, Religion & Race Action Team, the Metro West Builders, the Minnesota Builders East, The Shalom Community, and The Common Table.

I am available for pulpit supply. I also facilitate presentations on the following topics: What does the “Mind The Gap” study mean for us?, Connecting with your Community, Forms of New Urban Faith Communities, Characteristics of a Vital Urban Church, Sharing your building with other congregations, The Unique gifts United Methodism offers your community, Creating Urban Benchmarks, Urban New

Church Planting, Urban Cooperative Ministry Models, Using Our New Demographic Tool: MissionInSite. If you would like me to lead your group in one of these topics or in an area of your interest in urban ministry, please let me know.

One of my major areas of work in 2009 will involve linking our urban and ethnic ministries with youth, young adults, and suburban/rural populations through hands-on mission projects & acts of justice. There is a trend today where people are coming together to form faith communities around “doing and participating”, around making a difference, around direct involvement with those in need. As United Methodists we have long standing urban mission centers where we are engaged with persons in need. We need to develop greater linkages between these centers and those whom God is calling to service.

Dennis Alexander, Coordinator of Ethnic and Urban Ministries

Council on Finance and Administration

2008 could be set in two halves for the Council on Finance and Administration. Early in the year we watched to see if our reduced budget for 2008 and revised apportionment formula transition would increase giving by churches. By April we saw that the giving was not meeting our expectations. In September we watched the global economy start its precipitous fall. For the year apportionment receipts were 86.3% of budget, which was about the national average, but well below our projected 93%. We paid our World Service Share at our collected rate. Our year end reserves are at acceptable levels. The Council on Finance and Administration has taken actions to protect our reserves and investments. In December further actions were taken to revise our 2009 spending plan.

We completed our fund raising for the Russia Church Initiative by sending a check for \$600,000 in September. To reach this goal we took \$32,000 from reserves. Continued fund raising has reduced the reserve debt.

The Council continues to address the fundamental issue that less than abundant giving at the local church results in less than abundant giving to the Conference which constrains resources for reaching new people and cultivating spiritual vitality. Apportionments, which provide the base for our shared ministry, are regarded as an expense not outreach. Our priority is to provide a system for vital and flourishing financial support for local congregations and providing a connection for ministry beyond the local church. The Council on Finance and Administration is working with the Minnesota Foundation to provide stewardship training and seeking creative ways to improve fund raising.

The Council on Finance and Administration oversees the financial activities and related administrative policies and processes to assist in carrying out the mission and vision of the Conference. The Council on Finance and Administration is responsible for managing the efficient use of resources, governance, execution and a number of specific tasks identified in the Book of Discipline. We strive to be good stewards of the resources entrusted to the Conference and carry out our fiduciary responsibility. We communicate regularly with the chairs of the Board of Trustees, Board of Pension, Commission on Archives and History, and the teams and committees amenable to the Council on Finance and Administration. We actively participate in the Common Table.

A key Council on Finance and Administration objective is ensuring the excellence of our internal controls and reliability and integrity of financial information. The Council on Finance and Administration is working to inspire excellence and provide you assurance that we are using your gifts efficiently and wisely to the glory of God. The audit opinion for 2007 found our financial records were accurate and in accordance with generally accepted accounting principles.

Council on Finance and Administration members bring varied skills and passions and they provide sound stewardship of annual conference financial resources. I would like to thank my colleagues on the Council on Finance and Administration for their support and “can do” attitude. We remember with gratitude the service of Lowell “Bud” Schrupp who died unexpectedly in October, 2008. Barbara Carroll, our Conference Treasurer and Director of Finance and Administration, and her staff continue to provide excellent support. Her knowledge, leadership, attitude and dedication allow the Council on Finance and Administration to conduct our business in a professional and efficient manner. The work of

the Council on Finance and Administration is greatly enhanced by the guidance and resourcing she provides.

Thomas Kraus, President of the Council on Finance and Administration

Action teams, whose reports I commend to you, carry out important work of the Council on Finance and Administration.

Budget Process Team

The Budget Process Team, which consists of representatives from Ministry Teams, the Cabinet, and Camping, met twice in preparing for the 2010 Budget. At the September meeting all ministry areas were asked to prepare their budgets in line with the two Conference imperatives: reaching new people and cultivating spiritual vitality. Teams were asked to keep their requests as close to the 2008 and 2009 approved budget as possible. When we met in February the teams achieved their requested goals. The increases for 2010 are in the areas that most directly affect our Imperatives with Congregational Development requesting a significant increase. The increase is necessary to provide support for new church starts and other projects already underway.

We evaluated our budget process for 2009 and again affirmed our current procedure for developing our annual budget. Several topics that we spent additional time discussing include the impact of health insurance costs on our budget process, a different allocation of active clergy health insurance premium funding, funding for youth events when registration income does not cover expenses of the event, whether we can prepare two year budgets at some time in the future, and patterns of apportionment payment in individual churches and the conference as a whole.

We continue to be grateful for the collaborative spirit during budget discussions and thank the elected leaders and staff who work so hard to prepare the budget recommendation and manage the approved budget.

Kevin Schill, Chairperson of the Budget Process Team

Investment Action Team

The Investment Action Team establishes and implements the investment policy for the Minnesota Conference of The United Methodist Church. The conference currently invests reserve and operating funds, gift annuities, charitable trusts, designated funds, and endowment funds through the Minnesota United Methodist Foundation, the General Board of Pension & Health Benefits, and Merrill Lynch.

In 2008, the Investment Action Team dealt with the financial meltdown of the US economy and world economic conditions just like everyone else. This is the first time in 40 years that every asset class declined in value with the exception of cash and US treasuries. We continued to pay careful attention to economic trends, market changes, asset allocations, risk and returns.

On December 31, 2008, funds under management (invested assets) totaled \$21.7 million, down from the \$28.4 million at the end of 2007. The weighted average return for 2008 was a minus 26% compared to 6.6% gain in 2007.

If we stay true to our discipline and allocations, we believe we can regain lost value over the long term. Given the fact that the recession will most likely continue for some time, we are reviewing our investment policy to ensure asset preservation and an acceptable level of risk suitable for the Conference. In addition, we are considering the role, costs and benefits of a professional investment consultant to provide advice and counsel.

Let me close with this thought by James Hudnut-Beumler in *Generous Saints*. "In strange and wonderful ways, where we find ourselves often proves to be conditioned by where we think we are. When we think we are lost, we usually are. When we think we are at the mercy of an impersonal,

uncaring economy, we probably are. But when we situate ourselves within a world where a generous God is head of the household, the possibilities for work, life and caring are greatly improved...”

Greg Johnson, Chair

Director of Camping and Retreats

First I want to express **our tremendous gratitude** for the support given to this ministry by the local churches and their members! **Your support for the \$2 Per Member Special Asking** has allowed us to continue our campership program, to maintain the support offered for our sites to hire more seasonal program staff, and to provide for direct program support in many cases. All of this is possible because of your continued prayers and financial gifts!

2008 will likely go down as a benchmark year in the history of camping and retreats in the Minnesota Annual Conference. When combined with 2009, the significance relates to a major effort in restructuring our governance system that has served this ministry since its beginnings. If affirmed at Annual Conference this June, there will be a single conference body providing oversight and direction for this ministry.

This effort has been significant in many ways. Through multiple meetings beginning in 2006 of a special task force on camping & retreats, a year-long process of review and future strategic planning with an outside consultant, an initial proposal brought to Annual Conference of 2008, and the work of both a special Transition Team and our current Camping, Conferences, and Retreats Action Team has all culminated in a final recommendation for a new unified system for the camping and retreats ministry. The current system proposal was presented this past February to members from our current site boards and other related stakeholders. An updated proposal was then later presented for approval at the winter Camping, Conferences, and Retreats Action Team meeting in February. It was accepted and approved. From that point it has been presented to the Common Table and has come before the 2009 Annual Conference for affirmation and acceptance as the new governance structure.

I would like to thank all members of the Transition Team that came together for four separate overnight meetings to shape our new structure. Members of this team came from leadership across this conference; including at-large members related to our sites, conference Council on Finance and Administration and Board of Trustees & BOT, from the Camping, Conferences, and Retreats Action Team, from the Camping, Conferences, and Retreats Long Range team, and conference staff. They envisioned a system that would maintain the passion of the many volunteers at our sites, dialogued and wrestled with multiple key aspects of a new unified system, sought realistic outcomes that would support the vision, worked through a tremendous level of detail, researched other systems throughout our denomination to discover what was working, and came to a consensus of what is best for Minnesota. I am confident that this new system, if accepted by this Annual Conference AND the multiple stakeholders / volunteers within our ministry, will take us into a positive and sustainable future. I want to especially thank both Rev. Debra Collum and Rev. Jim Roe for their leadership in the work of this Transition Team.

The results of the above effort include:

- A vision for a new structure that will bring a more unified direction and effectiveness
- A governance structure that works to incorporate both a central vision/direction along with the passion and energy found within our many volunteers serving across this conference
- An initial Policy and Procedures for the new Ministry Team to be called the Retreats and Camping Ministry Team
- A stronger relationship with various agencies of the Annual Conference

- A focus on this ministry being an effective “tool” of this conference as relates to our Gospel Imperatives and renewing the growth and movement of our United Methodist Church in raising Christian disciples.

Along with the above efforts we managed to provide a year of positive ministry through over 190 conference camps or retreats. When combined with the multiple groups that came to one of our six sites for their own retreats or programs, we again served over 12,000 persons from all walks of life.

There are concerns that we are working to correct including overcoming the loss of United Methodists to serve in this conference, the current economic stress, and the growing competition for people’s time, among others. Our total numbers for this combined ministry continue to decline, though we saw growth at some of our sites again in 2008.

Along with the tedious work of re-organizing, we are seeking new ways to reach out to people from all walks of life in this area. We are looking for ways to now market beyond our UMC connections on behalf of our church. We are looking to offer Christian hospitality to the multiple religious groups now living in our midst who have no campsites or retreat centers of their own. We seek to offer competitive programs and facilities that would attract multiple groups while maintaining the same options for those who can’t afford even a reduced cost. We do not seek to become a ministry just for a selective few in this area. In 2008 we provided 330 campership grants for a total of \$37,063. We anticipate that this need will only grow in 2009.

New for 2009 we will be offering some shared camps with Park Ave. UMC, which is an effort by both ministries to seek ways to work more together. We will also continue the Spanish language retreat along with a number of additional new offerings for children, youth, adults, and families!

We are also revisiting the various aspects of ministry required to maintain our 3 Priorities which are the same as the Three Simple Rules shared at 2008 Annual Conference. This includes program development, training, communications, and more. Again in 2008, all six of our sights were accredited by the (ACA) American Camp Association, the highest camping standard available.

Personally, I wish to thank those who support this ministry and those who more directly support me in the work of this ministry. If people are measured by those that surround and support them, then I am truly blessed.

Rocko E. Wilson, Director of Camps & Retreats

Director of Communications

As communications media changes rapidly, churches find they have no choice but to keep up, in order to reach their members with crucial information and share the good news with their neighbors. The Communications Ministry area trained churches and communicators in 2008 to help them use today’s tools effectively.

Church administrators and secretaries serve as communicators for most of our churches. They provide information in a variety of ways. Minnesota’s chapter of the Professional Association of United Methodist Church Secretaries (PAUMCS) invited me to lead a workshop at their August meeting on policies and best practices for using web sites as well as music copyright and photo permissions. These concerns are also relevant to those who lead worship services, so the information had broad relevance. Please ask your church secretary or administrator what she or he learned at this training event. Participants took home many resource sheets for future reference.

In November, we invited Cheryl Hemmerle and her colleagues at United Methodist Communications to lead a one-day workshop on how churches can use the internet to enhance ministry. The leaders taught participants how to start and design a church web page, how to find information on the Internet, and how to use social networking tools to reach out to people who have a spiritual hunger but no connection to a faith community. The presentation was easy to understand and practical. It attracted people from Iowa and Wisconsin as well as Minnesota. Good Samaritan United Methodist Church in Edina was a hospitable location for the event.

Trainers Terry Keeling and Dean Swanson traveled the state, sharing practices for enhancing the way visitors experience a welcome when they enter a Minnesota United Methodist Church. They are preparing training for Rethink Church, which urges churches to think of ways to turn “church” into a verb: to take action to open people’s hearts, minds, and doors. Minnesota United Methodists will learn more about this in 2009.

The United Methodist Church met as a General Conference in spring 2008, in Fort Worth. I was one of the Minnesota delegates. In advance of General Conference, I apprised Minnesota United Methodists of some of the key decisions facing this international body. Jim Perry wrote a blog (web log) while at General Conference, to give Minnesotans a daily sense of the proceedings. When items of particular interest to Minnesotans were decided, I prepared some special news bulletins. I was impressed at the international nature of our church and hope that we can develop a more efficient way to focus General Conference on our mission to make disciples of Jesus Christ for the transformation of the world. General Conference led quickly to annual conference session. With the assistance of Julie Price, our communications assistance, I provided a daily newsletter (*For the Record*) during session. Julie posted that publication’s news and the disposition of legislation on the conference web site. This made it easier for those who could not attend to keep up with decisions. We provided quite a bit of resources for local churches at the communications information display. We also developed a CD for annual conference members to use to help them report on conference to their churches. The CD contained quite a few documents: all the *For The Record* issues, a bulletin insert that summarized session, Russia Church Partnership interpretation tools, photographs of session materials, a PowerPoint presentation on session, and more. Members could use these materials in the ways that best suited their needs. I thank a former conference lay member for suggesting the idea.

We had time to take a quick breath, then on to Jurisdictional Conference in Michigan in July. I assisted Rev. David Bard, who was a candidate for the episcopacy (office of bishop). Julie Price and I worked on a web site and brochure that introduced jurisdictional conference members to David. David’s intelligence, warmth, and deep spirituality were affirmed by the conference members; he came very close to election.

Throughout all this we continued to write articles on Minnesota United Methodist ministries and strategic planning. Minnesota United Methodists engage in many exemplary ministries. I alerted *The Interpreter*, the United Methodist general interest magazine, and *United Methodist Reporter* to many of these. Minnesota United Methodists appeared many times in these periodicals (and related web sites) in 2008.

Like all human beings, Minnesota United Methodists sometimes fall short of the glory of God. Some of us engage in behavior that does not reflect God’s will for our lives. Sometimes this behavior attracts the attention of the news media. I helped the cabinet and pastors understand how reporters gather news and taught them how to develop a clear, honest statement for reporters who call for information on unfortunate turns of events in our church. Our goal is to be innocent as lambs and wise as serpents: to be honest, but to be aware of snares that might cause us to express ourselves unclearly and in ways that could be misconstrued. In 2008, as in years past, I received telephone calls from radio stations seeking information on our annual conference agenda. However, the Russia Church Partnership and personal transformation failed to interest reporters.

I responded daily to Minnesota United Methodists’ requests for information and consultation and advised conference teams on their communications strategies, upon their requests. The day’s agenda for a conference communicator is unpredictable, and never dull. Serving the Minnesota Annual Conference is an honor.

Victoria Rebeck, Director of Communications

Director of Congregational Development

We have set an audacious goal: that we will start a new United Methodist Church in every community that is over 10,000 in population and is demographically growing. We are stretching ourselves financially and going forward on faith as we undertake this work, but if the United Methodist Church is to have a future, we need to keep starting new churches where we do not have them. Like the early circuit riders, we go to where the people are.

Current projects include:

St. Peter: Good Samaritan UMC. Amy Jo Bur is the church planter for this connectional new church start. She is in the process of gathering people into small groups and service opportunities. They intend to launch worship in the fall of 2009. Annual Conference Funding in 2008: \$80,000.

Big Lake: New Day UMC. Jim Beard was appointed February 1, 2008 to this connectional new church start. He has done several “taste and see” events and is gathering people. Worship and meeting space has been acquired in a shared building with the new public library in Big Lake and across the street from the schools. They intend to launch worship in the fall of 2009. Annual Conference funding in 2008: \$105,000.

Minneapolis: The Network. Tyler Christiansen, Leah Rosso, Carrie Binnie and Max Richter work together to create a new way to reach young adults in the metro area. The focus has been on servant ministry events, as well as gatherings for fellowship and learning. This is an emergent project and is unfolding as they experiment with avenues such as Facebook to connect with people outside the church. Annual Conference funding in 2008: \$80,000 from Grace on Penn proceeds.

Andover: ReJoyce, a multi-site of Coon Rapids UMC. Bill Reinhart is the campus pastor, and Mark Miller the lead pastor of the multi-site initiative. They launched worship in October 2008. Average worship attendance for October-December has been 75. They meet in a strip mall across from the school, and community center in the heart of Andover. They are several groups that meet in the space, and they also have a Sunday evening young adult worship called the Forum project. The congregation has embraced being one church in two locations with three worship services, and they have successfully introduced video preaching at the Andover campus. They continue to seek to grow in the number of new people they are reaching. Annual Conference funding in 2008: \$80,000.

Minneapolis: Recovery Church at Wesley. Jo Campe is the lead pastor for the Recovery Church which opened a second site at Wesley UMC when the current church at Wesley could no longer sustain itself. The new congregation at Wesley worships 80-120 on a Sunday and the St. Paul campus continues to thrive with Sunday worship attendance at 180-230. The building costs at Wesley are significant, and therefore conversation continues to occur about how do we preserve and use this historic building and offer significant ministry to those who do not have the means to support it financially. This will become a critical issue in 2009 as they enter their last year of funding from the Annual Conference. Annual Conference Funding in 2008: \$101,787 from Grace on Penn proceeds.

Mankato: Korean UMC. Churho Lee was appointed ½ time to this new Korean church in 2008. He is also appointed to Le Center UMC ½ time. This church is receiving funding from the North Central Jurisdiction as well as the Minnesota Annual Conference. They have 35-50 in worship and meet at Centenary UMC in Mankato. Annual Conference Funding in 2008: \$5000.

St. Paul: La Puerta Abierta UMC. With the completion of their building, this congregation has been appointed a full time pastor and is beginning again as a church. Congregational Development has committed support to them over the next seven years to help them become a strong, vital congregation. Annual Conference Funding in 2008: \$11,500.

Other work of the Congregational Development Ministry Area has included the completion of the New Ventures Great Challenge Leadership Academy. 13 clergy participated in seven sessions to learn principles and practices for starting and leading new ministry projects. This was a fruitful and collaborative learning experience for those involved. Thanks to Loren Nelson and Dan Johnson for their leadership in this endeavor.

As Director of Congregational Development I have also led workshops on vision and strategic planning in local congregations, provided training to District Board of Church Location and Buildings, and am facilitating a design team on developing a comprehensive plan for clergy development. Significant challenges face us as a United Methodist Church and key to our future will be having substantive conversations with our existing churches about rethinking what it means to be church, and engaging them in strategic decisions about revitalization, merging, partnering, and closing. Leaving a legacy is an important ministry of our congregations as they come to the end of their life cycles, and in fact, it will be these legacy gifts that will fund our work in starting new churches. In 2009 we have promised support in the amount of \$676,013 to our new church projects. We have \$200,000 for congregational development in the apportioned budget. The rest needs to come from gifts: from individuals, from congregations, from invested funds, and from the sale of property as churches close. Together, we can do it. This is indeed holy experimentation and risk taking mission and is exciting to see it unfold.

Cindy Gregorson, Director of Congregational Development

Director of Finance & Administration

We have witnessed significant world and national events during 2008. The economic landscape is very different from this time last year and yet God still calls us to be faithful in small and large things. We continue to seek a steady course in managing the human, financial and physical resources of the conference that are made possible and entrusted to us by the generous givers who support the shared ministry of the Minnesota Annual Conference.

Over the past few years we have significantly reduced the apportioned budget and implemented a revised apportionment formula. These changes have helped to position the conference for achieving our Gospel imperatives. The economic landscape has added challenges that were not anticipated but the changes made over the past several years place us in a stronger position than if we had not made the budget and formula changes. It is still too early to be able to measure the actual impact of these changes and the current economic reality further confounds the measurement. We move forward in hope and faith that the changes will help us address the gospel imperatives and we trust that our work will bear fruit in God's time.

I serve as staff person to the Council on Finance and Administration, Board of Trustees, Audit committee, Investment Team, Human Resources Team, Budget Process Team, and Capital Facilities Commission. In addition to the work of each group, the chairs of the boards and teams responsible for legal, finance and administrative matters of the conference meet several times a year for better coordination among these groups. I attend meetings of all the above groups plus sit on the board of the Minnesota United Methodist Foundation and attend other administrative area groups. Each team in the administrative area works hard to accomplish our many routine tasks and address long-term issues that will strengthen the conference for the future. I also participate in the work of the strategy team that seeks to guide the conference in meeting our Gospel Imperatives and am part of the program staff team and the conference leadership team.

Some of the noteworthy financial facts for 2008 include an apportionment receipt rate of 86.3% which provided just over \$6 million on the 2008 budget of \$6.5 million. The receipt rate is similar to recent years but the dollar amount received is down from previous years due to the much smaller budget for 2008. The shortfall in apportionment receipts prevented us from paying World Service and other General Conference funds at 100% in 2008. Conference reserves are at an appropriate level on December 31, 2008 but not sufficient to make up the shortfall. Overall investment performance for the

12 months ended Dec. 31, 2008 was minus 26% on \$21.7 million; compared to a positive 6.6% on approximately \$28.4 million in 2007. The 2008 audit of conference finances is conducted in April and May each year and the results are printed in the Conference Journal. Investment losses in the conference and denomination's clergy pension plans provide additional challenges. Many people and groups are in conversation and exploring possible solutions.

Thank you to all the elected leaders and volunteers who serve on the administrative ministry teams. Their expertise, wisdom, time, and prayers are shared generously to manage resources that support the conference as an organization and the churches that comprise the annual conference. I am privileged to work with our fine conference staff members. I am blessed daily by the spirit, expertise, dedication, and sense of humor as staff members share their many gifts to support the work of the churches in reaching out and cultivating spiritual vitality.

Barbara A. Carroll, Director of Finance and Administration and Conference Treasurer

Director of Ministries

What an exciting and chaotic time to be the body of Christ! Yes, the world is hurting and so are many of our people, yet when times are the darkest the Church is often burning brightest. This provides us so many opportunities. We can be a beacon piercing the dark with the light of the love and concern of Jesus Christ. What an opportunity!

Not everything we do is exciting. Sometimes the work we do is the routines that keep things going, but they are important nonetheless. Yet, somehow, we must find ways to move out into the chaos, into the unknown and to do what we are called to do by Jesus Christ. This means we take risks. This means that we don't do things just because they have been done this way for ten or more years. In 1997, the Minnesota Annual Conference adopted the ministry team structure. Some may see this as a static action. I do not. We have made alterations to the structure almost every year since 1997. Some have been minor. Two years ago the Appointed Leadership Ministry Team decided that it had little purpose because the components of the team were doing their work so well. In 2008 the Discipleship Ministry Team decided to do the same. Both groups are no longer active parts of our structure. Is appointed leadership still important and is this ministry functioning? Yes it is! Is Discipleship still central to the Christian faith and our annual conference structure? It certainly is! The difference is these two vessels are not part of that ministry. There is an encouragement for teams to do their work and in creative ways. I am a firm believer in it being easier to ask forgiveness than to ask permission. If you believe God will bless your ministry as a part of the annual conference structure, then go to it!

The staff initiated organizational chart that is found on page vi of the 2008 journal is our method of functioning. We have been living into this for the past year. Parts of it are working better than others, but it is working. What is best about this chart is that one can quickly see its purpose – supporting and birthing vital, disciple-making churches. We have an excellent staff in this annual conference. They are dedicated to working together to help churches to confront and address the issues that are keeping them from being as effective as they can be. Much of their work takes place behind the scenes without fanfare and folderol.

Likewise, we have excellent superintendents. They are five very different people, but they have one common passion effective clergy serving thriving local churches. I have worked closely with superintendents for 20 years. No two do it the same. There is not a harder job in the annual conference, but ours continue to do it with the grace of women and men of God.

Since I first became a Council Director in Troy Conference on February 1, 1997 I have worked closely with six bishops. Each of them has been a quality leader, but I would have to say that no one has ever energized me in my ministry like Bishop Sally Dyck! I hope each of you who work with her or hear her preach and teach have a similar experience.

During my illness last fall I was told over and over again, "Don't worry about anything. We are taking care of it." And they were! While I have said it to them directly, I want to thank all the staff who picked up pieces of my job during the nearly three months I was out of the office. It fell particularly

hard on three people: Barb Carroll and Cindy Gregorson as well as my superb administrative assistant, Vivienne Pierce. Thanks also to Bishop Dyck for her kind and pastoral calls, emails, text messaging (our Blackberries kept us connected) and visits. Once or twice she came by to give me a visual inspection to see if I looked as good as I sounded on the phone! I learned that the most difficult thing for me during this time of inactivity was the living out of a favorite phrase of Wesley's Covenant Prayer: may I be laid aside for thee. I like change, but not that kind of change.

Change is not easy. In fact, it can be downright hard! (And as we know from last year's annual conference Episcopal address it is strange! Because of all the change in our world today, one of the most difficult and yet rewarding professions is that of an ordained clergy. I am convinced, however, that we are, in most places, missing a fundamental fact. Ministry is not a privilege of the ordained. Real, sacred ministry takes place when we as clergy and laity work together in partnership. As clergy most of us have our favorite parts of ministry, however, our most important task in ministry is to equip the saints for the ministry of Jesus Christ. It is only as laity are able and enabled to perform their ministry in this hurting world that we will see the church's fire burning brightest.

We cannot afford to play the blame game. "If only our pastor would..." or "If only I could get the laity to ..." It is an ideal time for us to work together to reinvent church. May it be so!

James M. Perry, Director of Ministries

Episcopacy Committee

A conference Committee on Episcopacy is charged with supporting the bishop in the oversight of the spiritual and temporal affairs of the Church, with being available to the bishop for counsel, with advising the bishop regarding the conditions in the Episcopal Area that may have an impact on episcopal leadership, with helping to determine the episcopal needs of an area – making recommendations about those needs to the appropriate denominational bodies, with helping interpret the responsibilities of the bishop to the area, and with consulting with the bishop regarding her ministry as a bishop in the area and in the life of the wider Church. (*Book of Discipline*, paragraph 637)

In 2008, the Minnesota Conference Committee on Episcopacy offered support and counsel to Bishop Sally Dyck, sought to support her spouse, the Rev. Dr. Ken Ehrman, as well as the Bishop's Administrative Assistant, Sheilah Kyburz. We are grateful for Rev. Ehrman's support of the Bishop and for his own ministry as an appointed elder in our conference. Sheilah Kyburz continues to engage her work with grace, enthusiasm and extraordinary competence. She is a welcoming presence in the Bishop's office and we are deeply appreciative.

2008 was also the end of a quadrennium, that time when bishops are eligible for reassignment. Our committee listened well to the conference and made a recommendation to the North Central Jurisdictional Committee on the Episcopacy that Bishop Sally Dyck be reassigned to the Minnesota area. Mary Jo Dahlberg and David Bard represented Minnesota on the NCJ Committee, and the Committee agreed with our recommendation. We are delighted to welcome Bishop Dyck back to Minnesota for the 2009-2012 quadrennium, and we trust that she is pleased about being reassigned to our area.

As we continue offering support and counsel to Bishop Sally Dyck, our committee affirms her leadership in our conference and in the wider church. We will offer support and feedback as she continues to help our conference focus on the two gospel imperatives of reaching new people and cultivating spiritual vitality. We will offer support and feedback as she leads our conference in pursuing three initiatives: plus 1; having the greatest percentage of young adult clergy of any conference in the connection; and the 100% payment of apportionments.

As a committee we will continue to encourage Bishop Sally to care for herself amidst the myriad responsibilities of the episcopal office by taking appropriate time away to care for her well-being and for the well-being of those relationships that nurture her life. We admire her personal discipline in exercise and other spiritual disciplines. She inspires our entire conference to do better in these areas.

One of the challenges for our jurisdiction in the coming quadrennium is the challenge of determining how we will work with one less bishop in the jurisdiction. The College of Bishops has the responsibility to finalize plans for Episcopal areas. We believe that they will be consulting with the Jurisdictional Committee on the Episcopacy, and that the Jurisdictional Committee will, in turn consult with Conference Committees on the Episcopacy. We remain ready to engage in this process in whatever way we might be helpful.

Once again, our committee thanks you all for your trust in having us serve in this position of leadership and asks for your prayers as we do our work.

Episcopacy Committee members: David Bard, Dianne O'Donnell, Pamela Barbour, Brent Olson, Mary jo Dahlberg, Don Prestly, Kayla Daniels, Stephen Richards, Hyun Sook Han, Warren Spannus, Jeff Kruse, Judy Zabel

David Bard, Chairperson of the Episcopacy Committee

Episcopal Residence Committee

The Episcopal Residence Committee, consisting of Don Prestly, Committee Chair, Philip Bickhardt and Wayne Bailey met in early October, 2008 to review the current procedures used to maintain the Bishop's Residence. Barb Carroll, Director of Finance and Administration for the Minnesota Annual Conference, is also a Committee member but was unable to attend. (The chair met with Barb shortly after the Committee meeting to discuss the meeting.) After an in-depth discussion about the work which was completed during 2008, as well as what maintenance and repairs should be considered for the 2009, it was determined that maintaining the Bishop's Residence using the Repair Punch List (created during a walk-through of the property with the Bishop and Committee Chair in 2007) was a solid method for staying on top of the ongoing upkeep of the residence. It was also determined that the Punch List could and, most likely, would have additional items added, as conditions of the residence and needed repairs would change.

The major repairs made at the Bishop's Residence in 2008 included:

- 1) The painting of all walls and ceilings on the first floor. There were also several areas which had significant drywall cracks; repairs were made prior to painting.
- 2) Upgrading the deck on the rear of the house. The original deck surface had become terribly weathered and it was determined that it was more cost-effective in the long run to replace the deck surface, rather than have it power-washed and restained. The deck surface was replaced with a composite material that will only require hosing off to maintain its original color and look. In addition, the deck railing was not up to current building code requirements. The new railing, made of the same composite material as the deck surface, meets current building code requirements. The cost for replacing the deck and railing was only about 20% more than having the old deck power-washed, repaired and restained.
- 3) The lawn was also an area that needed immediate attention, so much so that the neighbors were commenting! A summer and fall fertilization program was put in place to correct this situation. A definite improvement in the appearance of the lawn was evident even by mid summer. The continuation of a fertilization program will be part of the 2009 residence Punch List.
- 4) Smaller, common types of repairs were needed throughout the year and were corrected to the satisfaction of the Bishop.

The 2008 budget for the residence was \$25,000. The residence expenses for the year were:

Utilities, phone	\$ 4,466.64
House & yard maintenance	12,532.47
Mortgage principal and interest	12,128.04
Misc	420.64
<u>Total Expenditures</u>	<u>\$ 29,547.79</u>

Don Prestly, Chairperson of the Episcopal Residence Committee

Equitable Compensation Action Team

The report of grants which you are used to seeing here is now within the responsibilities of the Investing in Congregations Granting Team process approved by the 2007 Annual Conference. The Action Team was not asked to offer its comments in the Investing in Congregation grant process this past year.

The Action Team continues to be concerned about the issues surrounding the inequity between compensation for pastors living in parsonages and those being paid housing allowances. In Minnesota slightly more than half of pastors receive a housing allowance—about 80% in the seven-county metro area and about 20% outside it. At this point no legislation is proposed. We continue to await the report of the Task Force authorized by the 2006 Conference that is dealing with this issue.

We continue to earmark funds for helping to offset the tax liability of those who moved less than 50 miles for whom there is additional tax liability due. The number of moves under 50 miles and the number of grants requested vary from year to year.

The 1998 annual conference set our minimum base compensation at 60% of the Conference Average Compensation. Following this procedure the minimal base compensation level in 2010 would be \$ 34,289 (it was \$ 33,421 in 2009). The 2010 maximum minimum compensation would be \$ 43,289 (it was \$ 42,421 in 2009).

At our meetings in early 2009, we came to the conclusion to recommend that the 2010 compensation schedule remain at the 2009 levels. We further recommend that pastoral compensation in 2010 for all pastors be not more than the 2009 level. Legislation for these actions is included in the recommendation for the 2010 equitable compensation schedule.

Both our base and top of the scale are still 10-15% below the respective percentage of the Denominational Average Compensation in 1982. (Copies of this history will be available at Annual Conference from me or from Rod Stemme, our Executive Secretary. You can also receive a copy by emailing Rod Stemme at faithumc@usfamily.net.)

The Team has four additional foci for study in 2009. First, is the way we set the base level of compensation equitable in terms of appropriate compensation and the level of compensations of the congregation(s) served? How does this base level compare with other denominations? (We have begun and continue to do a good deal of statistical and demographic study using local, state, and national resources.)

Second, we will look at the entire package (including but not limited to salary, housing, vacation, continuing education, professional expenses, and other reimbursable items) to consider its equity and if there should be recommendations brought to Annual Conference for action.

Third, we will continue to respond to a request from the Bishop to look again at our compensation schedule and the effects it is having on the life of our Annual Conference and the pastors who serve in Minnesota. We anticipate bringing these recommendations to be implemented in calendar year 2011. (One response to one issue the Bishop raised is found in the 2010 equitable compensation schedule concerning financial support of leadership in ethnic congregations.)

Fourth, with the increasing number of ½ and ¾ time positions, we will work on some definition of what ½ and ¾ time look like compared to full-time.

SPECIAL NOTE TO CONGREGATIONS AND PASTORS:

Some congregations continue to provide reimbursements for continuing education and mileage as an allowance (a budget figure divided by twelve) rather than on a voucher basis for actual expenses. To do so is contrary to conference policies AND IRS requirements. Continuing to pay an allowance rather than to reimburse according to an adopted congregational policy can result in significant tax liability to the pastor that is unnecessary and foolish.

ALSO NOTE THAT the IRS Mileage Rate for 2009 is 55 cents per mile. Congregations may continue to pay a rate above this (as they always have been able to do). Any reimbursement above the IRS rate must be declared as income (although actual expenses may offset this income). Mileage reimbursed at the IRS rate has no tax impact as income. If a congregation pays less than this rate (which is contrary to

conference policy), then the pastor is subsidizing the difference in the mileage rate out of his or her income with little or no tax benefit. Again this is unnecessary and foolish.

On a personal note, this is my first report as Team Leader. I am gaining confidence about the responsibilities of and the possibilities for our Team. I look forward to 2009 and 2010 as significant years of work for our Team.

Phil Strom, Team Leader

Faith Formation Action Team

While it continues to remain difficult for the team to meet face-to-face, we have made good use of e-mail and conference calls to do the ministry with which we are charged. Regrettably this year's Confirmation Gathering had to be cancelled due to low enrollment - plans are already underway to bring it back bigger and bolder than ever - watch your email and Northern Lights for more info.

The Faith Formation Action Team continues to participate in the Passion for Ministry conference held at Lake Koronis and once again helped to sponsor the SPLASH! conference on energizing children's ministry.

This annual conference we also co-sponsored with two other teams (Religion and Race and Congregational Development) a Pre-Conference Event on "Who is My Neighbor?"

Cindy Yanchury, Team Leader

Family Ministry Action Team

The past year has been a challenging one for the Family Ministry Action Team. After several attempts to regenerate interest in family ministry and move that interest to an extended level of participation that would sustain a viable ministry within the Conference, the team decided the Conference would best be served by discontinuing and reassign designated funds to the Investing in Congregation Team to grant to churches doing family ministry projects. We leave you with our thanks to the Discipleship Ministry Team for their support.

Carolyn Campbell, Team Leader

Grace In The City

Our Identity: Grace in the City (GITC) fosters partnership, collaboration, trust, and strategic planning among urban partners in an effort to build vital worshipping congregations that have a strong impact in the city. Its goal is to continually offer the presence of Christ in the city. By directly relating to a variety of urban partners, we hope to see the fostering of new ministries and the redevelopment of existing ministries in the urban contexts of Minnesota. One of the main activities of Grace in the City is creating various means of preserving capital for further ministry in urban settings.

As of January 1, 2005, Grace in the City is a separately incorporated non-profit 501(c)(3) corporation organized under Minnesota Statutes Chapter 317A duly registered with the State of Minnesota. It is sponsored by the Minnesota Annual Conference of the United Methodist Church. It has a Board of Directors elected by the Minnesota Annual Conference.

Our Legacy: Grace in the City has become a reality because of the faithful legacy of two Minneapolis inner city United Methodist Churches: Grace United Methodist Church on Penn and Hobart United Methodist Church. Both closed in 2004.

The members of Grace on Penn Avenue in North Minneapolis decided to sell the building as they wanted to leave a legacy of hope with the proceeds from the sale. The funds were divided as follows: 25% to Grace in the City as seed money, 25% to North Minneapolis new church start fund,

25% to Metro West Urban new church start fund, and 25% to new urban church start funds in the Conference.

Hobart UMC had several long-standing relationships with community organizations that had used the building for their work. It was the hope that these neighbors would be able to continue in the building and that one day another church might be born from its remaining resources. They chose not to sell the building, but to allow the Conference Trustees to master-lease it to Grace in the City. In this way, all neighborhood organizations that wanted to stay remained in the building. At present, an emergent church, Solomon's Porch, is worshipping and using most of the building.

Our Purpose: Grace in the City functions in three unique areas; creatively managing urban property, birthing new urban ministry programs and ventures, and brokering an urban strategy for the Annual Conference. Following is a summary of 2008 activities in these areas of focus:

Creatively Manages Urban Property: Current properties managed by Grace in the City under lease from the Conference Board of Trustees include the 100 West Building (Hobart) and 55 North building (Harron). An inventory reduction was conducted at both buildings during the summer of 2008, resulting in the sale or disposal of items to offer better space functionality for current residents and/or prepare the property for market. The 100 West Building is under lease with Solomon's Porch through January 2010; and the 55 North building is for sale, represented by the Welch Company.

Current property managed by Grace in the City under contract for services from the Conference Board of Trustees is the New Horizons building in St. Cloud. Agreements were finalized with the on-site caretakers in 2008, as well as with First UMC St. Cloud for plans to use the building for some additional ministry needs, such as a Contemplative Worship Program and additional spiritual enrichment classes. The City of Sartell is considering transportation changes that may affect this property in the future.

A new approach to property management was developed in 2008 as Grace in the City agreed to hold the lease for the Cass Lake UMC property on behalf of the Conference Native American Ministries Team (NAMT). While NAMT is managing the property, Grace in the City is the legal entity that holds the lease on their behalf so that Native American ministries continue in this location.

Births New Urban Ministry Programs and Ventures: Grace in the City continued acting as a fiscal sponsor for La Puerta Abierta, offering accounting and bookkeeping services at no cost to the church during this year of new beginnings with their building dedication and new pastoral leadership.

Grant-writer Becky Cole was contracted to apply, on behalf of the Vietnamese Language Ministry at Richfield UMC, for a grant available from the United Methodist Board of Global Ministries.

Brokers an Urban Strategy for the Annual Conference: Grace in the City held the second Metro Urban Congress on April 19, 2008, for the purpose of gathering feedback on and affirming the Urban Strategy and Resource document for the Twin Cities Area, created by the Twin Cities Urban Strategy Planning Team. The Urban Strategy was affirmed unanimously. Out of this Urban Strategy, a recommendation was made through Annual Conference Legislation to form an Urban Ministries Action Team to continue carrying out the work of the Urban Strategy, and adopted at the 2008 Minnesota Annual Conference. Funding for the Urban Congresses and the Urban Strategy and Resource document for the Twin Cities Area was supported 50% by Grace in the City and 50% by Conference Resources.

Recognizing the implications of a petition regarding urban centers related to Book of Discipline Paragraph 2548.7, submitted by the United Methodist Board of Global Ministries as a piece of 2008 General Conference legislation, Grace in the City representatives attended a MN General Conference Delegate Listening Post session to clarify these implications and answer any questions.

Grace in the City Board of Directors:

Carol Zaagsma, Chair	Jon Fors, Treasurer
Faith Buss	Aaron Jones, Co-Vice Chair
Lee Burger	Dianne O'Donnell, Co-Vice Chair
Mary Buckley	Max Richter

Lois Carlson
Tyler Christiansen

Gloria Roach Thomas
Leah Rosso

Ex officio: Jennifer Gahnstrom, Property Manager
Dennis Alexander, Conference Coordinator of Urban Ministries

Carol Zaagsma, Chair

Human Resources Team

The Human Resources Team has helped to provide employment structure for the gifted, dedicated staff people of the Minnesota Annual Conference. All of us are called to be part of carrying out the mission of the United Methodist Church in the Minnesota Annual Conference, and the conference staff are a crucial part of our working together.

The Human Resources Team (HRT) met five times in 2008. We cared for staffing, compensation, performance review planning, personnel policies, and budgeting concerns, and held a staff/HRT social event.

We helped to implement the staffing redesign approved by Annual Conference session 2007 that includes reconfiguration of staff in Congregational Development and Ethnic & Urban Ministry, affirming the appointments of the Rev. Cindy Gregorson and the Rev. Dennis Alexander respectively to these now full-time, regular positions, effective July 1. Human Resources Team members conducted exit interviews with gratitude for the work of Kathi Austin Mahle, Coordinator of Congregational Resourcing (this position was eliminated July 1, 2008 by action of Annual Conference 2007), and Loren Nelson, half-time Director of Congregational Development (this position was moved into full-time status July 1, 2008 by action of Annual Conference 2007).

We executed the further staffing redesign of 2007 that reconfigured two vacant positions (support team generalist and remittances bookkeeper) into administrative assistant positions for the Director of Ministries and the Director of Finance and Administration, welcoming Vivienne Pierce as administrative assistant for the Director of Ministries and Carol Johanneck as administrative assistant to the Director of Finance and Administration in January 2008.

As a result of the redistricting from six districts to five districts effective July 1, 2008, one metro district administrative assistant position was eliminated, the former Metro East District administrative assistant position. We redesigned this position, held by Kerry Manthei, into an administrative assistant position that supports the Directors of Congregational Development and the Coordinator of Ethnic and Urban Ministries.

Controller Pat Walsh retired in 2008, and we hired a new controller, Alan Felkner.

We are working closely with the Conference Camping and Retreats Action Team and its Transition Team on the new position descriptions of the Executive Director of Camping and Retreats, and the Site Directors.

We can point to many examples of the ways in which our conference staff empower our local congregations and appointed leadership to reach new people and cultivate spiritual vitality, our annual conference gospel imperatives. Here are just a few:

- The Director of Finance and Administration and her staff have provided crucial guidance in this time of economic uncertainty, without which the infrastructure of funding and public trust would be eroded, and hence our mission.
- The Director of Camping, with staff, helps create life-changing experiences, as well as our event and meeting planner who works on supporting such events as UMYs and the Gateways event.
- The Director of Communications and Communications Assistant help create a flow of information to clergy, laity, and churches, as well as to the public, without which our United Methodist movement in Minnesota would become either ingrown or congested.

- Our Coordinator of Ethnic and Urban Ministries, with others, empowers churches and leaders to live out the essential social action component of our discipleship together, and indeed to grow new fellowships.
- The Director of Congregational Development empowers churches and leaders to develop a proactive spirituality of offering the love of God to others, which has been part of our spiritual DNA since the beginning of the Wesleyan movement.
- The Director of Ministries supports the growth in spirit, skills, and leadership of our appointed leadership.

The Human Resources Team also reviewed modifications to the fourth floor physical space to provide greater hospitality, functionality, and productivity and serve our needs for appropriate data and document security in the finance and benefits area.

The Human Resources Team is very thankful for the improved health of Jim Perry, Director of Ministries, and expresses great appreciation to those on the conference staff who picked up added responsibilities during Jim's absence.

Brian Hacklander, Team Leader

Igniting Ministry Report

Igniting Ministry Team, as a function of the Communications Team, supports churches in their efforts invite, welcome and create disciples. The goals are:

1. Help Minnesota United Methodist churches create a way of life that *intentionally* invites, welcomes, and makes disciples through the use of United Methodist Communication's (UMCom) Igniting Ministry materials and personnel support.
2. Raise awareness in churches that we are a church of "Open Hearts, Open Minds, and Open Doors."
3. Promote the United Methodist Church in Minnesota through collective radio and TV advertising using materials developed by UMCom.
4. Help churches target 25-54 year olds who are unchurched.
5. Create training opportunities for churches targeting welcoming, hospitality, and advertising.
6. Promote "Welcoming Certification" in Minnesota United Methodist churches.

During the 2008 calendar year the following activities were accomplished.

Igniting Ministry Training

Terry Keeling, Dean Swanson, and/or Victoria Rebeck presented local Igniting Ministry training at the following locations in the Minnesota Annual Conference:

- September 27, 2008, Anoka UMC
- April 12, 2008, Regenerating Worship, Crossroads UMC

Welcoming Certification

Igniting Ministry celebrates and recognizes the efforts of local congregations to prepare actively and intentionally to receive newcomers by designating congregation as *Welcoming Congregations*. In 2008, the following Minnesota Annual Conference churches were certified or recertified as Welcoming Congregations.

Albert Lee United Methodist Church, Albert Lee (2008)

Ellendale United Methodist Church, Ellendale (2005, 2006, 2007, 2008) ***

Richfield United Methodist Church, Minneapolis (2005, 2006, 2007, 2008) ***

*** We especially congratulate these congregations for their efforts to be certified for four consecutive years

Legislation

The Igniting Ministry Action Team sponsored Action Item 530 at the 2008 Minnesota Annual Conference to support September as Open House Month in Minnesota Annual Conference churches. The action item passed.

Terry Keeling, Igniting Ministry Liason

Investing in Congregations Granting Team

During the second year of this offering, the Investing in Congregations Granting Team saw a drastic increase in requests. Total financial requests for 2009 exceeded \$470,000.00 for a \$250,000 budget. The charge for this team continues to be to select projects that support the initiatives in light of the Minnesota Annual Conferences imperatives: (1) to reach new persons, and (2) to cultivate spiritual vitality.

In addition to first time requests, grant renewals played a significant role in this year's decision-making process. Churches are entitled to apply for up to three consecutive years for their current project. Re-application must take place each year and to be eligible for renewal apportionments are expected to be paid in full. Mid-year and year-end reporting are also important factors in the churches ability to receive additional funds.

The Investing in Congregations Granting Team must also include in their decision making what portion of the budget will be used for Equitable Compensation Grants (including mid-year equitable compensation), Investing Grants, and what dollars should be retained that will support additional resource needs such as coaching or training that may help ensure the success of the congregational projects.

Examples of some of the high potential ministry initiatives that were given funding included ministries such as the launching of a new urban faith community, a children's care center, initiating a leadership excellence program, implementing an after school tutoring & drop-in center, and an exploration of church partnerships. We look forward to watching these churches meet and exceed their benchmarks and together we will celebrate in the sharing of God's love and purpose.

Thank you for providing this team the opportunity to be your partners in ministry.

Team members; Durene Cornell, Dick Ellis, James Johnson, Bruce Robbins, Marcia Summers, Cindy Gregorson and Kay Roberts

Kay Roberts, Team Leader

SUMMARY OF GRANTS AWARDED

January, 2009

The following is a list of grants awarded by the Investing in Congregations Granting Team for 2009. Each church awarded a grant will complete a covenant of acceptance in order to receive their funds including agreement to benchmarks and times lines.

CHURCH	AMOUNT GRANTED
Camphor St. Paul	\$ 37,200
Christ Rochester	\$ 16,000
Community Columbia Heights	\$ 15,000

CrossWinds Maple Grove	\$ 20,000
Grace Paynesville	\$ 10,000
Heritage New Prague	\$ 10,000
Lake City	\$ 3,000
Lester Park, Duluth	\$ 11,760
Light of the Lakes, Baxter	\$ 7,500
McKinley Winona	\$ 5,000
Minnetonka	\$ 13,000
Princeton, Spencer Brook, Blessed Cross	\$ 12,000
Willmar	\$ 6,000
Total grants awarded:	\$ 166,460
2009 Budget:	\$ 250,000
Grants awarded for 2009	\$ 166,460
Equitable Compensation given	\$ 37,435
Mid-year equitable comp in reserve:	\$ 10,000
Reserves for Resources/coaching/training:	\$ 25,000
New Methods for a New Day Strategy:	\$ 11,105

Mission Ministry Team

No United Methodist Church is without experience in being in mission to our "local" neighbors. However, when we meditate upon Christ's notion of our neighbors being far off strangers that we are less willing to hold this deeper understanding he offers. And so your Missions Ministry Team has been at work continuing many of the ministries of the past while transitioning into a new future.

This future is marked by each church holding itself accountable for mission ministries to our local, national and international "neighbors" as we should be, not as we are. And so the Missions Ministry website of our conference is transitioning into a resource for the smallest to largest congregations within our borders. Here you will be able to list your initiatives, as well as look for partnerships where you can engage where you have not been able to. Here you can read of others who would welcome your participation and engagement for the unique gifts, skills and abilities that each of our local churches can be proud of. And so, as you read each action team's reports, I encourage you as a leader in your local church to consider if you and the church have a small definition of neighbor, or one that is as comprehensive as Christ. If you find that it is small, then you are invited to contribute and participate with others as we truly become an organic church connecting with one another, doing together what we cannot do alone.

Dick Ellis, Team Leader

Mission Promotion Action Team

The Mission Promotion Action Team creates, coordinates, promotes and communicates opportunities for partnership in God's mission. We share information and encourage mission involvement in some of the many ways that the United Methodist Church shares the Good News of Jesus Christ locally and around the world. Our projects include:

Love Offering:

2008 Love Offering – “Witness as Mission – Mission as Witness” Total - \$100,640

The focus was on Leadership Development especially increasing spiritual vitality.

Recipients were:

1. Gordon & Ardell Graner - Thiu Rancho

2. Terry & Muriel Henderson in Mexico –Give Ye Them to Eat
3. Mary and Herbert Zigbuo – Liberia - Swords Turned Into Plowshares

Minnesota Conference Projects

1. CHUM – Churches United In Ministry in Duluth, Supportive Services for Employment Program
2. Emma Norton Services – Resident community council, children's program & activities at Emma's Place
3. Department of Indian Work, St. Paul, Family Education Diabetes Series (FEDS) program-educational materials etc.
4. Volunteer in Mission Scholarships

UMCOR Kits – approx. 6000 lb. to Midwest Mission Distribution Center

Mission Workshops

In September, Beth Ferrell, General Board of Global Ministries missionary and the mission interpreter for the North Central Jurisdiction, conducted 8 mission workshops throughout MN. She also spoke in 2 Sunday worship services. A total of 54 churches were represented at events during her itineration. The workshops were in concert with the Conference goals of Cultivating Spiritual Vitality and Reaching New People.

Missionary Itinerations

During 2008 we were privileged to have the following United Methodist Missionaries itinerate in Minnesota: Dr. R. Stephen Newnum (Brazil), Rev Tsuchue and Joua Vang (Laos), and Rev. Art Keith (Sweden).

Other Activities:

Sent a mission mailing that included a yearly calendar of mission, a new Advance booklet, and information on Alternative Christmas giving. Our Mission Promotion Action Team provides articles for district newsletters, had a mission display with resource handouts at conference, contributes to the Mission Speaker's Bureau that is on the conference website, recognizes churches with outstanding mission giving at Annual Conference, and works with the Mission Personnel Team in promoting Covenant Relationships.

Mary Ann Rick, Team Leader

Health Ministries Action Team

God has been at work in the Health Ministries Action Team in 2008 in the following ways:

1. A Golden Cross Grant was approved for the Parish Nurse Program at Peace U.M.C. in Shoreview.
2. Jean Edin was influential in getting the "Amazing Pace" walking program in place at Annual Conference.
3. A Golden Cross Grant was approved for the Parish Nurse Program at Messiah U.M.C.
4. A partial grant from the HIV/AIDS Fund was approved for the International Program at Brooklyn U.M.C.
5. A representative will serve on the newly formed Drug, Alcohol and Other Addictions Action Team. Financial support was provided for a Parish Nurse Workshop on Healing and Healing Services.

The Health Ministries Action Team continues to oversee grants from the Golden Cross Fund and the Miracle Month HIV/AIDS Fund.

Otis P. Borop, Chair

Native American Ministry Action Team Report

The Native American Ministry Action Team (NAMAT) is part of the UMC Native American Comprehensive Plan mandated by the General Conference 2004.

Native American Ministry Action Team activities during 2008 resulted in three significant outcomes/events:

1. The Annual Native American Spirituality Retreat – October 11-12-13, 2008 which was held at the Northern Pines UM Camp in Park Rapids, Minnesota. Participants included clergy, community leaders, speakers, and families. This was an opportunity to hear and dialogue with Native Americans to gain a greater understanding of their culture and values. A third retreat in 2009 is being considered.
2. With the closing of the United Methodist Church in Cass Lake in December 2007 the Conference Board of Trustees has allowed the Native American Ministry Action Team to use the building to pursue new ministries to Native American people on the Leech Lake Reservation beginning January 1, 2008.
3. The former UMC has been renamed the American Indian Spiritual Center (and training center). The center has been used for worship, vacation bible school, family dinners, weddings, and other events. In addition, building space has also been made available to community organizations such as a foster parenting training group, a grief support group, and to a Christian Missionary Alliance church group.

Other Native American Ministry Action Team activities include: (1) providing funding for the Deer River UMC “teen night” activity center. (2) Assisting Native American children to attend camp this summer at Northern Pines. (3) Promotion of Native American Sunday through flyers which were mailed to over 200 UM Churches. (4) Participation in a national study on “Evangelism in Native America” offered by the Native American Comprehensive Plan. This study looked at what challenges Native American Christians face when witnessing to the Gospel of Jesus Christ in our communities today. (5) Maintaining a Native American Ministry Action Team website at <http://www.namatumc.org/>

Native American Ministry Action Team funding comes directly from the Native American Ministry Sunday offering. Half the funds raised by the Minnesota conference stay in the Minnesota conference to support Native ministries. The other half is sent to the General Board on Finance and Administration (GCFA) where funds are divided between the General Board of Higher Education and Ministry for seminary scholarships for Native people, and the Global Ministries for starting and strengthening Native American urban churches.

Eric Hucke, Team Leader

Moving Action Team

The Annual Conference Moving Team helped facilitate and pay for the moves of 49 clergy to new appointments during 2008. In addition, seven pastors took retirement or disability moves. The total cost of the moves was \$180,551.40 for an average cost of \$3,224.13. The Moving Team also held two moving information seminars prior to and at Annual Conference, at which packing material were available. The total cost for these services was \$850. The total expenditures for the Moving Action Team for 2008 were \$181,551.40.

Mike Dyrdal, Team Leader

Religion and Race Action Team

We are pleased to write on behalf of the Religion and Race Action Team (RRAT) of the Minnesota Annual Conference. Our mission is to ensure racial and ethnic diversity within the connectional life of the Minnesota Annual Conference. Our work is carried out through three specific activities: monitoring, advocacy and resourcing.

MONITORING

- * Build our own understanding of the Minnesota Annual Conference in order to develop tools to effectively monitor for racial and ethnic inclusivity through Intercultural Competency Training administered to the Action Team by team members Bescye Burnet and Jeff Alden-Pope.
- * Monitor the use and success of existing guidelines for cross-cultural appointments through the work of the Ethnic Ministries Coordinator.
- * Ensure that the Bishop, Cabinet and staff of the Minnesota Annual Conference, have an understanding of the objectives of the Religion and Race Action Team, see its mission as a priority and provide the necessary resources to ensure its success by scheduling one-on-one interviews with key conference personnel.
- * Monitor the Minnesota Annual Conference session and the Common Table for issues around racial and ethnic inclusivity.
- * Monitor Minnesota Annual Conference communications around diversity issues and language.

ADVOCACY

- * Sensitize and train Minnesota Annual Conference leadership and staff, to become strong advocates for racial and ethnic inclusivity by hosting the NJCORR Learning Event in Oct. 2009 and pre- Annual Conference Training Event in June of 2009.
- * Advocate around issues that arise from monitoring activities.
- * Consult with the Bishop and Cabinet of the Minnesota Annual Conference about ethnic and racial considerations in minister appointments, advise Minnesota Annual Conference leadership about congregational readiness to accept a cross-cultural appointment and support cross-cultural appointments.

RESOURCING

- * Support initiatives within the Minnesota Annual Conference that promote ethnic and racial justice through recommendations to the Investing in Congregations granting team.
- * Provide educational resources to train local churches on issues of racial and ethnic diversity through the Learning Event and training event listed above.

INFRASTRUCTURE

- * Create Monitoring, Advocacy and Resourcing subcommittees to work and report on their specific charges.
- * Develop a shared language around diversity and ensure that the Religion and Race Action Team is full-trained to carry out its mission.
- * Assign an Action Team representative to the Common Table (Bescye Burnett, Cindy Kennedy)
- * Assign an Action Team representative to the Jurisdictional Committee on Religion and Race. (Bescye Burnett)

Team members are Linda Koelman, Coral Garner, Marj Evans de Caprio, Marcia Alexander, Jeff Alden-Pope, Yohan Ka, Staff: Dennis Alexander

Cindy Kennedy and Bescye Burnett, co-chairs of Religion and Race.

Status and Role of Women Action Team

This team is struggling. We are an "action team" and the actions are few and far between. Yet, we continue to struggle. We monitored during Annual Conference 2008, with the Race Relations Action Team. We maintain a connection with the Minnesota Women's Consortium. We discontinued our connection with the Minnesota Reproductive Rights Coalition. We had served our term as leaders on that board.

Sarah Lawton, Team Leader

United Methodist Foundation

The Minnesota United Methodist Foundation (MUMF) is a program/investment organization. Our mission is to support local churches and conference boards and agencies in their ministries. Whether by providing investment management, planned giving information, congregational programs on faith and giving, and financial stewardship resources and materials, Minnesota United Methodist Foundation services focus on making disciples in accordance with the Biblical teachings concerning the stewardship of money.

During this past year, the Minnesota United Methodist Foundation sponsored a stewardship seminar, "Not Your Parents' Offering Plate," led by Clif Christopher, attended by 243 persons representing 108 local churches. Nineteen Planned Giving and three Estate Planning Seminars were presented in local churches; two successful capital campaigns were held during the year, and MUMF staff consulted with 14 local churches to plan Annual Budget campaigns. Stewardship brochures for (1) IRA Rollover, (2) Planned Giving, (3) End-of-year Giving, (4) Minnesota United Methodist Foundation Services, and (5) a quarterly newsletter were made available to local churches. The Minnesota United Methodist Foundation continues to send the quarterly "*Clergy Tax Letter*" to each pastor, and the 2008 Clergy Tax Guide by Conrad Teitell, was sent gratis to any clergy who requested a copy.

The Minnesota United Methodist Foundation offers a balanced investment fund for local churches and church-related agencies. Typical accounts invested in the Fund include:

- Permanent funds received by churches from wills, bequests and memorials
- Excess or long term funds from churches that need to earn more than certificates of deposit for the long term
- Charitable Gift Annuities
- Charitable Remainder Trusts

The default asset allocation for the investment fund is 50% Equity & 50% Fixed-Income asset allocation. This fund is invested in our professionally-managed Equity Pool and in our Fixed Income Pool which is primarily U.S. Government Agency Securities and Certificates of Deposit.

Investment results for 2008: (50% Equity & 50% Fixed)

- 31 year annualized net return +8.63%
- 2007 net return +5.97%
- 2008 net return -14.82%

Please note: The net returns listed above are all after fees have been paid.

We look forward to a much improved year in 2009. Our prayer is that your church will experience renewed spiritual vitality through renewed growth in financial stewardship.

Val Walker, Executive Director

United Methodist Men

It was a privilege to attend the Minnesota/Iowa/Dakotas/Nebraska four conference gathering in Spencer, Iowa, in 2008. There was a good turn out. I will attend the 2009 United Methodist Men

Gathering in Nashville at Belmont University. Currently over 250 guys have signed up and we hope for over 1,000 men to be enriched July 9-12, 2009. For more information go to www.gcumm.org.

Jerry Skoblik, *President*

President: Jerry Skoblik Vice President: James Peters
Secretary: James Malcolm Prayer Advocate: David Belt
Scouting Coordinator: Richard Synhorst Treasurer: Andrew Benjamin
North Central Vice President and Conference Prayer Advocate: David Belt
Society of St. Andrews Coordinator "Potato Project": Richard Dalrymple
Scouting Coordinator: Richard Synhorst

United Methodist Women

Community of women...Know God...Freedom through Jesus Christ...Supportive Fellowship...Mission. The Minnesota Conference of United Methodist Women have sought and been led in the past year through ministry stated in our purpose. It was a year of change and challenge, a year of thinking new possibilities and opportunities. While the Minnesota Conference United Methodist Church completed the district change in summer, our task was completed in December and we began 2009 with new friends, officers, units, and districts. What a blessing to start anew.

Two new areas of activity within the Conference United Methodist Women are the use of more effective and far reaching technology, and a funded effort to reach out to younger women within our churches.

The Minnesota United Methodist Women were hosts to the North Central Jurisdiction Quadrennial Meeting held March 28-30, 2008 at the Sheraton Bloomington Hotel in Bloomington, MN. Over 500 attended this event to worship and study "I Have Called You by Name, You are Mine." Marge Spannaus was chair of the local arrangements committee. Directors to the Women's Division of the General Board of Global Ministries were elected. Carol Rieke of the Minnesota Conference was elected to serve a second four year term on the Women's Division.

The 60th School of Christian Mission in Minnesota was held at St. John's University in July 2008 following the theme "Living the Sacred". There was celebration including cake. The School featured three sessions: Weekday July 15 – 18, Weekend event July 18 – 20, and Drive-In Day July 17. The studies were: 1) Giving Our Hearts Away: Native American Survival, 2) Israel/Palestine, 3) I Believe in Jesus.

Plans are underway for School of Christian Mission July 14 – 19, 2009 at St. John's University where the studies will be: Food & Faith (led by Bishop Sally Dyck), The Beauty & Courage of Sudan: Why a Dream of Peace is Possible, and Giving Our Hearts Away: Native American Survival. There are additional scholarships available for the Weekend event for young women under the age of 35 bringing children up to age 5.

The former Southeast District hosted the Annual Meeting of the Minnesota Conference UMW Oct. 4, 2008 at Rochester Christ United Methodist Church. Theme for the day was Vessels of Mission: Social Action. Keynote speaker was Jodi Pfaar, Executive Director of Emma Norton Services sharing about change. Recognized were District Women of the Year: Metro East – Dorothy Anderson, Fairmount Ave. UMC, Metro West – Jackie Ryder, Discover UMC, Northeast – Dolores Keech, St. Cloud UMC, Northwest – Muriel Madsen, Rosedale UMC, Southwest – Mae Peterson, Harmony State Line UMC, Southwest – Eloise Wohlford, Luverne UMC.

Total giving for missions by the Minnesota Conference United Methodist Women was reported for the year 2007 at \$375,306.69. Included is \$50,368.20 for Emma Norton Services.

The Minnesota Conference United Methodist Women Executive Team led a District Office Training Event Oct. 24-25 at Koinonia Campground. Guest leader was Julia Tulloch from Women's Division Staff to help with team building and visioning. Attendance was record with one less district

and near the same number of officers attending as in past years. This was a great start for the leadership of the new districts.

The district leadership of the Minnesota Conference United Methodist Women has maintained contact with the local units within our churches through continuation of a visitation program and held events to train leadership, inspire spiritual growth, educate about the mission of the organization and church, and encourage vision about the possibilities of a new United Methodist Women that meets the needs of the younger generations of members.

Faithful United Methodist Women of local congregations are the hands, arms and legs of much of the mission work of our church. While United Methodist Women has a rich and model history of service, we too must be committed to a new day and way. We join with the Minnesota Conference in 1) reaching new people and 2) Cultivating spiritual vitality. The task is ours to do.

Rennae Petersen, UMW Conference President 2004-2007

Reports from Affiliated Organizations

Professional Association of United Methodist Church Secretaries (PAUMCS) Minnesota Chapter

This has been a year in which I have seen dreams fulfilled. I was reminded of one of the qualities I appreciate in a leader: their ability to allow others to grow in the use of their gifts. Some of the dreams and areas of growth that have occurred during this year include the development of our new web site, the development of a new scholarship fund, and the hugely successful program, *Methodist Matters*. These, along with our Spring Retreat and fall Annual Meeting, made for a very full year!

April 25-27, fourteen brave souls traveled through rain, ice, and snow to attend the 2008 Professional Association of United Methodist Church Secretaries “Spring” Retreat in Park Rapids at Northern Pines Camp, *The Power of PAUMCS, is “IT” in You?* which had a superhero theme. Our speaker, Jan Daniels, took us on a journey through writing songs, remembering important keepsakes from our lives, and learning more about strong (and heroic) women in the Bible. In our churches and church-related jobs, we are often called upon to do more or be more than a secretary, administrative assistant or office manager. We ended the weekend with everyone accepting their roles—we are all superheroes! Other highlights included Rob Bell DVDs, games, puzzles, and worship with the Rev. Bob Ford.

Methodist Matters was a new endeavor. We worked jointly with the annual conference. The conference provided seed money and we provided the trainer. Six day-long sessions were held throughout the state reaching over 70 people. Morning sessions addressed the structure and connectional nature of the United Methodist Church with special attention paid to the myriad of services and resources available through the annual conference office. The afternoon focused on resources and actions to take, especially when things aren’t going according to plan. Group activities and interactive exercises gave participants a chance to get acquainted, problem solve, and share success stories.

The Annual Meeting took place on October 20, 2008, at Brunswick UMC. We covered the A, B, C’s of what our jobs entail. Rev. Mark Sundby led us in how to keep our spiritual relationships strong while applying the “A-B-Cs” of our jobs, Jill Kraemer taught us the importance of creating Administrative process, Jean Fraley addressed the need for Boundaries, and Victoria Rebeck gave us resources to help with the challenges of Communicating in new ways. Some 38 people attended, 12 of whom were new!

We closed our physical year with a membership of 51, representing 47 churches, the episcopacy office, district offices, the conference office, and retired members. Of those we had ten National Professional Association of United Methodist Church Secretaries Members, four National Professional Association of United Methodist Church Secretaries Certified Members, and five Charter Members.

While this has been a year filled with great joy it has also had deep sorrow as we lost two of our charter members: Delores Wandersee on November 9, 2007, and Charlene Gerads on September 25,

2008, which leaves us with three charter members. Again I am reminded of how important it is for each of us to use the gifts and talents God gave us, while we are here on earth, to serve God and each other. It has been an honor to work with this year's very talented and committed executive committee and be in service to all of you.

Pamela Pettit, President

2009-2010 Officers:

President: Pam Pettit, Twin Cities District Office, Minneapolis

Vice President: Jill Kraemer, formerly of Forest Hills UMC

Secretary: Pat Ruppel, Lake Harriet UMC, Minneapolis

Treasurer: Denise Poetter, River Hills UMC, Burnsville

Newsletter/Publicity: Martha Bently, St. Anthony Park UMC, St. Paul

Membership Secretary: Virginia Selvig, Southern Prairie District Office

Historian: Kathy Spence Johnson, MN Annual Conference

Resource Center for Churches

In 2007 United Methodists checked out 175 videos. In 2008 they checked out 256. This increase reflects the increasing commitment of churches to provide adult education in a DVD curriculum format and our increased ability to stock titles that could meet the need. The use of other types of resources has remained quite stable with an overall increase of about 6% in use of resources.

The Nest Families children's videos, which are gradually being replaced by DVDs, are the most popular for children. Other commonly requested titles are the John Wesley titles, newly released on DVD. The Nooma and Veracity series are popular with youth. Nooma are also popular with adults and if you are not familiar with these, please ask us for a preview!

Adult DVD use varies widely, but anything by the Living the Questions producers has been very popular. In 2008, *Eclipsing Empire*, a newer title by the Living the Questions producers became the number 1 requested title. Join preeminent New Testament scholars Marcus Borg and John Dominic Crossan on location in Turkey as they trace the Apostle Paul's footsteps throughout the Roman Empire in this 12-session course of study. We have many other resources by Adam Hamilton, Richard Forster, John Dominic Crossan, Tony Compolo, Dr. Kenneth Bailey, and Wesley Ministries (*Serious Answers to Hard Questions*) and Abingdon Press (*Opening Ourselves to Grace*).

There is an increasing call for media on justice issues ranging from the environment to hunger to racism and immigration. While we have a lot of new media in these areas, we are always open to new suggestions and new donations. Call us at 612-870-0861 or 888-293-9901 and we'll help you put together a program. It is a great idea to do that even if you are computer literate and use our online catalog at www.resourcesforthejourney.org. It is easy to miss some great stuff with this particular database which is very unforgiving regarding punctuation and spelling.

We received generous grants for 2008 from Wayzata Community Church (for shelving), House of Hope Presbyterian and The Episcopal Diocese of Minnesota (Granner Fund) for updating the collection, especially purchasing DVDs. We also received in late 2007 a large grant from the United Church of Christ (Ashley Fund - \$4,000), which was spent in our 2008 budget. As a result we have significantly improved our holdings for children and youth in both media and literature. We also have updated Bibles, curriculum and worship resources. This grant has been renewed for 2009 and has already allowed us to make a difference by purchasing an Accu-Cut Roller Die-Cutting System.

Grants are quite targeted, so we sometimes struggle with covering the basics of salary, rent, etc. The UMC has been proactively supporting these basic needs and we thank you!

Ginger Stemme, Executive Director

Resource Center for Churches, 122 West Franklin Avenue, Room 2, Minneapolis, MN 55404

612-870-0861, 888-293-9901 (toll free) info@resourcesforthejourney.org (email)

www.resourceforthejourney.org (website)



**24 Regional Denominational Leaders representing 1.1 million members
strengthening and renewing communities.**

"...My father would have thought it was really cool to see all these different cultures come together."

Justina at Interfaith Prayer Service Commemorating the 35W Bridge Collapse

200 forums and workshops about faithful citizenship, ending poverty, and environmental health.

566 individuals assisted with immigration applications.

12,000 persons added to health insurance rolls because of JRLC's advocacy.

100% of enrollees are self-sufficient after 180 days in Refugee Early Employment Program.

9 successful "listening sessions" around the state for Legislative Commission to End Poverty by 2020.

110 people provided Power and Boundaries Trainings in 2008

6,000+ people signed A Common Foundation: Shared Principles for Work on Overcoming Poverty.

255 refugees welcomed into new lives of freedom, hope and opportunity in Minnesota.

500 volunteer hours for Refugee Services.

14,300 people are part of JRLC's network, participating in action alerts, writing and visiting legislators.

8 Refugee Speakers Bureau members offering stories of determination, tragedy, joy, wisdom and hope.

13 Greater Minnesota counties served by two workshops for rural churches.

9,052,885 pounds and dollars raised for the food shelf system in Minnesota.

PROGRAMS OF THE MINNESOTA COUNCIL OF CHURCHES

A Minnesota Without Poverty

A Statewide, Interfaith Movement to end poverty by 2020.

Ending Sexual Misconduct in the Religious Community

Intervenes in current and past cases, and prevents future cases.

Healthy Homes, Healthy Congregations

Empowers congregations and faith-based organizations to make positive choices that minimize exposure to toxic chemicals in children, families, congregations.

Joint Religious Legislative Coalition (JRLC)

Guided by God's vision of the common good as reflected in Jewish, Christian, and Islamic traditions, JRLC mobilizes religious communities to influence public policy in Minnesota.

Minnesota FoodShare

Minnesota FoodShare fights hunger by raising resources to food shelves, education, and advocacy.¹

Minnesota Interfaith Darfur Coalition

Ending genocide in Darfur through advocacy and humanitarian aid.

Rural Churches, Rural Communities

Churches working together to strengthen local communities.

¹ Minnesota FoodShare is a program of the Greater Minneapolis Council of Churches, co-sponsored by the Minnesota Council of Churches.



MCC President, Bishop Sally Dyck
35W Bridge Commemorative Service

Unity and Relationships

Unites churches by broadening and deepening the ties among all of the Christian traditions in Minnesota, and builds bridges of understanding between Christians and people of other faith traditions.

Partnerships with American Indian Communities

Building relationships and reconciliation among churches, tribes, and communities.

Refugee Services

Refugee Services is an ecumenical ministry welcoming persecuted people from around the world into new lives of freedom, hope, and opportunity in Minnesota.

Peg Chamberlain, Executive Director of the Minnesota Council of Churches

Affiliated Schools

Candler School of Theology

With a new building, new faculty and staff, new curriculum, newly expanded financial aid initiatives---and even new art!---Candler School of Theology is moving with enthusiasm and grace through changes that enhance its ability to fulfill its mission: *to educate faithful and creative leaders for the church's ministries in the world.* To this end, Candler is constantly working to deepen its already vital relationship with The United Methodist Church.

As one of the 13 official seminaries of The United Methodist Church, Candler is grounded in the Christian faith and shaped by the Wesleyan tradition of evangelical piety, ecumenical openness, and social concern. As one of nine graduate level, professional schools of United Methodist-related Emory University, Candler provides a context for learning and formation that engages the most complex and difficult issues of our day. As a school located in the major metropolitan area of Atlanta, Georgia, Candler offers students the opportunity for practice in a highly diverse community, a global crossroads where church growth is expected, cultivated, and actually happening! There is no better place for preparation that resonates with and addresses our major denominational priorities: developing leaders, starting and growing churches, ministry with the poor, and improving global health.

On September 25, 2008, and with abundant joy, we dedicated Phase I of the new Candler School of Theology Building. A LEEDS silver certificate building, the "CST" includes offices and classrooms that provide the opportunity for technologically sophisticated work and community in an environmentally sound setting. Phase II, to be built in due time, will house the Pitts Theology Library, the Wesley Teaching Chapel, and additional offices and classrooms.

This year we welcomed the arrival of six new faculty and senior staff, five of whom are United Methodists. Forty two percent of the faculty and senior staff is United Methodist, and all but five are ordained. Two new staff positions were created, the Director of Lifelong Learning, filled by Dr. Bob

Winstead, a member of the North Georgia Annual Conference, and the Associate Dean of Methodist Studies, filled by Dr. Anne Burkholder, a member of the Florida Annual Conference. Both of these new positions serve the larger church as they connect clergy with new opportunities for learning; connect conferences and students who are ultimately seeking ordination; engage with denominational organizations at a variety of levels; oversee denominational certifications and the Course of Study; advise students; and teach courses. In addition, Bishop Ruediger Minor is with us for two years as the inaugural holder of the Hankey Chair in World Evangelism and Bishop Walter Klaiber is with us as Bishop-in-Residence during the spring semester.

Candler is in the second year of its new curriculum, designed to assist students in aligning their course selection with their call to ministry and integrating the classroom with their contextual education settings. This emphasis is accomplished through the selection of a concentration, the opportunity for special certifications, and joint programs and initiatives with three other Emory graduate schools: Goizueta Business School, Emory Law School, and Rollins School of Public Health.

We are delighted to report that in spite of the difficult economic realities that have had a serious impact on us all, Candler School of Theology and Emory University are faring well, due to sound fiscal stewardship and excellent donor support. The Emory Capital Campaign has achieved \$881 million of its \$1.7 billion goal. Candler's goal of \$60 million will enable us to achieve strategic priorities regarding facilities, student support, lifelong learning, endowed professorships, programs and curriculum development, and international initiatives.

Candler has always been deeply committed to assisting students with generous financial aid, but in light of the current economic climate, we have deepened our commitment to significant student support in two very important ways. This academic year, 80 percent of eligible students received scholarships or grants, with an average award covering 79% percent of tuition. Through these awards, more than \$2.5 million was provided to 196 United Methodist students. In addition, we created "Leadership Candler," an all-expenses-paid discernment experience that draws together distinguished prospective MDiv students from across the country and the world to explore the richness of life and study at Candler.

As a part of its contribution to the new building, Emory University provided Candler with a major grant for the purchase of new artwork. As a result, Candler is now home to the world's largest collection of original works by John August Swanson. Comprising both serigraphs and paintings, the collection focuses on biblical narratives and reflects the storytelling traditions of Swanson's Mexican-Swedish heritage as well as the influence of mosaics and stained glass from the Byzantine and medieval eras.

Candler's student body truly reflects the denominational emphasis on the importance of attracting younger and more diverse people. Our enrollment stands at 493, with 401 seeking the Master of Divinity, 50 the Master of Theological Studies, 18 the Master of Theology, 13 the Doctor of Theology, and 11 enrolled as Special, Non-Degree students. Eighty-three percent are enrolled full-time. The total student population is 24% US ethnic minority, 12% international, and 51% women. More than 50 denominations are represented, with 52% of MDiv students being United Methodist from 40 Annual Conferences, including Bulgaria, East Angola, Mozambique, and Korea. Other Methodist denominations include African Methodist Episcopal, African Methodist Episcopal Zion, Christian Methodist Episcopal, Church of the Nazarene, Free Methodist, Wesleyan Methodist, and the Methodist Church of Korea. The average age of our students is 32, with 56% under thirty. The median age of our MDiv students is 27.

Candler is deeply committed to the Gospel of Jesus Christ and the development of persons for Christian ministry, especially in the United Methodist Church. We are grateful for your support of Candler through the Methodist Education Fund, visits, prayers, nurture of our students, and direct donor support. Come and see us! We would love to welcome you on campus to share your interest, your concerns, and your ideas!

Jan Love, Dean and Professor of Christianity and World Politics

Garrett Evangelical School of Theology

As we say often and mean sincerely, **Garrett-Evangelical is a seminary that cares about the church.** Now in our 156th year, we look to the future absolutely determined to prepare highly regarded spiritual leaders -- bold leaders -- for the church, the academy and the world.

We have been buoyed this year by the **largest first-year class we've seen in many years**, an extraordinary and diverse group of students. Our Admissions Office is working hard to build on that momentum.

The school's administration has given considerable attention to the economic challenges ahead due to the dramatic drop in the financial markets. We are involved in significant planning to emerge from this time with even greater vitality and focus in our programs. Based on the strength of our **capital campaign**, "Honoring Our Heritage, Forging Our Future," and seeing the needs and great opportunities before us, the Board of Trustees has increased the campaign to \$60 million by 2012.

We are listening carefully to students, faculty, alums, pastors, lay and clergy conference leaders, and persons outside the church to discover how we might better accomplish our core purpose: "**To know God in Christ and, through preparing spiritual leaders, to help others know God in Christ.**" As a result of this ongoing discourse, we are moving forward with a number of exciting initiatives, including:

- Bolstering our ***M DIV Plus*** program, the only one of its kind in the country. It provides executive education for our graduates for the initial three years after graduation and works closely with annual conferences during preparation for ordination. We value our partnership with Northwestern University's Kellogg School of Management and the Samaritan Centers in this initiative. Together, we will offer a joint Certification in Church Leadership and training for clergy coaches. Through ***M DIV Plus*** we are doing our best to prepare highly regarded, effective spiritual leaders for a church and world in those critical first three years.
- Increasing the **Distance Learning and Intensive Courses** offered. New courses in a video simulcast format and/or on-line format have been developed. These can be found on the seminary's website (www.garrett.edu).
- Establishing a **Center for United Methodist Studies**, which, under the leadership of Dr. Barry Bryant, has an expanding program of lectures, conferences, scholarships and publications.
- Revitalizing our **Doctor of Ministry** program. The program includes distinguished faculty in the areas of spiritual formation, leadership and evangelism with many classes taught by leading practitioners.
- Building **stronger bonds with The United Methodist Church**. Rev. James W. Haun works with the ***M Div Plus*** initiative and also directs the **Course of Study** for Licensed Local Pastors, including schools taught in English, Spanish and Hmong.
- Strengthening the **Center for the Church and the Black Experience**. We hosted the inaugural meeting of a new Board of Visitors for the Church and the Black Experience. Our student group, **Garrett-Evangelical Black Seminarians**, continues to play an extremely vital role in the life of our seminary.
- Launching an **initiative to better serve Hispanic students and churches**. In August 2008 Hispanic leaders met with seminary administration and faculty on our campus. A program of new initiatives was laid out that includes: forming a Hispanic Council, enhancing the Hispanic Course of Study (Escuela del Curso de Estudio), adding more Spanish content to the seminary website, and developing a plan for additional Hispanic faculty and scholarships for Hispanic students.
- **Increasing the number of full-tuition scholarships** for persons preparing to be pastors and teachers and expanding opportunities for lay education and continuing studies for pastors through online and extension education.

Garrett-Evangelical serves over **550 students** in degree-related courses, certificate programs and our summer Course of Study School. We encourage you to visit our website, www.garrett.edu, and, if at all possible, to visit us on campus. We are proud to serve The United Methodist Church, and we ask for your continuing prayers and support as we pursue our mission and our renewed vision. Thank you.

Philip A. Amerson, President

Hamline University

2008 was an exciting year for Hamline University as it reorganized to create Schools of Business and Education offering both undergraduate and graduate degrees. Classes for the new MBA program filled even faster than anticipated bringing additional energy to efforts for growth and development of the university.

Under the leadership of President Linda Hanson, the university continues to follow the strategic plan that is developing not only new educational endeavors but also revitalizing the St. Paul campus with plans for fixing up older buildings and adding new ones. The most immediate goal will be the construction of a new student center at the corner of Englewood and Snelling Avenues. In addition, leased space at Highways 100 and 394 became known as the Minneapolis Center, giving easier access to graduate programs for those in the western half of the metro area.

Another exciting new offering is the Spirituality and Religious Life program, offered through the Graduate School of Liberal Studies.

Undergraduates continue to come predominantly from the upper Midwest, especially Minnesota. They are especially attracted to Hamline University's reputation for community involvement; the university was once again named to the President's Honor Roll for Distinguished Community Service thanks in part to ongoing connections in Katrina recovery and a unique partnership the neighborhood school.

Minnesota Annual Conference member Rev. Dr. Nancy Victorin-Vangerud accepted the position of university chaplain and director of the Wesley Center and began her work on July 1. The newly expanded Wesley Center includes programs of service learning and volunteerism that offers students a wide range of possibilities for involvement and the McVay Youth Partnership. The latter program trains Hamline students to lead afterschool enrichment programs for middle schools in partnership with local churches. Arlington Hills UMC and Wheelock Parkway UMC are two of the sites; Hamline UMC also helps provide resources.

Gifts from the Hamline Asking continue to make possible some of these program possibilities for students as well as providing funds to bring speakers, sponsor book study groups for faculty and staff, and sponsor students and others in attending conferences and trainings. Two students even attended General Conference, learning much about the process of the church as well as participating in a choir for higher education night. In addition, the partnership with the Annual Conference and the UMC is an important element in anchoring the university to its values.

Hamline University is proud to continue to claim its identity as a church related institution.

Linda Gesling, Director of Church Relations

Rust College, Holly Springs, MS

Established in 1866 by the Freedmen's Aid Society of the Methodist Church on a former slave auction site, Rust College reached another milestone in the 2008-09 academic year - the 142nd anniversary of its founding. This achievement in and of itself is one that alumni, students, faculty, staff, and supporters from every arena can be particularly proud. After the Civil War, 59 schools were established throughout the South by the Methodist church to educate newly freed slaves. Rust is one of 11 Historically Black Colleges and Universities established during this period still in existence today serving more than 1000 students annually from Mississippi, 26 states, and several foreign countries.

Accomplishments for 2008-09 year include:

- Rust College opened its doors to the new Hamilton Science Center and the renovation of the McDonald Science Hall. The \$4.7 million science addition will ensure that students receiving degrees in chemistry, computer science, mathematics, and biology will do so in a state-of-the-art facility.
- Rust received a \$1 million grant from the Hamilton family toward the College's \$10 million capital campaign that raised \$17 million.
- Cultural outreach was enhanced with a \$771,391 federal grant. The 2008 Federal Direct Appropriation Grant will help safeguard and preserve historical documents in the Leontyne Price Library and equip the new Hamilton Science and Mathematics Center.
- Rust College has demonstrated a local commitment in addressing the housing improvement needs in Holly Springs, Mississippi. The Rust College Community Development Corporation's application for Community Housing Development Organizations (CHDO) was funded through the Home Investment Partnership Program (HOME) in the amount of \$162,000. The grant is being used to improve the quality of life in the community adjoining the Rust campus working with low income citizens.
- Rust received a HUD grant for the Martin Street Development project in the amount of \$598,000. Under this grant the Rust CDC has built 10 houses for low income families.
- Rust College received a grant for \$580,000.00 from the Hearin Foundation to support needy students seeking financial aid.
- Rust College was placed on the President's Higher Education Community Service Honor Roll for exemplary service efforts and service to America's communities.
- The College ended the 2007-08 Fiscal Year with a balanced budget, making it the 40th consecutive year for balanced operations.

As you, our friends of the United Methodist Church continue to uphold your promise of educational opportunity established many years ago, we the members of the Rust College family will uphold the promise made by our founder, Rev. A.C. McDonald, in 1866 "to do not hothouse work" but will work to build men and women morally, spiritually and academically sound. We are thankful to you for your prayers and financial support. Without it we would not have been able to sustain quality academic programs or offer scholarship assistance to needy students. Again, thank you for your commitment to "our" legacy established 142 years ago. Your continued support is essential as we endeavor to build a stronger legacy for this generation and those in years to come who will look to Rust and our great Church for higher educational opportunities.

The College expresses thanks for the dedication and leadership of the following Trustees from the Minnesota Annual Conference: Bishop Sally Dyck, Dr. George Menshik, and Mrs. Leone Medin,

David L. Beckley

United Theological Seminary of Dayton, OH

What Would Jesus Do with a United Methodist seminary? We think Jesus would recruit faithful disciples and educate them with the best mentors and sources, starting with the Bible, and shape them to lead a life-changing mission that would turn the world upside down! The disciples would learn to embody a renewed Church led by the Spirit and unafraid to live out God's holy purposes!

United has itself been renewed by the Spirit for the mission of Jesus Christ in the world, and we invite your prayers and participation in this renewal and this purpose! The seminary been serving Christ and the Church for 138 years, but we have recently taken steps to update our offerings:

- A recently revised 78 hour Master of Divinity curriculum!

- A growing number of online and blended courses!
- New Doctor of Ministry degree focus groups and mentors!
- Deep learning opportunities for clergy and laity!
- Emphases in Church Renewal, African American Ministry Studies, Pastoral Care and Liturgical Ministries!
- Appreciative theological reflection on the central doctrines and beliefs of the Christian faith!
- Spiritual formation in a variety of cultural contexts, including international communities!
- A technologically advanced, fully accessible, state-of-the art campus!
- A youthful, diverse, widely published faculty committed to the Christian faith!
- Friendly and helpful staff and students!
- Many new scholarship offerings!

Enrollment at United is growing steadily and **we invite you to call, visit or sign up for a class** that meets your needs! For more information, contact admissions@united.edu.

Thank you for your prayers, partnership and service in the ministry of Jesus Christ!

Wendy J. Deichmann Edwards, President

4501 Denlinger Road, Trotwood, OH 45426, 937-529-2201; www.united.edu

United Theological Seminary of the Twin Cities

For United Theological Seminary of the Twin Cities, this has been a year of lively collaboration with the Minnesota Conference of the United Methodist Church. We are grateful for the opportunity to have worked with the Conference in designing a Certificate/Concentration in United Methodist Studies, in partnership with Luther Seminary, and in launching the Academy for Vital Christianity, which offers classes that provide theological education for all of those interested in deepening their knowledge and understanding of the Christian tradition. In addition, we continue to be honored to educate United Methodist students in our Master of Divinity, Master of Arts, and Doctor of Ministry programs. It is a time of change and new possibility, and United's work is centered on preparing leaders for the church - leaders with the spiritual, ethical, and intellectual depth to lead people and communities toward God's peace, justice, and love.

The Certificate in United Methodist Studies is available as a stand-alone certificate for students who take six courses from the designated curriculum and as a concentration for students who are working towards a master's degree. For all, it is an opportunity to enhance formation for leadership in the United Methodist Church.

The Academy for Vital Christianity offers theological education designed for anyone wishing to deepen their faith and their understanding of Christianity and grows out of United's and the Conference's conviction that theologically educated people are critical to the future of the church. The classes are taught by United's outstanding faculty members and are offered in churches across the Metro area, plus Duluth and Rochester. Christ United Methodist Church, Asbury United Methodist Church, and Messiah United Methodist Church all hosted Academy classes, and we are very grateful for their hospitality. We invite anyone interested in these classes to visit our website, www.unitedseminary.edu for more information.

At the center of our activities are the master's programs that prepare leaders to serve the church and the world. Students follow a rigorous and integrated curriculum that combines strong academic foundations, practical experience in the arts of ministry, and spiritual and ethical formation. This curriculum reflects the "Wesleyan Vision for Theological Education and Leadership Formation," to form leaders "who know Scripture and tradition, claim God's work in their own lives, perceive a new future, and make themselves available as ...instruments of God's [reign]."

Ultimately, United's service is reflected in the work of our graduates. You will find them in pulpits throughout the region and beyond, in judicatory leadership, in prison, hospital and military chaplaincies, and in many other roles of service. We are honored to have been a part of the formation of these faithful leaders, and we are grateful for the opportunity to work with the Minnesota Conference to strengthen and sustain congregations and their leaders for the critical work of ministry.

Kita McVay, Interim President