

PRE-CONFERENCE BRIEFING  
SATURDAY, APRIL 21, 2018



WE ARE  
one  
BENEATH THE CROSS

# Call to Worship

Leader: Come, let us sing to God with one voice,

**People: Let us shout joyfully to the rock of  
our salvation.**

Leader: Let us come before God's presence with  
thanksgiving,

**People: Let us shout with one voice joyfully to +  
God with psalms.**



## Call to Worship

Leader: For God is great!

**People: Come, let us worship and bow down.**



Blessed Assurance

UMH #369

Blessed assurance, Jesus is mine!  
O what a foretaste of glory divine!  
Heir of salvation, purchase of God,  
born of his Spirit, washed in his blood.

This is my story, this is my song,  
praising my Savior all the day long;  
this is my story, this is my song,  
praising my Savior all the day long.



Perfect submission, perfect delight,  
visions of rapture now burst on my sight;  
angels descending bring from above  
echoes of mercy, whispers of love.

This is my story, this is my song,  
praising my Savior all the day long;  
this is my story, this is my song,  
praising my Savior all the day long.



Perfect submission, all is at rest;  
I in my Savior am happy and blest,  
watching and waiting, looking above,  
filled with his goodness, lost in his love.

This is my story, this is my song,  
praising my Savior all the day long;  
this is my story, this is my song,  
praising my Savior all the day long.



Prayer *Let us pray as one body.*

**God, though we have traveled from different regions, districts, and communities, your grace has drawn us to this place to begin our journey to annual conference to gather as one: one body, with many gifts, seeking your wisdom beneath the cross of Christ.**



**By the power of your Holy Spirit, grant us the grace to travel on the same road with humility and discipline, and in the same direction with maturity and patience. Sanctify this space and time for Holy Conferencing, so we may speak to one another with love and tolerance.**



Feed our hearts, nourish our bodies,  
increase our love.

This we pray in Jesus' Name.      Amen.



## Ephesians 4:1-6 (The Message)

In light of all this, here's what I want you to do. While I'm locked up here, a prisoner for the Master, I want you to get out there and walk—better yet, run!—on the road God called you to travel. I don't want any of you sitting around on your hands.



I don't want anyone strolling off, down some path that goes nowhere. And mark that you do this with humility and discipline—not in fits and starts, but steadily, pouring yourselves out for each other in acts of love, alert at noticing differences and quick at mending fences. You were all called to travel on the same road and in the same direction,



so stay together, both outwardly and inwardly. You have one Master, one faith, one baptism, one God and Father of all, who rules over all, works through all, and is present in all. Everything you are and think and do is permeated with Oneness.

The Word of God for the people of God.

**Thanks Be to God**



# Meditation by Host District Superintendent

Rev. Edgardo Rivera  
Frederick District



# Meditation by Host District Superintendent

Rev. JW Park  
Central Maryland



# Annual Conference Highlights

## Bishop Easterling



# Laity Session Update Conference Lay Leader

Delores Martin



# Instructions on Using Question Cards

## Bishop Easterling

Use of Menti  
Christie Latona, DCM



Go to [www.menti.com](https://www.menti.com) and use the code 70 01 32



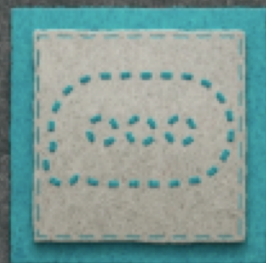
Please enter the code

A text input field with a light gray border. On the left side, there is a small gray square button containing a key icon. The input field contains the text "12 34 56" in a light gray font.

Submit

The code is found on the screen in front of you





# July 2017 Snapshot of 17 Agencies



■ green (11.76%) ■ yellow (35.29%)  
■ red (52.94%)

Green = fully functional and making progress toward their purpose

Yellow = meeting regularly, understand their why, struggle to gain traction or impact

Red = not meeting regularly or functioning due to many factors

## Where We Were

Castle Building

Activity Driven

Solo & Siloed

Talking

Spiritual Infancy

Certainty

A Few Know



## Where We're Going

Bridge Building

Impact Driven

Collaborative

Planning & Doing

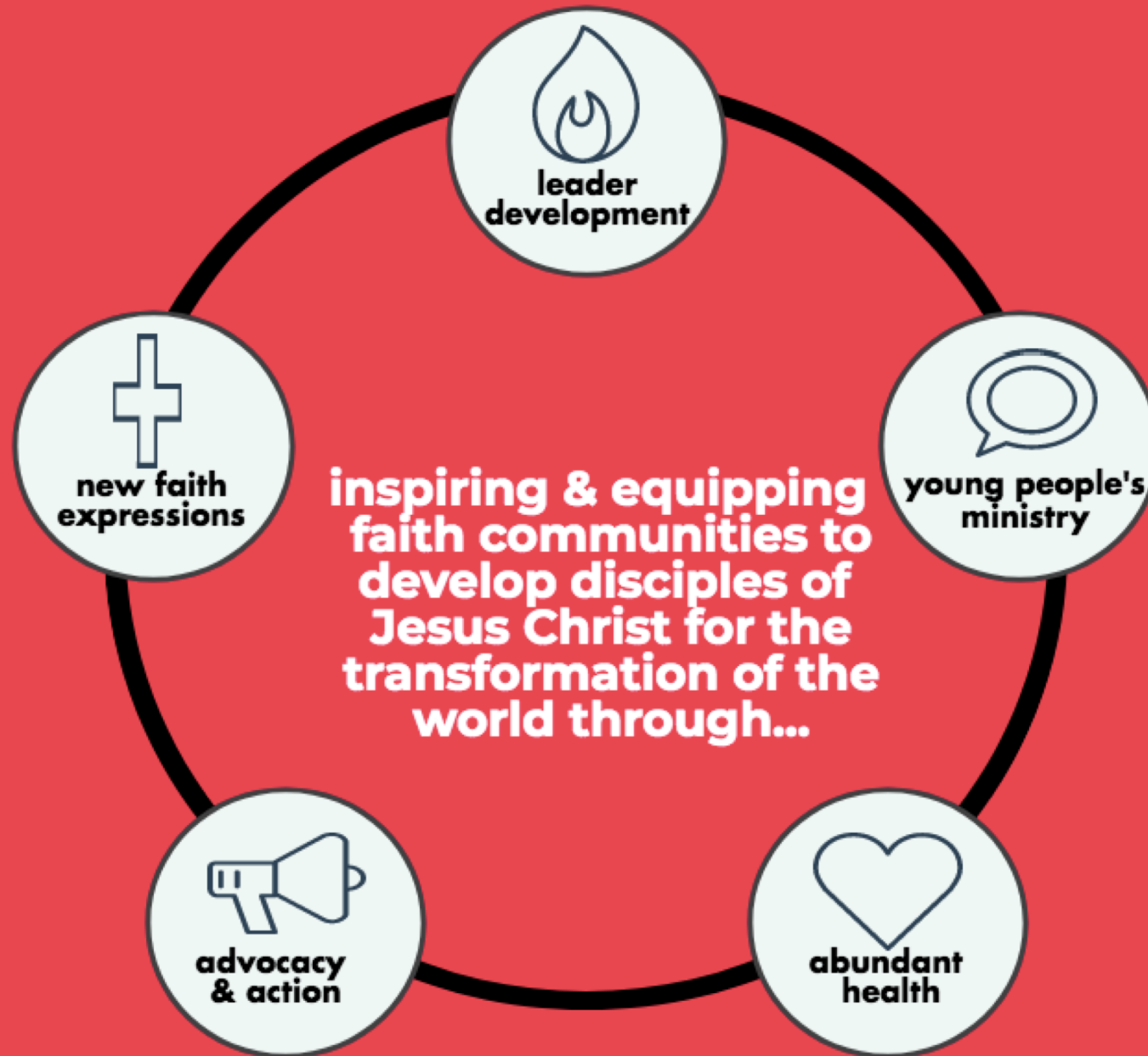
Spiritual Maturity

Curiosity

Transparency



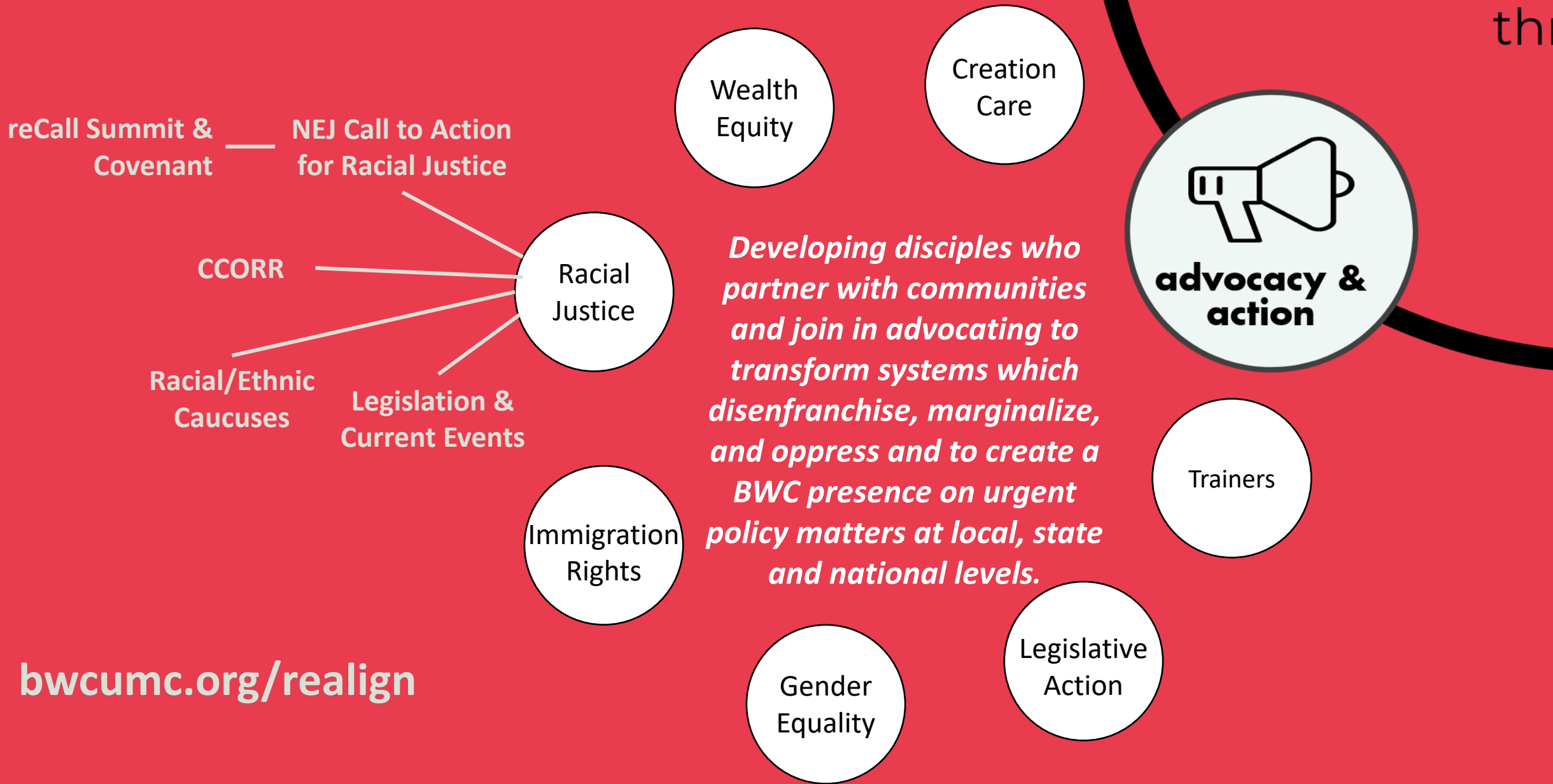
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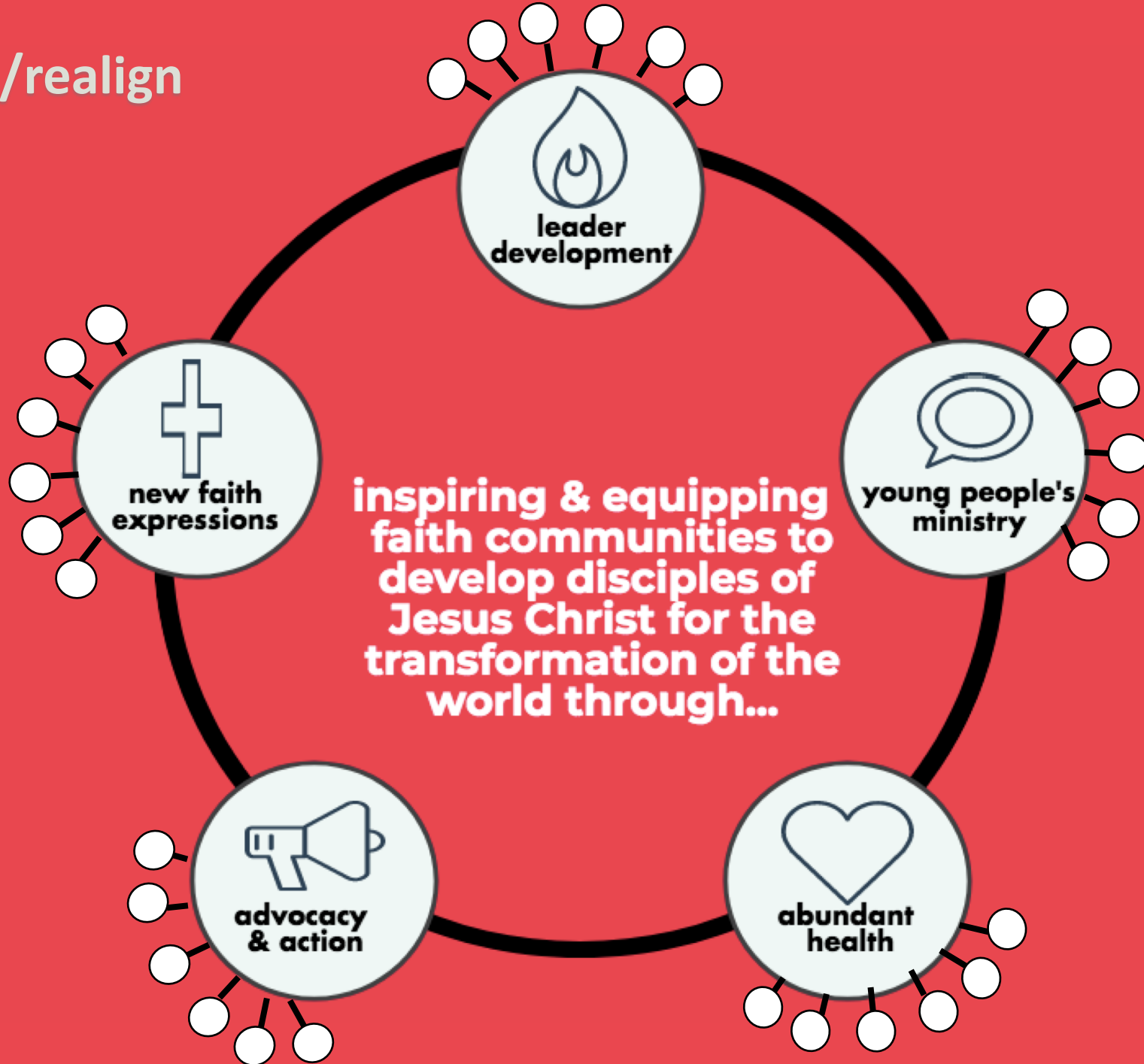


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[bwcumc.org/realign](http://bwcumc.org/realign)

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# OUR DESTINATION



## Increased Collaboration

By matching gifts and calling with fewer areas focused on a common purpose combined with the creation and monitoring of an overall plan, more teamwork happens



## Improved Communication

Simplification -- both in terms of language and the number of areas -- supports us staying together both outwardly and inwardly by more consistently communicating with God and one another



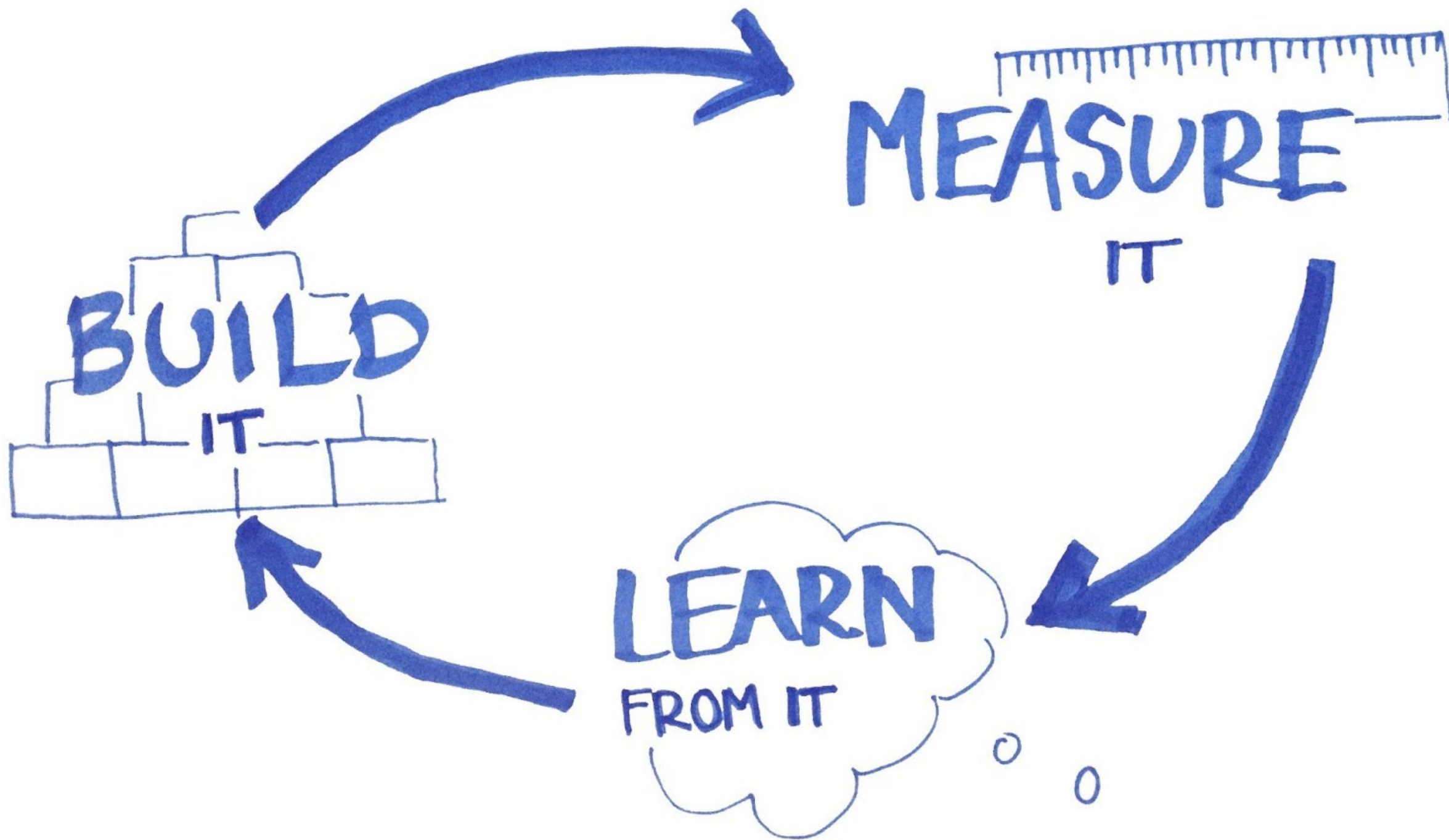
## More Feet on the Ground

Each of the five areas has teams associated with them who focus their energy on organizing and supporting grassroots efforts...fewer people talking about what needs to be done and more people serving



## Robust in Love, Alive Like Christ

Ephesians 4:1-7, 11-16 paints a picture of our destination: permeated with Oneness; training Christ followers in skilled servant work within Christ's body, the church; moving rhythmically and easily with each other, efficient and graceful in response to Jesus



To ask a question, go to [www.menti.com](https://www.menti.com) and use the code 70 01 32



[bwcumc.org/ministries/grants-and-awards](https://bwcumc.org/ministries/grants-and-awards)

# Stewardship Report

Board of Pensions - Rev. Jackson Day

2019 Budget - Phil Potter

Equitable Compensation - Rev. James Johnson





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## Conference Board of Pensions and Health Benefits

2018 PreCon




To ask a question, go to [www.menti.com](http://www.menti.com) and use the code 70 01 32

# Topics

1. Active Health Benefits
2. Retiree Health & Pension Benefits
3. Arrearages
4. Recommendations

# 1. Active Health Benefits

# Participants in Each Plan Choice

HealthFlex Exchange			
Ratings	GOLD	SILVER	BRONZE
Costing Sharing	20/80	30/70	40/60
PPO	162	NA	NA
CDHP w/HRA	266 (Default)	7	NA
HDHP w/HSA	25	2	14
<b>TOTAL</b>	<b>453</b> (95%)	<b>9</b> (2%)	<b>14</b> (3%)

Annual Election is in early November

# No Rate Changes in 2019

Health Flex Rates	2018	2019	2019 Rate Change
Local Church	\$860/mo	\$860/mo	No Change
Single Participant	\$90/mo*	\$90/mo*	No Change
Single + 1 Participant	\$345/mo*	\$345/mo*	No Change
Family	\$487/mo*	\$487/mo*	No Change

\* Participant Rates are for the BWC Default Plan (C2000 GOLD with Dental)

## 2. Retiree Benefits

# Retirees over 65 - Medical

- OneExchange is now called Via Benefits
- Health Benefits for Post-65 retirees are provided through Via Benefits.  
Current 30 year service benefit = \$3,184/yr per person
- Updated the eligibility requirements to be more consistent with the OneExchange HRA benefit.

Eliminated the requirement that stated

*“must be on BWC medical plan  
5 consecutive years prior to retirement”*

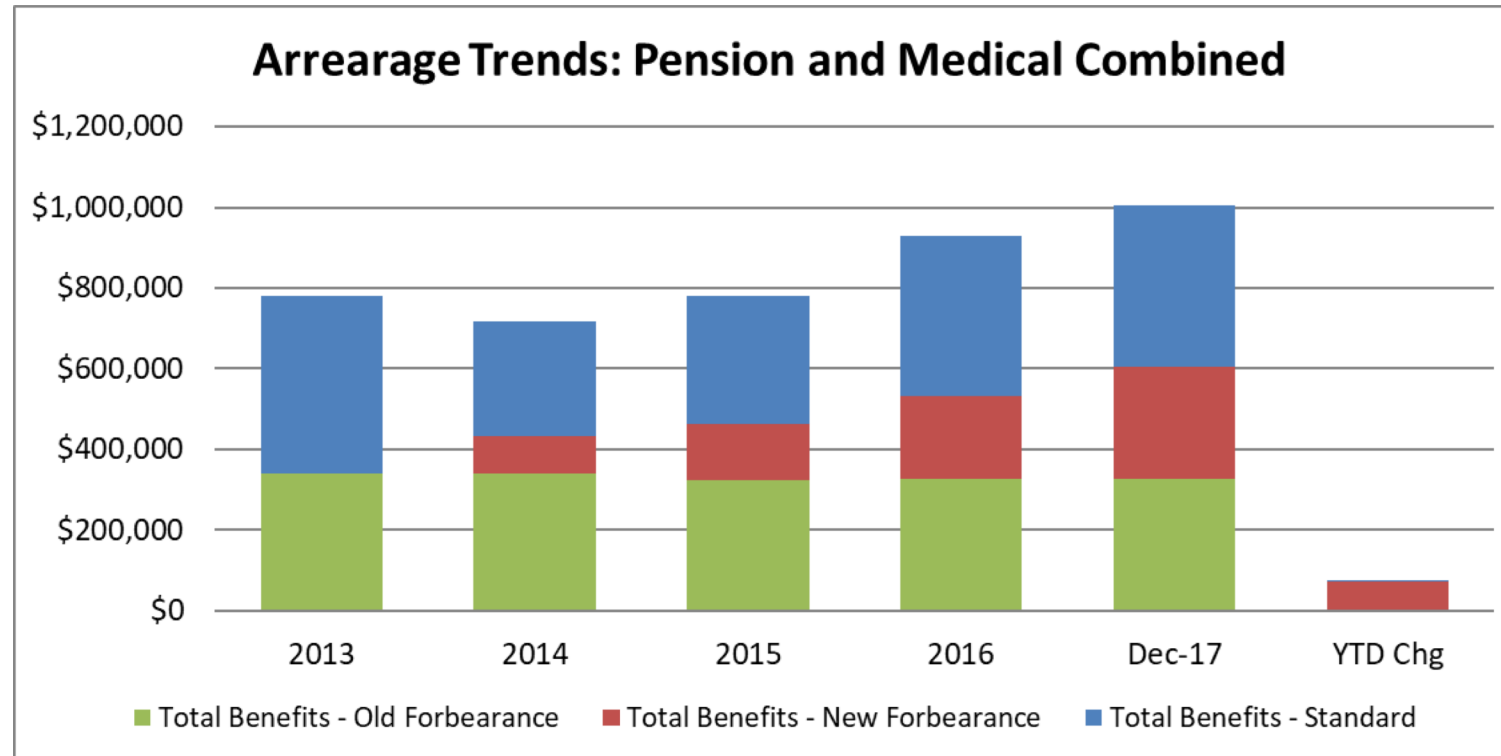
# Retiree Medical Reserves

- We celebrate the success in fully funding the Retiree Medical Reserves

	<u>2008</u>	<u>2017</u>
Funding Status	40%	114%
Benefit Liability	\$46.3M	\$34.2M
Available Reserves	\$18.6M	\$39.1M
Apportionment Funds	\$1.5M/yr	0

## 3. Arrearages

# Benefit Arrearage Trends



- Arrearages increased by 8% in 2017 to \$1.0M
- The rate of increase is less than the 19% increase in 2016

# Forbearance Process

- Pastors and Church Leaders need to be aware if the church is paying all of their bills, especially medical and pension obligations
- If there is a problem, it may indicate a more general church problem
- If the problem is not or cannot be resolved, the church enters a more formal Forbearance Process which leads to:
  - a. Attempts to help the church resolve the problems
  - b. Closing the church

# Forbearance Update

- 10 churches have used the 3-year forbearance process as a mechanism for them to become current with their ongoing pension and medical benefit expenses.
- The old debt is now being transferred to their property as a contingent receivable.

# Recommendations

# Comprehensive Funding Plan

- Evaluates the funding status of all Conference pension and health benefit plans annually.
- Must be approved by Annual Conference
- Printed in the CBOPHB Recommendations

<u>Pensions</u>	<u>Funded Ratio</u>
Pre-1982	140%
Ministerial Pension Plan (MPP)	105%
Clergy Retirement Security Program (CRSP)	107%
 <u>Retiree Medical</u>	
One Exchange	114%

# Summary of Recommendations

1. Retiree health benefits will continue to be provided.  
[One Exchange over 65, HealthFlex under 65]
2. Continue Pre-82 surviving spouse benefit at 85% of participant level
3. As per ¶1506.11, Board has elected to continue 1 remaining special grant. This is a special provision to keep persons from falling through the cracks.
4. Pre-1982 Past Service Rate set at \$720 (4% increase)
5. Comprehensive Funding Plan Details
6. IRS Required Resolution on Retiree Housing Allowance

Thank You

To ask a question, go to [www.menti.com](https://www.menti.com) and use the code 70 01 32



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# Council on Finance & Administration

Phil Potter, CFA President

2018 PreCon

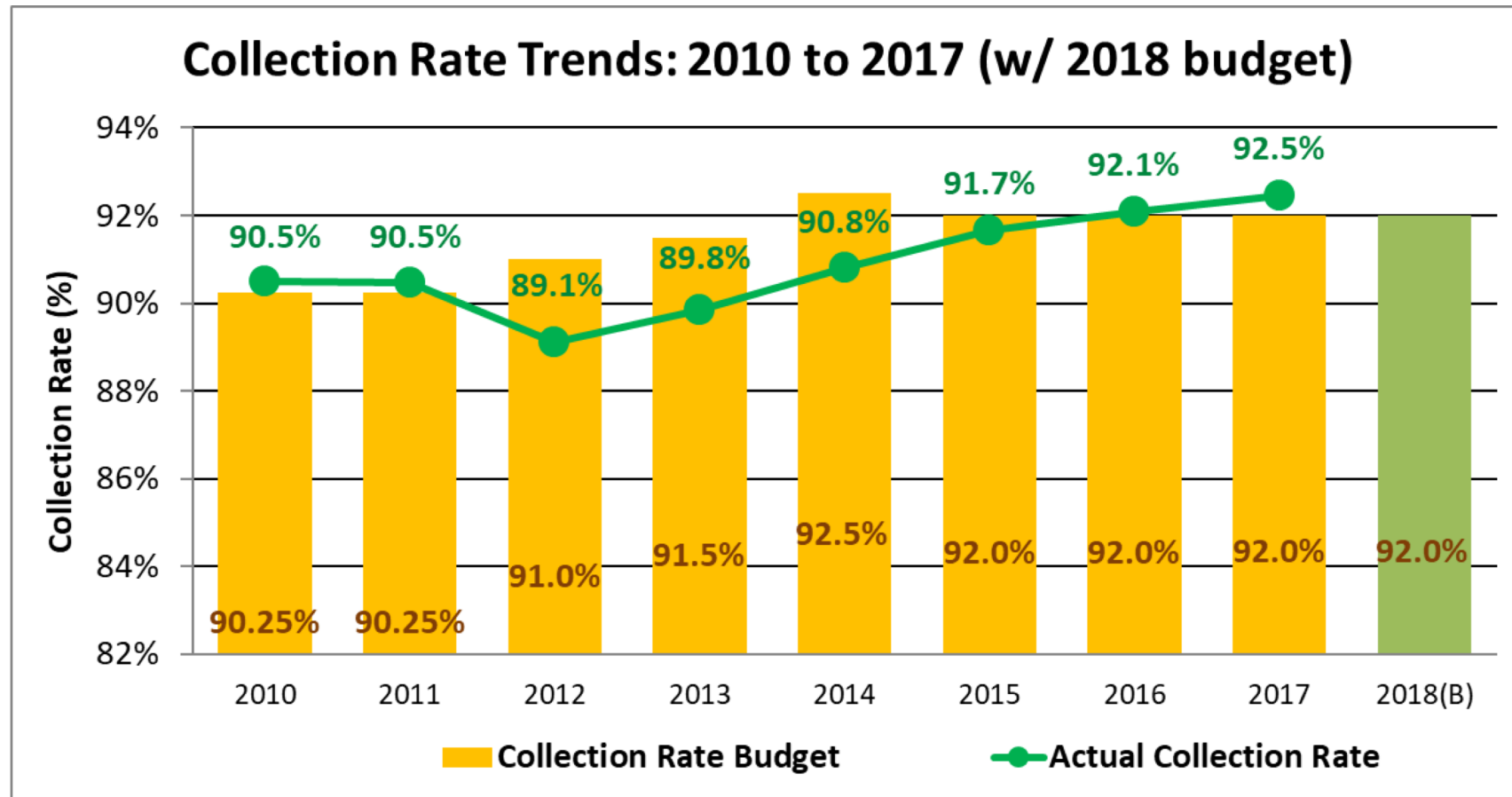
# Agenda

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- Year End Performance Summary
- 2019 Budget Highlights
- CFA Recommendation to Annual Conference

# 2017 YE Results

# BWC Collection Rate Trends

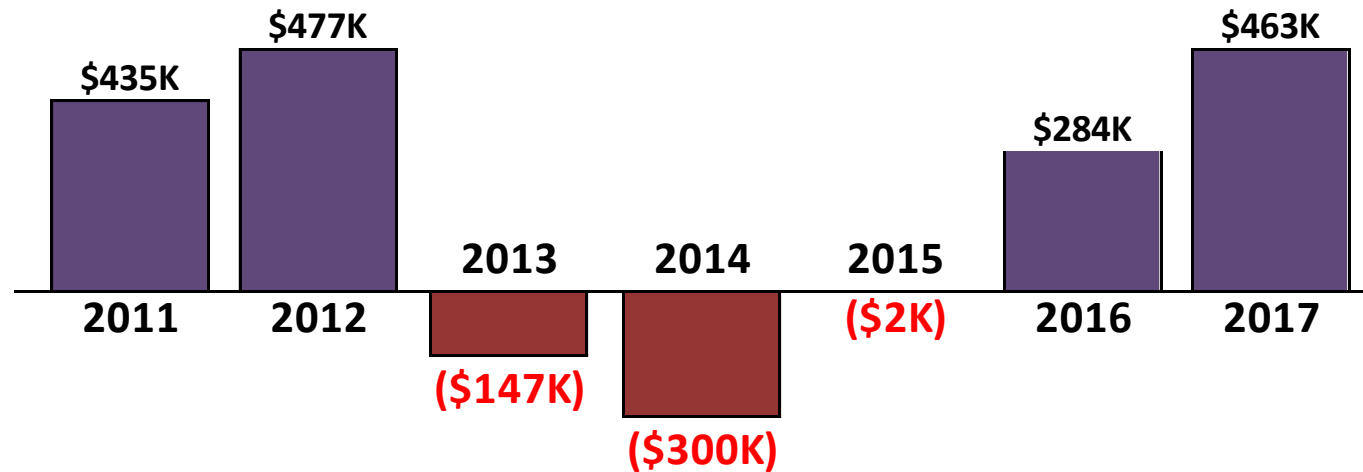


- How much is a 3.4% increase in collection rate?

*\$525,000 of sustained ministry*

# YE Final Results

## Net Income



Net Income (Net Fund Balance) at YE was +\$463K (+2.5%)

### Components of the YE Results:

- Exceeding the Collection Rate Budget +70K
- Retreat and Camping Ministries +39K
- Low Moving Expenses +49K
- Low Legal Expenses +47K
- Low Insurance Expenses +35K
- High Earnings on Investments +103K

# 2019 Budget Highlights

# 2019 Budget Highlights

- The Budget reflects the 5 new focus areas for Discipleship Ministries
  1. Leadership Development
  2. New Faith Expressions
  3. Young People's Ministry
  4. Advocacy & Action
  5. Abundant Health
- Improves our alignment with sources of External Grants that can match our apportionment spending in key areas

**External Grant Income is doubled to \$181,000**

# 2019 Budget Assumptions

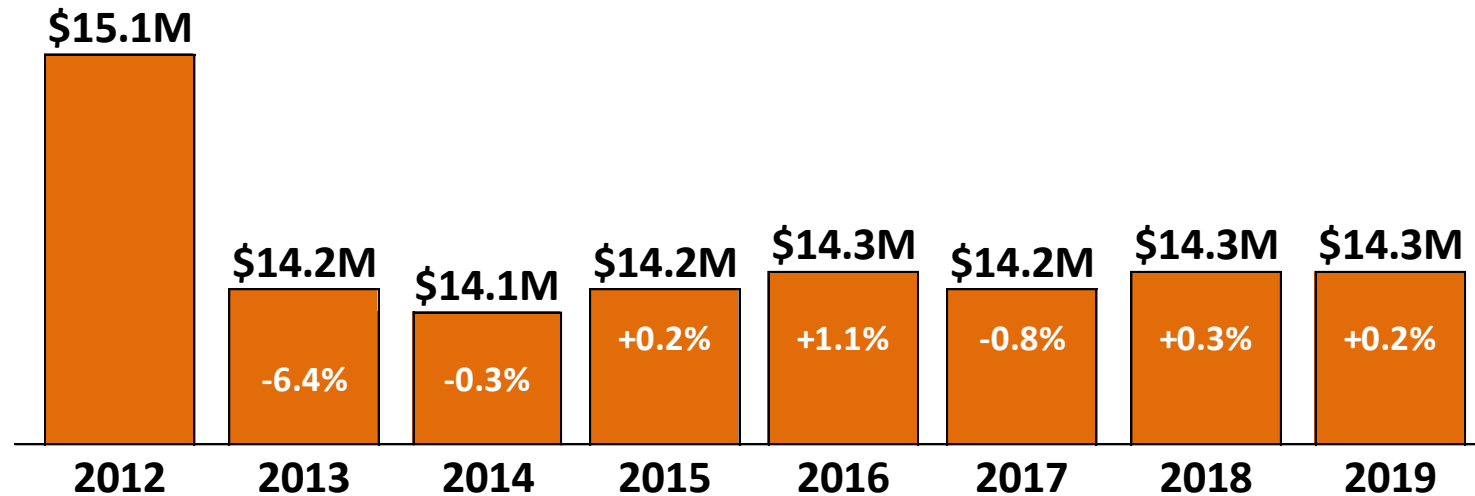
Apportionment Base	X	Benevolence Factor	X	Collection Rate	=	<b>2018</b> Apportionment Income
\$87.4M	X	17.725%	X	92.0%	=	\$14.26M

Apportionment Base	X	Benevolence Factor	X	Collection Rate	=	<b>2019</b> Apportionment Income
\$88.3M	X	<b>17.60%</b>	X	92.0%	=	\$14.29M

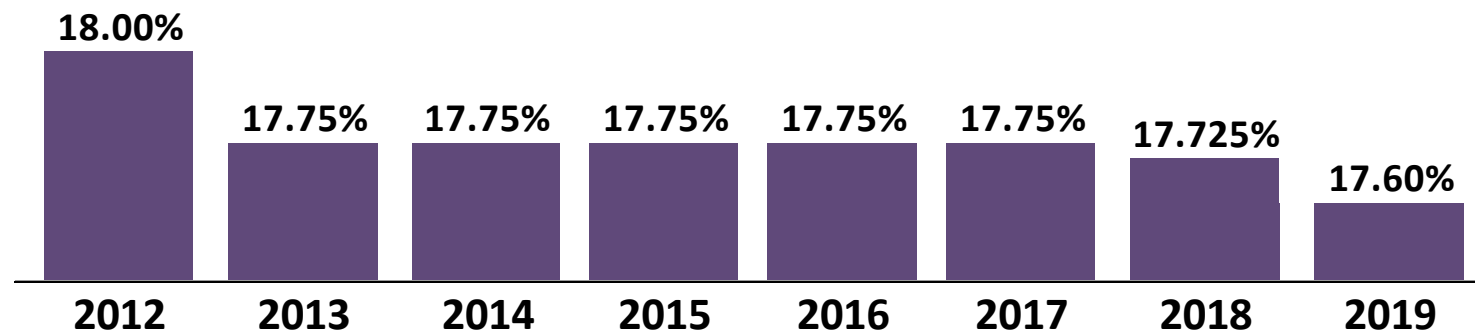
- The apportionment base increased by 0.95% to \$88.3M
- Benevolence Factor was reduced from 17.725% to 17.6%
- Collection Rate was held steady at 92.0%
- Results in an apportionment income increase of \$35K to \$14.29M (0.2% increase)

# Budget Trends

## Apportionment Income



## Benevolence Factor



# 2019 Budget Highlights

- Implements Staff Changes to Fully Align with 5 Areas of Focus
  - ✓ Completes phaseout of Regional Resource Coordinators
  - ✓ Increases District Program Funding to \$15,000 each
  - ✓ Adds new full-time position to lead New Faith Expressions
- Staff salaries increased 2.5%
- Camping continues to forecast good 4.5% growth
- General Church apportionments decreased by \$94K (-2.5%)
- Adding Trustee Funding from Sale of Closed Churches to support New Faith Ministries - \$200K
- Completes the building of CFA reserves to 15% of annual income
- Continues accelerated debt payments - \$600K (*last payment in 2022*)

# A New Way of Funding Ministry

Example: Young People's Ministry - 2019

EXPENSES	2019 BUDGET	
	2018 BUDGET	PROPOSED
Strategy/Program		
Missional Innovation Grants		50,000
Young Adult Event		20,000
Youth Worker Retreat		20,000
Resource Development		10,000
Program Support		6,000
Administration		5,000
Youth Ministry - CCYM	51,053	
Young Adult Strategy		
<b>Total Strategy/Program</b>	<b>51,053</b>	<b>111,000</b>

- Existing funding (\$51K) is combined with new revenue from external grants (\$33K) and event fees (\$10K).
- Missional Innovation Grants will support seeds of ministry being planted in the mission field while additional funding will be focused on core initiatives and resource persons to help leaders on the ground implement.

# A New Way of Funding Ministry Advocacy & Action

EXPENSES	2018 BUDGET	2019 BUDGET PROPOSED
Advocacy and Action		
Strategy/Program		
Missionary Innovation Grants		30,000
NEJ Call to Action	15,600	30,000
reCALL Summit		45,000
Contract Services		15,000
Program Support		6,000
Administration		3,500
Asian-American Ministry, Operating Fund, Commission on Disabilities, Legislative Advocacy, Drugs and Violence, HIV AIDS, Children and Poverty, Religion and Race, Ethnic Local Church Concerns, MD Interfaith Legislative Committee Grant, Unity & Ecumenical Concerns Grant, Unity & Ecumenical Concerns Operating Fund; Status and Role of Women	81,502	
<b>Total Strategy/Program</b>	<b>97,102</b>	<b>129,500</b>

- Existing funding (\$97K) is combined with new revenue from external grants (\$20K) and event fees (\$35K).
- Missionary Innovation Grants will support seeds of ministry being planted in the mission field while additional funding will be focused on core initiatives and resource persons to help leaders on the ground implement.

# A New Way of Funding Ministry Abundant Health

<b>EXPENSES</b>	<b>2018 BUDGET</b>	<b>2019 BUDGET PROPOSED</b>
Abundant Health		
Strategy/Program		
Missional Innovation Grants		50,000
Contract Services		15,000
Program Support		6,000
Administration		3,500
Education and Cultivation, Volunteers in Mission, Disaster Response, Refugee Resettlement-UMCOR, School of Christian Mission, Parish Nurse Ministry, Quality of Life Retreats Grant, Appalachian Development Grant	25,802	
<b>Total Strategy/Program</b>	<b>25,802</b>	<b>74,500</b>

- Existing funding (\$26K) is combined with new revenue from external grants (\$25K) and event fees (\$2K).
- Missional Innovation Grants will support seeds of ministry being planted in the mission field while additional funding will be focused on core initiatives and resource persons to help leaders on the ground implement.

# Budget Risk Management

## A 4-Year View of Potential Risks

- Future Risks

- New Tax Bill
- 2019 Special Session

### 2019-2022 Magnitude of Risk Potentials

10% Apportionment Decline	\$5.7M
15% Apportionment Decline	\$8.5M
25% Apportionment Decline	\$14.2M

- Risk Mitigation Approaches = \$29 Million

- Spend CFA Reserves \$ 2.4M
- Eliminate Accelerated Debt Payments 2019-2022 \$ 1.5M
- Eliminate Building Reserve Payments 2019-2022 \$ 0.4M
- Reduce Grants to Local Churches 2019-2022 \$ 4.8M
- Implement Staff Reductions – 2019-2022 \$ 4.8M+
  - 10% - \$0.6M per year (Salary & Admin)
  - 20% - \$1.2M per year
- Reduce General Church Apportionments 2019-2022 \$14.8M

# CFA Recommendations

1. Proposed 2019 budget = \$18,730,264
2. Proposed 2019 Benevolence Factor = 17.60%
3. Combined Apportionment Budget Ratio Statement:  
33% World Service  
67% Conference and General Church Benevolences
4. Independent Auditors for 2018 - Ellin & Tucker
5. Close 2018 books on January 15, 2019
6. Grant authority to CFA, in consultation with the Bishop and the Cabinet, to act on financial matters between sessions of the Annual Conference



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# Commission on Equitable Compensation

Rev. Jim Johnson, Chair

2018 PreCon

To ask a question, go to [www.menti.com](http://www.menti.com) and use the code 70 01 32

# Commission on Equitable Compensation

## Recommendations:

In consultation with the cabinet, the COEC recommends that the minimum salary for 2019 be increased by 2% or \$863 to \$44,012.

We are recommending the housing allowance be increased by 2%, or \$397 to \$20,263.

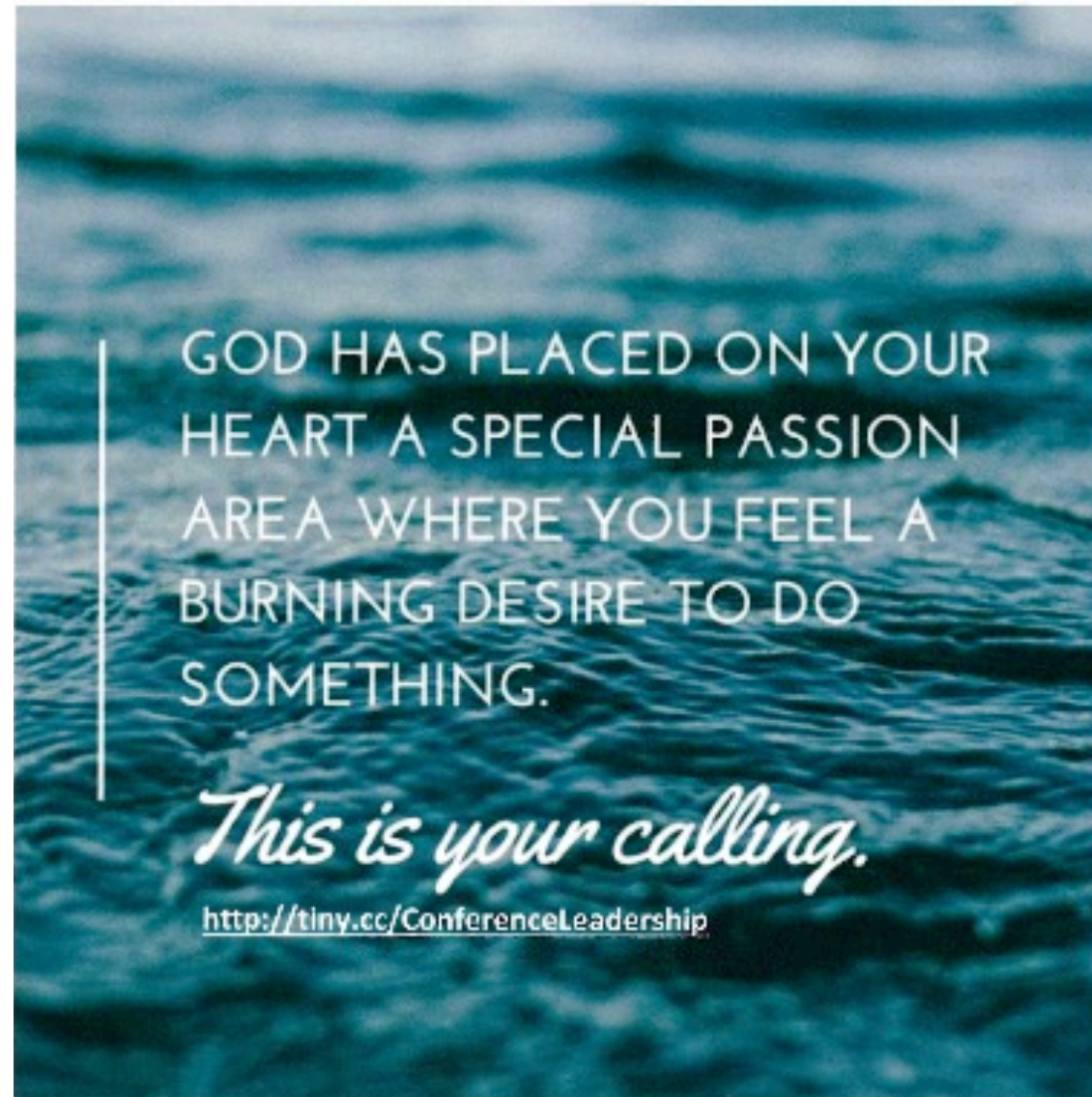
Thank You

To ask a question, go to [www.menti.com](https://www.menti.com) and use the code 70 01 32

# Nominations Report

Sarah Ford





To ask a question, go to [www.menti.com](http://www.menti.com) and use the code 70 01 32

# Testing Fresh Approaches

- Spiritual maturity
- More dimensions of diversity
- More dialogue
- A discernment process
- Transition plan for incoming chair persons
- More collaboration

# THE BALTIMORE-WASHINGTON CONFERENCE OF THE UNITED METHODIST CHURCH

## CONFERENCE LEADERSHIP REPORT 2018

*“...The gifts he gave were that some would be apostles, some prophets, some evangelists, some pastors and teachers, to equip the saints for the work of ministry, for building up the body of Christ, until all of us come to the unity of the faith and of the knowledge of the Son of God, to maturity, to the measure of the full stature of Christ.”*  
*Ephesians 4:2-8; 11-13 (NRSV)*

In an effort to honor these gifts and our diversity, we seek to engage all in building up the body of Christ. The Conference Commission on Nominations seeks<sup>1</sup> to have regional, racial, gender, age and lay/clergy inclusiveness in all committees, commissions, boards and agencies (hereinafter “agencies”) and chairpersons. This includes working toward having 20-30% of all agencies comprised of persons under 40.

We recommend that agencies identify their meeting dates for the year no later than September 1 of the current year. Care should be given to scheduling meetings at times when most laity are available to increase lay participation. If a member of an agency is absent from two consecutive meetings without an acceptable reason, that person shall cease to be a member.

**The terms of office for a particular agency are as follows per Book of Discipline and Baltimore-Washington Conference policies:**

1. The quadrennial system is an established part of The United Methodist structure. All members of agencies shall be elected for a quadrennial unless restricted by Discipline, charter, or some other requirement. In the event of such legal restrictions, the Tenure Limitation is still to be observed.
  - a. All quadrennial terms shall commence on July 1 following the adjournment of the first Annual Conference (hereinafter “AC”) session following General Conference, except the Conference Treasurer, whose term shall begin on January 1 of the following year.<sup>3</sup>
  - b. When persons are elected quadrennially, they serve a maximum of two terms, except for the Board of Ordained Ministry members which may serve a maximum of 3 terms (BOD, ¶635.a).
2. All other terms shall commence on July 1 following the AC Session in which persons are elected or

**DISCIPLESHIP: LEADER DEVELOPMENT**

**DISCIPLESHIP: NEW FAITH EXPRESSIONS**

**DISCIPLESHIP: YOUNG PEOPLE'S MINISTRY**

**DISCIPLESHIP: ADVOCACY AND ACTION**

**DISCIPLESHIP: ABUNDANT HEALTH**

**DISCIPLESHIP: OTHER**

## **DISCIPLESHIP: ADVOCACY AND ACTION**

### **INTERIM ADVOCACY AND ACTION NETWORK**

*Caring for the functions of Board of Church and Society ¶629, Commission on Christian Unity and Interreligious Concerns ¶642, Commission on the Status and Role of Women ¶644, Committee on Native American Ministries ¶642, and some of Committee on Ethnic Local Church Concerns ¶632 and Commission on Small Member Church ¶645*

*Interim board members serve a term of 1 year.*

Katie Nash WS

Thomas Contee SO

Jan Taylor BA

Rev. Shannon Sullivan WS

Rev. Laura James BA

James Wills BA

Rev. Stephen Tillett SO

Jorge Granados-de la Rosa WA

Rev. Dottie Yunger SO

Pat Marks WA

Ex officio:

UMW: Open

Peace with Justice Coordinator: Rev. Diane Dixon-Proctor

Parish and Community Development: Rev. Eric King

Korean Caucus: Rev. Yo-Seop Shin

Strengthening the Black Church: OPEN

Committee on Hispanic/Latino Ministries: Rev. Eliezer Valentin-Castanon

Asian Ministry: Rev. DaeHwa Park, Rev. Biak Chhunga

United Methodist Women Social Action Coordinator: Monsio Seedee

Members of ecumenical committees within the conference and denomination

General Commission on Christian Unity and Interreligious Concerns Director: Darlynn McCrae

Staff Representative: Stacey Cole Wilson

To ask a question, go to [www.menti.com](http://www.menti.com) and use the code 70 01 32

## Current Report Openings

- **Leadership Development Interim Board**
- **New Faith Expressions Interim Board**
- 1 person for **Ministry Relationship Oversight Committee** (BA)
- 1 person for **Commission on Communications** (BA or SO)
- 1 person for the **Mid-Atlantic Foundation** (WA)
- 1 person for **Equitable Compensation** (WS)
- 1 person for **Rules Committee** (WS)

<http://tiny.cc/ConferenceLeadership>



# Resolutions Conference Secretary

Cynthia Taylor



# The Baltimore-Washington Conference Mission Statement

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Bonnie Scott / Jen Ihlo



Africa University

Page # 14

Doug Schmidt



# Moving Policy Amendment

Page # 17

Jeff Paulson



# Love Without Qualification

Page # 18

Deb Scott / Angela Flanagan



Way Forward  
Accountability Covenant  
Page # 19  
Deb Scott / Angela Flanagan



# Call for Full Inclusion

Page # 23

Deb Scott / Angela Flanagan



# The Baltimore-Washington Conference Delegation Report

Delores Martin



# Questions and Answers

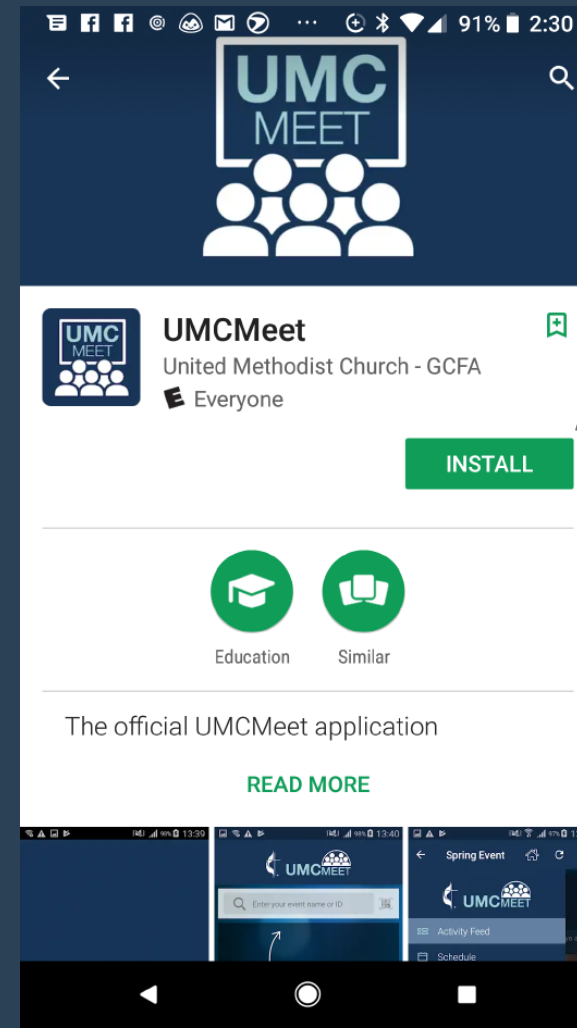
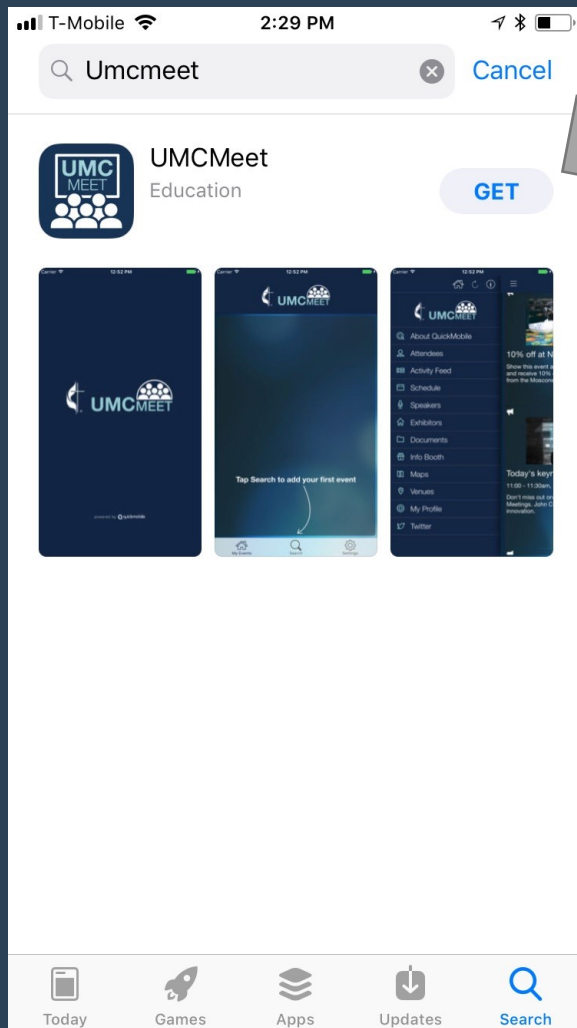


# Introduction of The Baltimore-Washington Conference App

Cheryl Cook



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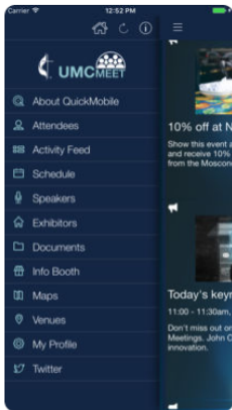
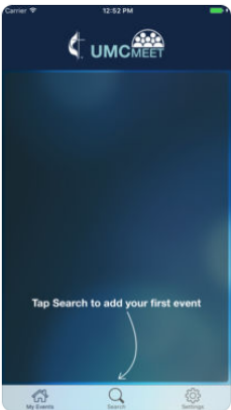
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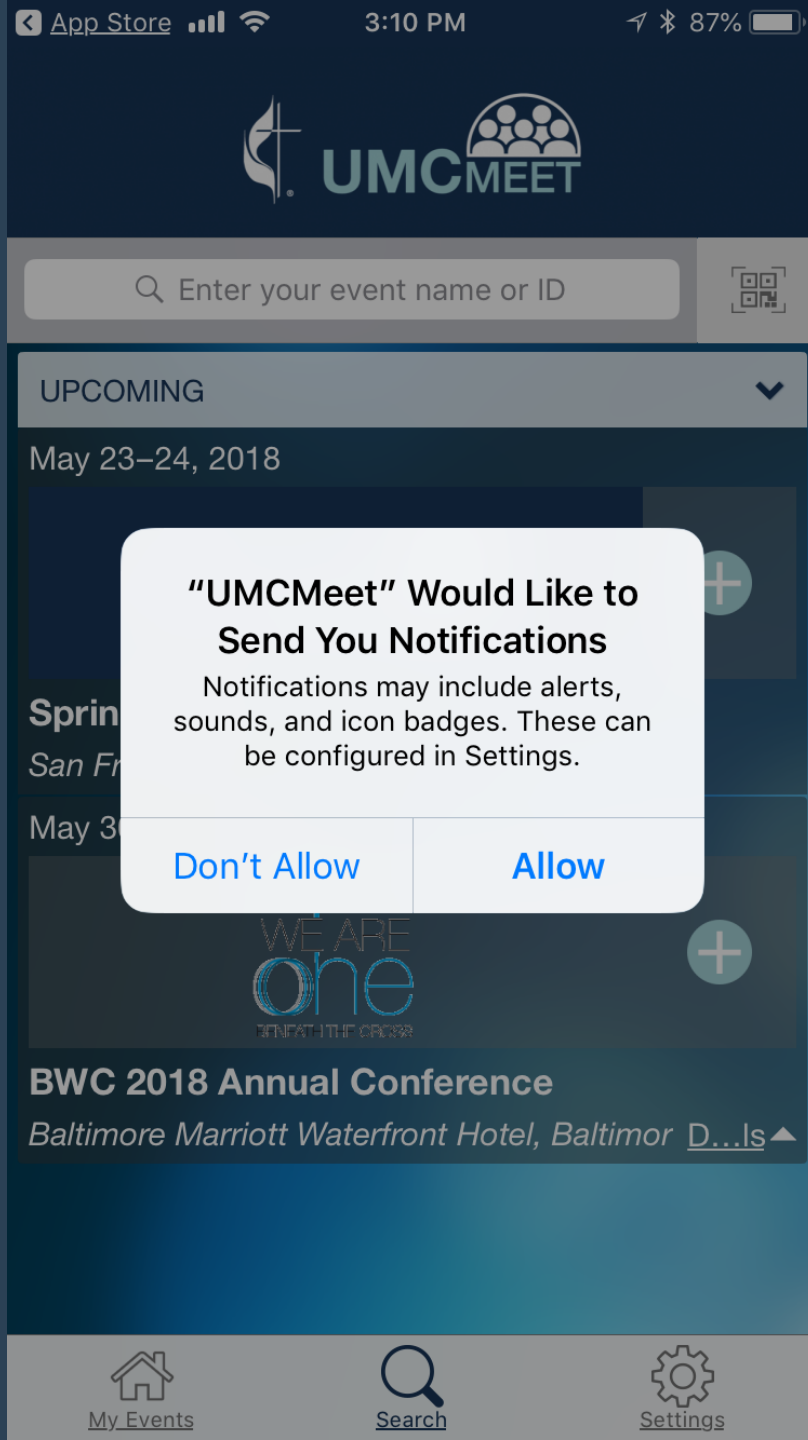


Updates



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information





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UPCOMING

May 23–24, 2018



**Spring Event**

*San Francisco*

May 30–Jun 1, 2018



**BWC 2018 Annual Conference**

*Baltimore Marriott Waterfront Hotel, Baltimor D...ls*



My Events



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# Select BWC 2018 Annual Conference





### Password Required

This event requires a Password to access. Contact your event organizer for the Password.

Cancel

Add Event

Spring Event

San Francisco

May 30–Jun 1, 2018



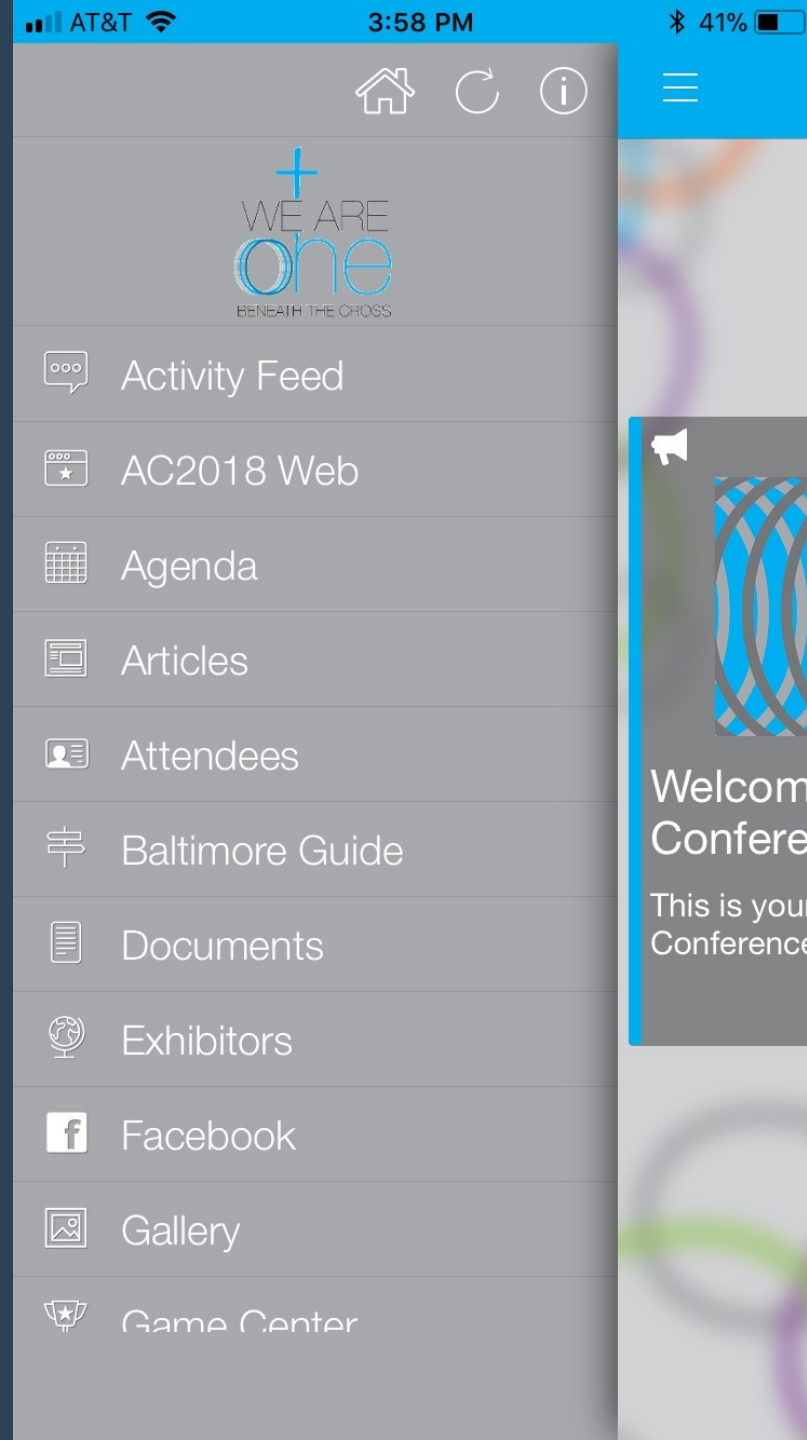
# Enter Password: bwc2018



# Menu



# Options & Features



# Closing Prayer

