



# **Report to the Mountain Sky Area United Methodist Church**

**Regarding Opportunities and Challenges  
In Creating a Single Conference**

**by**

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## Preface

*But the Lord Who has watched while my weary toil lasted  
Will give me a harvest for what I have done....*  
The “Brother Van Song”

The Yellowstone and Rocky Mountain Conferences are the result of tens of thousands of Methodists who, over the decades, have maintained a faithful, fun and fruitful witness in their beautiful part of the United States. Today, Methodists are continuing to reap the bountiful harvest their ancestors sowed. They are the current stewards of this awesome legacy. Looking into the future, today’s Methodists in the Mountain Sky Area are considering the possibility of joining their faith and forces in a single Conference that would stretch from southern Colorado to northern Montana. As one lay leader said, “It would be a Conference of unprecedented size.” If done well, a new Conference can also build upon and expand the enormous success Methodism has had in the region.

The task before me, as a consultant, was to interview and listen to over one hundred members and staff of the two conferences, analyze data (financial, membership and mission) from the recent past and present, and lead conversations amongst the leadership of the Conferences. In this report, I will share what I heard, describe the options that seem to exist if the Conferences are to become one, make suggestions about best practices for the new Conference’s organization and share insights about the opportunities and challenges inherent in building a new Conference culture that will flow out of the two existing Conference cultural systems.

It has been an honor and privilege to work with the people of both Conferences. I have been deeply impressed and continually inspired by the commitment Conference laity, clergy and staff bring to ministry. There is a good-natured, warm-hearted joy present amongst you that is increasingly rare in mainline denominations these days. The rugged individualism and entrepreneurial spirit one associates with the western part of the United States is a great asset you bring to bear on your ministries.

This report does not have mandates. It has recommendations. The readers of the report will make the decisions as to which recommendations will help grow the Methodist witness in the Mountain Sky Area. With absolute trust in the readers of this report, I present my findings and recommendations.

Yours in Christ,

*John W. Wimberly, Jr.*

Congregational Consultant

## Executive Summary

The Yellowstone and Rocky Mountain Conferences have a unique opportunity to create a model Conference for the 21<sup>st</sup> Century that will advance and strengthen the ability of congregations across the region to make disciples and serve their communities. The discussion about a single Conference are fueled by a vision “to empower local churches and laity to achieve the Mission of the United Methodist Church.” The vision will direct the new Conference’s resources toward the well-being of congregations and clergy.

There has been no rush to make a decision on this issue. Conversations have extended over years, not months. The time to decide, for or against, one Conference is now. In the months ahead, issues need to be discussed and debated in very specific, concrete terms about the mission, organization, finances, appointments, etc. of a new Conference. With such a healthy debate, the Annual Conferences can make an informed, reasoned decision in Ogden in 2018.

The new Conference will be more about congregations, circuits and Districts than about Conference programming. Methodism came to the West as a grassroots movement. Consistent with the Purpose Statement (Appendix B) of a new Conference, the recommendations in this report can help return the Conference to a grassroots orientation. To achieve this reorientation, the new Conference will need redesigned organizational and Conference staffing plans.

Recommendations to that end include:

- Less emphasis on Conference-wide meetings, replaced by more regional, District and circuit meetings.
- A single, strong Conference governing council made up of equal parts of clergy and laity.
- A staff that has an Interim Transitional Leader to create a less hierarchical, team-oriented, high performance, responsive, congregation-oriented staff.
- Intentionally recruiting younger (Gen X and Millennial) leadership at all levels of the Conference’s leadership.
- All Conference finances handled in a single location.
- Immediately bring the financial system and reports up to GAAP (Generally Accepted Accounting Practices) standards. Quickly assemble 2018 budgets for each Conference and a 2019 projected budget for a single Conference.
- Consider moving the current office in Denver to a location near a landmark Methodist institution such as Iliff School of Theology.

The report recommends that it would be penny wise-pound foolish to create the smallest staff possible. In comparison with many Conference staffs around the country, the current staff is already relatively small. The goal should be to create a staff that will accomplish the Conference’s purpose and priorities. To that end, there are recommendations to add staff working in the areas of youth-campus ministry-young adults with special attention to nurturing future leadership for the church; add a second Congregational Vitality person by changing one current staff’s person job description; add the equivalent of a part-time person to the technology area; add a part-time paid or volunteer position to handle real estate matters; and perhaps add a part-time person in the accounting/finance area. This will add some expense to the personnel

budget but potentially will make a significant increase in the effectiveness and efficiency to the Conference's ministry. The added expense should be viewed as what it is: an investment in the future of the church's effectiveness in the Mountain Sky Area. Starve the start-up of the new Conference with the smallest possible staff and the results will be predictably bad.

A major recommendation seeks to eliminate the current two "silos," 1) Finance and Administration and 2) Mission and Ministry, by hiring an Interim Transitional Leader who will create a single Conference staff culture and handle the many issues that will come up in the transition from two to one Conferences. The Finance area will be headed by the Treasurer and there will be Superintendents in the areas of Leadership Development and Congregational and Community Vitality. The three will report to a single Interim Transitional Leader who will report to the Bishop. It is envisioned the Conference will need this position for two years. It can be re-evaluated at the end of two years and continued if it is deemed necessary, at that time.

In considering the future of the two Conferences, it should be understood that if they continue as two separate entities, each will require significant work redesigning their organizational and staff designs. In other words, organizational change is coming whether there is one Conference or two. Having one change process rather than two seems to make all kinds of sense.

## **History of Rocky Mountain and Yellowstone Conferences Conversations**

There has been considerable discussion and disagreement about the way in which the idea of a union of Rocky Mountain and Yellowstone Conferences has taken place. Some people think the process has been too slow; others too fast. Some people think there has been an attempt to force a merger; others think Conference leadership has not been firm enough in moving the process forward. At this point, it is time to stop discussing the process and make decisions about the content.

Regardless of what one thinks about the past process, this report will name the issues that Conference members have identified as needing resolution, listing various options as to how they can be decided.

*Recommendation: After receiving this report, the Bishop will appoint small teams to discuss each of the specific issues identified. The teams will be given a very short time frame to make recommendations. The recommendations will then be voted upon (always open to amendment) by the appropriate governing bodies.*

## **History of Conference Mergers**

In 2014, a GCFA research team put together an analysis of thirteen UM Conference mergers that have taken place since 1986. The study concluded, “With few exceptions, the membership and average worship attendance of merged conference was not affected by the merger and continued to decline along the national average.” (May 23, 2014 The GCFA Research Team).

While it is perhaps understandable that the research team would rely on readily available hard statistics such as membership, worship attendance and apportionments, it is highly questionable whether these categories are the best way to measure the success or failure of a Conference merger. These three are “lagging indicators.” They are the results of decisions made in the past. They also are reflective not of mergers, *per se*, but of trends in all the mainline denominations.

If the Rocky Mountain and Yellowstone Conferences become one, “leading indicators” need to be established that are creative and trustworthy foretellers of the future. Leading indicators show positive trends before the fully formed reality is visible. Moving forward, the following questions might provide more insight into the success of a new Conference than the metrics relied upon by GCFA: “Is the new Conference better able to support clergy and congregations in their regions?”; “Has the Conference adopted state-of-the-art communications systems and techniques to help its congregations and clergy deliver the Gospel in the 21st Century?”; “Does the Conference have a renewed sense of commitment to making disciples of Jesus Christ?” (Worship attendance and membership would be only two of many indicators one could use to measure such commitment); “Are there less complaints about a ‘lack of communication’”; and “Has the merger resulted in Conference staff, program and finances being more properly aligned with the new Conference’s stated mission?”

The difficulty of measuring the outcomes of such questions is why we tend to ignore creating them and stick with numbers relating to church membership. However, if we cannot define success, we will never know if we have been successful. Methodist theology and tradition supply an abundance of measurements that can serve as leading indicators of success in ministry. Creative, determined minds can create measurements to determine whether a new Conference is, in fact, supporting clergy and congregations, more committed to making disciples, or communicating the Gospel with 21st century means.

*Recommendation: The specific teams charged with handling strategies related to the creation of a single Conference will come up with their own performance measures and timelines. They will define, in advance, what “success” will look like. The Conference’s governing board will review regularly the performance measures and timelines for all strategies adopted in relation to a union of the two Conferences.*

## Foundational Assumptions

In the beginning, the church evolved from a single congregation in Jerusalem to numerous congregations started and/or nurtured by Paul in cities throughout the Jewish Diaspora. In a Spirit-driven mission initiative, the congregations became connected to one another through offerings Paul collected to help the economically poor members of the congregation in Jerusalem. In the centuries that followed, congregations also became connected through their relationships to Bishops in cities such as Antioch, Alexandria and Rome. Given this history, it is legitimate to consider congregations the foundational building block of the church. However, it is equally important to affirm the importance of connectionalism and the role of Bishops in the development of the Church's life.

During the last half of the 20th Century in the United States, mainline denominations developed large denominational structures at the national, regional and local level. In Methodism, this meant the growing importance of General Conference agencies and Conferences. By the dawn of the 21st Century, these denominational structures were struggling financially and with clarity of purpose. As mainline congregations have declined in membership and worship attendance, there has been a "trickle-up" impact on the judicatories. Less money is moving "up" to judicatories. As a result, they have had to cut budgets, downsize staff and rethink their reason-for-being.

The approach used in this report acknowledges and builds on what the following assumptions:

- In this process of discernment, we are attempting to understand what God would have Methodists do and be in the Mountain Sky Area. To that end, how would God want us to best organize ourselves to fulfill God's mission?
- The 21st Century has been and will continue to be the Century of Congregations. Congregations are now the focal point of ministry. In many small, rural communities, they are one of the last community institutions standing. In many urban locations, they are a powerful reminder of the sense of community that once existed and needs to be recaptured as well as home to social service delivery systems. In many suburban contexts, they remain gathering places for everything from sacred worship to secular day care programs.
- Mainline judicatories need to rethink their purpose in light of the importance of grassroots, congregational ministry. They need to be considering whether money should be flowing "up" in our denominational systems, in the same patterns it did in the past, or whether more funds should remain in place at the local level as an investment in congregationally-based ministry.
- Connectionalism in the 21st Century will be redefined by the use of technology. Younger generations "connect" with each other and make large geographic expanses disappear with their use of social media, the internet, text messages, etc. Can congregations and judicatories use today's and tomorrow's technology to create a new sense of what it means to be a connectional church?

## **The Question: To Unite or Not to Unite?**

The question as to whether the Yellowstone and Rocky Mountain Conferences should become one entity has been discussed for many years. In early 2016, Bishop Elaine Stanovsky reminded Mountain Sky Methodists that she was the third consecutive Bishop to raise the possibility of creating a new, single Conference. The extended time over which this subject has been discussed and debated may very well have exacerbated the sense that there is a significant division of opinion. The subject has been discussed with too many generalities and too few specifics.

In interviews with District Superintendents, clergy and lay leadership and staff, the consultant heard more consensus than division regarding the idea of creating a new, single Conference. People tend to like the idea of eliminating what seems like an artificial line based on state lines in favor the use of geography (the Rocky Mountains) as a forming principle. In a Question and Answer document created by Mountain Sky Area members looking at a possible union, the benefits of a new Conference were explained as:

- an opportunity to re-imagine and re-think the purpose of the annual conference;
- more creative alignment of resources;
- freeing some resources currently used for two, sometimes redundant administrative staffs for other ministry purposes;
- new relationships among clergy, laity and local churches will be formed.

These benefits were cited frequently by most of the people interviewed for this report.

The issue of reunion has also been framed, by some, in negative terms. This position can be summarized as: “Both Conferences are on an unsustainable path of decline. The financial bottom line will determine this decision.” The consultant heard numerous leaders complain about this argument as uninspiring and/or not a compelling rationale for change.

Bishop Oliveto has projected a strong vision for change rooted not so much in organizational structure as in purpose. She believes the Conference needs to see its primary purpose as supporting and empowering local congregations and their leadership. This is a purpose that resonated well with the people interviewed for this report. There is a strong consensus in the Mountain Sky Area about the importance of God’s work in and through congregations at the grassroots, community level.

Interviewees talked about numerous ways in which a new Conference might support congregations and their leadership:

- The use of circuits is widely viewed as filled with potential for building connectionalism at the grassroots level.
- Clergy can be brought together regularly both for purposes of fellowship and continuing education.

- Mission can be done in hands-on ways at the congregational level. Younger generations prefer a hands-on approach rather than sending money up a denominational hierarchy for use in a Conference benevolence budget.
- The Conference can build a 21st Century communication system that connects congregations who oftentimes have been forced to do ministry in isolation from one another, almost from their creation.
- The Conference can organize regional gatherings (for groups of women, men, clergy, etc.) that will create a strong sense of connectionalism among the attendees.
- The Conference can recruit, train and validate leadership for congregations. This is particularly important for smaller congregations.
- District Superintendent leadership can be liberated from processing a lot of forms and spending huge numbers of hours in a car to developing regional strategies for mission.
- The Conference can redirect its program and staff to enabling congregations.

When the conversation was focused on these issues, the consultant heard a lot of enthusiasm for a new Conference.

*Recommendation: It is important for Conference leadership to frame the decision regarding a single Conference in positive, inspiring terms rather than in a depressing acquiescence to the decline in membership and financial resources. If the decision is viewed as an opportunity to grow the church and create new disciples rather than organizational retrenchment, there are strong reasons to believe it will be approved at the Annual Conferences in 2018. Since congregations are where church growth takes place, Bishop Oliveto's vision for a congregationally-oriented Conference seems to be spot-on.*

### **Getting Specific**

One of the things undermining progress on a single Conference has been a lack of specificity. The consultant heard several key areas of concern expressed repeatedly. There is general anxiety about the large geographic size of the proposed new Conference. However, there are some very specific concerns that are generating potentially game-changing anxiety. They are:

1. "I don't want to live there." Numerous clergy in both Conferences expressed strong opinions ranging from a lack of enthusiasm to outright opposition to being appointed to the "other" Conference. Some clergy in Montana, for example, don't want to live in big cities on the front range while some clergy on the front range have no desire to live in Montana. Until some agreement is reached on the appointment process for a new Conference, there will be passive aggressive and active resistance.
2. "This is too big." Lay people, in particular, worry about the extra time and expense that will be required to travel to conference meetings and events in a new Conference.
3. "Is this thing financially driven?" Rumors of Yellowstone being in imminent danger of financial collapse have led to speculation that the primary driver of a new Conference is financial. In fact, as the end of 2017 approaches, it appears that

- Yellowstone will not have a financial deficit at year's end. But the financial concern remains.
4. Staff in both conferences are understandably concerned about how a new Conference might impact their employment status.

By laying out, by mid-February 2018, specific recommendations as to how these concerns might be addressed, this report attempts to move the discussion from the theoretical to real time. Frankly, accepting or rejecting particular recommendations isn't as important as having discussions around specific recommendations.

Finally, the issue before the two Conferences is not whether they will devote a lot of time to organizational transformation. The current organizations are consuming too much time, energy and money to be sustainable moving forward. Therefore, even if the Conferences remain separate, each will need to do almost a complete rebuild of its organizational life.

In discussing a possible new Conference, participants have an opportunity to come together and build a new reality that will be a model for Conferences around the country. A new Conference can embrace the best practices of 21<sup>st</sup> Century organizations including:

- Highly focused and aligned
- Non-Bureaucratic, fewer rules, more policies, more freedom as to how policies are implemented, more empowering, less control
- Externally oriented
- Transparent/Open/Candid
- Higher levels of risk tolerance
- Investing in growth
- A learning organization, constantly training staff, congregations and members

The issue before Rocky Mountain and Yellowstone Conferences is whether the Conferences should unite and build a model new Conference or remain apart and do two, separate rebuilding efforts.

## **Organization & Governance**

Thriving 21st Century organizations are not driven by top-down, command-and-control decision-making processes. On the contrary, they decentralize decision-making power into small groups/teams that can be more innovative and responsive. While Yellowstone Conference does not require many people to govern its ministry, Rocky Mountain's governance system resembles the large, bureaucratic entities of 20th Century mainline Protestant judicatories. Apparently as many as 500 people are needed to fill the slots for Rocky Mountain's Boards, committees, task forces and teams.

The creation of a new Conference creates the opportunity to rethink governance in the Mountain Sky area. *The Book of Discipline* has some amazing language to empower creative construction of a new Conference organizational life. Section 610 of states, "1. Annual Conferences are permitted the flexibility to design conference and district structures that best support the mission of making disciples of Jesus Christ in an increasingly diverse global community and that place secondary any prescribed structure, except for the mandated entities in 610 above. ...Further, conferences are permitted to create contextually appropriate structures that encourage collaboration and partnerships among all program, administrative and financial entities" This is an exciting invitation to be creative in the way the new Conference is organized and governed.

It would be inappropriate for a consultant to suggest the exact details of a new organization. That is work for members of the new Conference. However, there are some basic principles that will be important to consider as the Conference's governance and organization is built.

### **Transparency**

The current systems for both Conferences are not producing a transparent decision-making process. Part of the problem is a lack of a comprehensive communication strategy regarding governance decisions. However, another part of the problem lies in the large number of entities that have decision-making authority: the Cabinet, Board of Stewards, Council on Finance and Administration, Board of Ordained Ministry, Lay Council, and more.

Many people interviewed in preparation of this report expressed a lack of knowledge not only about what decisions are being made but confusion about who is making them. In our 21st Century, suspicious-of-institutions culture, this is a recipe for building distrust and dissent. To create a transparent decision-making process, conference members need to be clear about who is in charge of what. They also need to know, almost immediately, what decisions are being made and the rationale for making them.

### **A Clear Center of Strategic Decision-Making**

There does not appear to be one entity in either Conference that makes all the big, strategic decisions. This is unhelpful. The Book of Discipline 424.4 gives the Cabinet wide authority: "The cabinet is charged with the oversight of the spiritual and temporal affairs of a conference, to be executed in regularized consultation and cooperation with other councils and

service agencies of the conference.” However, when put together with the language from Section 610 cited earlier, the Cabinet is fully capable of ceding some of its authority to a single, strategically-oriented governing body.

The question “Who is in charge?” can reasonably be answered with “X is in charge of this; Y is in charge of that; and Z is in charge of that.” But such a governance design begs the question: “Who oversees the big picture?” Obviously, the Bishop is one answer to that question. But in terms of a governance board, it needs to be answered with clarity for the new Conference.

If there is going to be a single Council of some type that has final authority from a strategic perspective, it would be wise to make it balanced with laity and clergy. Clergy dominated governing entities are a relic from previous incarnations of the church. If there is not meaningful lay participation in the primary governing board, problems are inevitable. Furthermore, it is better to have lay people at the table where decisions are made rather than on a lay ministries board that can only make recommendations to the decision-makers.

### **Conference-Wide vs Regional Decentralization**

Wherever possible, decentralizing authority and activity from Conference-wide entities to regional ones is advisable. For example, wouldn't it be better to resource regional efforts of lay ministries, UM Women, UM Men, Youth Ministry, Campus Ministry, and other specialized ministries? Is the expense of and time invested in pulling together a Conference-wide meeting of lay leaders or campus ministers or whomever, wise stewardship in the 21st Century? Can't this money and energy be used more efficiently and effectively to empower regional and district gatherings?

The relatively small number of people who attend Conference-wide meetings will definitely miss them. However, the vast bulk of work by excellent lay leaders, UM Women and other groups is already done at the congregational and district level. Why not focus on resourcing the work there?

Periodic conference-wide meetings of key regional leaders can be done virtually or, if deemed necessary, on a biennial basis.

### **Districts and Circuits**

Organizations that cover large geographic areas successfully master the trick of making something big feel small. While the new Conference doesn't cover the entire nation or globe as some large non-profits do successfully, its proposed geography is large. In considering this issue, it is important to remember that Rocky Mountain Conference has already done a good job of making large feel small. This isn't a new challenge.

The new Conference can make large feel small through an intensified use of Districts and Circuits. Many interviewees talked about the success of the circuits in which they are participating. The successful circuits are creating an opportunity for clergy to pray, learn and talk with each other. Relationships rooted in trust are being created. In a vocation where isolation is always an issue, the circuits are life-transforming.

What is missing in the circuits is a similar camaraderie among lay people. An intentional strategy could be implemented and led by District Superintendents to bring together lay people in a circuit to pray, learn and do mission with one another. Creating a lay-driven component to circuits can redefine connectionalism in the Mountain Sky Area.

Making a group of congregations in a circuit collectively viable financially and mission-wise may be easier to manage for a DS than trying to do the same with the much larger task of managing each local congregation as an isolated entity. Several circuits are already thinking along these lines. The possibilities for a circuit collectively purchasing office supplies, technology and other things might produce savings.

Circuits will also be crucial in supporting congregations that can't afford a full-time ordained pastor.

The role of the Districts and their Superintendents could be redefined in terms of supporting the Circuit Elder and nurturing the strength of circuits for clergy and laity alike. In this model, a DS would become a circuit coach, providing resources and insights to the circuits. The DS can also share stories of successes and failures in other circuits as a way of establishing best practices for circuits.

If financially viable, adding part-time staff to work with circuits in each District could speed up the strengthening of circuits. These staffers could be clergy who are assigned to a local congregation on a part-time basis and work with circuits part-time.

Training of circuit-elders and other District-level staff could come from the appropriate staff team at the Conference level.

*Recommendation: Consider the staffing and training needed to ensure the Circuits continue to grow in spirit and impact. Consider having the appropriate Conference staff create training events for circuit elders, lay people in circuits, etc.*

### **Annual Conference**

A time of organizational transformation is a time to consider whether a new Conference should continue the practice of the legacy Conferences to have a physical Annual Conference. Could a face-to-face Annual Conference be held every other year versus annually? On alternate years, could the business of the Conference be done with live streaming to regional gatherings where required votes are taken?

*The Book of Discipline's* invitation to think creatively about organization can be helpful when considering how to hold Annual Conferences. One interviewee dreamed that, on alternate years, the \$2000 her congregation spends on travel expense for Annual Conference could be pooled with other congregations in their circuit to do a combined mission project.

### **Less is Better**

A look at UM Conferences around the country reveals that there is great diversity as to how they are organizing their ministries. In many places, we see an intentional effort to reduce

the number of councils, boards, committees and task forces. These efforts to use less governing bodies to achieve the same, or better results reflects an underlying challenge for all 21st Century organizations: people simply do not have the time they had in the past to volunteer in governance systems. Meetings that require hours, sometimes days, are simply not viable options for many of our members. They reduce diversity by favoring only those with the time and money to attend the meetings. Furthermore, the desire to do governance work has decreased as many church members are more interested in externally oriented mission work than internally focused governance work. In many instances, it is easier to get someone to build a house for Habitat for Humanity than it is to get them to serve on a church committee or board.

To create a faithful, efficient organization compatible with the 21st Century, the creators of a new Conference will need courage to eliminate boards, councils, committees and task forces that have a built-in constituency for their continued existence. Members of existing governance entities will surely say, “But how can we do the work of the church without our group? We’ve always had this board!” In fact, historically, many of the boards/councils/committees of the church are mid-20th Century creations. Methodism became the most successful “frontier religion” not by its organizational prowess but rather with its circuit-riding preaching and camp meetings. The Methodist Church in the 19th Century did more with less. The Methodist Church of the 21st Century will need to do the same.

### **Doing the Work of the Church in Teams**

Highly successful 21st Century organizations (tech companies, the U.S. military, non-profits, etc.) are using teams to replace committees, boards and councils. Some people always object that there is no real difference between a committee and a team. Nothing could be further from the truth. Teams are action oriented, made up of team members who possess the specific skill sets needed to achieve the team’s assignment. An evangelism team, for example, would be an action-oriented group with team members who possess specific skills, experience and knowledge that increase the likelihood the team will succeed in making disciples. In contrast, committees are oriented toward governance, as one governing body “commits” some of its authority to another group.

Ask someone under the age of 40 to serve on a council or committee and it is going to be a tough sell. Ask the same younger person to serve on a team and genuine interest may appear. Organizations that understand the power and attractiveness of teams are thriving in the 21st Century. If a new Conference is going to attract younger leadership to fill key organizational leadership tasks, moving away from Boards, Councils and Committees to teams will be an very important, transformational step.

### **Flexibility**

In interviews, it was noted by members of both conferences that Yellowstone has a more flexible process of lay certification than Rocky Mountain. Flexibility is the name of the game in the 21st Century. Wherever one conference has a more flexible process for one process or another, it should be given serious consideration to become the operative mode in a new

Conference. In the history of evolution, we observe the flexible and adaptable survive while the rigid disappear. The same is true with organizations!

### **Generational Leadership from Younger People**

Finally, recruiting younger leaders (GenX and Millennial) to serve in Conference positions is not just desirable. It is mandatory. It is not ageism to make such a commitment to younger leadership. It simply acknowledges a very practical reality. The world is changing at warp speed. The Conference needs leaders who understand the changes taking place: how younger generations communicate; how and to what younger folks donate time and money; what energizes younger people to participate; and so much more.

The church will not make wise decisions about how to engage younger generations if the decision-makers are predominately Baby Boomers. The church needs the younger generation at the decision-making table. Among the 117 individuals interviewed in this process, some of the most creative, bold ideas for ministry came from clergy and laity under the age of 45.

*Recommendation: Establish and implement a policy as to how decisions by governing bodies will be communicated quickly and clearly to the Conference as a whole.*

*Recommendation: Use the existing team working on organization to create a strong strategically-thinking governing council; create clear lines of authority and responsibility between boards and councils that are absolutely necessary; eliminate many of the existing boards, councils and committees, replacing them with small teams and/or making them regional in scope rather than conference-wide.*

*Recommendation: Have a team consider moving to biennial Annual Conferences.*

*Recommendation: Make the Districts and Circuits the center of the Conference's effort to focus on congregations and clergy.*

*Recommendation: Have Nominating Committees make an intentional effort to recruit younger generations (Gen X and Millennials) for key leadership positions.*

## Finances

### Financial Reporting

Both Rocky Mountain and Yellowstone have been implementing changes to their financial reporting systems that will make them GAAP (Generally Accepted Accounting Practices) compliant. However, the fact that they are not yet complaint makes analysis of their respective financial situations difficult. For example, Rocky Mountain doesn't have a formal balance sheet, making it challenging to know exactly what it possesses in the way of both assets and liabilities. As another example, in Yellowstone there are budget expense items where the income used is from a source (designated funds, denominational grants, etc.) not listed in the Income section of the Income and Expense Statement. Such irregularities need to be eliminated immediately. Prior to the Annual Conferences, those voting on a proposed union of the two Conferences need to have total confidence in the financial information and projections they are given.

In response to reports from FACT and GFAC teams, Yellowstone has built up some cash reserves which can help during a transition from two Conferences to a single entity. Yellowstone has also done a very good job in 2017 dealing with what was projected to be a very large (up to \$300,000) deficit. Through generous support from its congregations and good management by its CF&A committee, as of early December, there is no longer a projected deficit.

Rocky Mountain has larger cash reserves, approximately \$12 million. However, whether the reserves are all assets or some of the money is a liability (as much as \$7 million for pension and health benefits) is unclear. Some of the reserves are currently designated as a reserve for the pension and health plans. If some funds are going to be used as reserves for pension and health plans, they should be formally designated as such, at which point they will become liabilities because they cannot be spent for purposes other than supporting the pension and health plans. They become funds due to the pension and health plans rather than assets which are available funds.

The status of the reserves for the pension and health plans has created a lot of unnecessary and unhelpful confusion. It may be creating the impression that the Conference has more overall cash reserves than, in fact, it does. If the plans are currently "fully funded," they should, by definition, be able to receive no additional funds and still pay out all the benefits due to the beneficiaries. If there is a need to put additional money into the plans, then they are not "fully funded" at this time and a plan should be created to get them to "fully funded" status in a reasonable timeline. This will have the benefit of assuring 1) congregations that they won't be asked to make extra contributions for pension purposes in the future and 2) clergy that their plan is currently fully funded.

Without accurate, easily understandable financial reports, Conference leadership and staff cannot make sound financial decisions.

*Recommendation: By January 31, 2018, the reports of both Conferences should be fully compliant with GAAP. With that information in hand, a team of knowledgeable financial*

*members should prepare budgets for both Conferences individually for 2018 and a projected combined budget for 2019.*

### **A Single Financial System**

A strong argument can be made that, regardless of whether the two Conferences become one or not, a single financial system for the two Conferences should be created (The Yellowstone and Rocky Mountain Foundations have already merged). In Yellowstone, the ratio of money spent on staff, office space and equipment for financial management to relation to the amount of money received (in other words: money managed divided by money management costs) is too high. It is not good stewardship. Adding a small amount of capacity to the current Rocky Mountain financial staff should be sufficient for a single staff to handle funds currently managed by Yellowstone and Rocky Mountain. Creating a single financial system will generate a “reset” point in which all reports can be made to conform to GAAP standards, the status of reserves can be clarified and properly classified, the status of the pension and health funds can be determined and communicated, a single software system can be investigated, purchased and used, and a single group of financial staff persons can handle all the funds. The denomination’s General Council on Finance and Administration has offered help in this process.

Since the Conferences use different accounting software as well as produce different types of basic financial reports, retaining some key staff from Yellowstone for a short period of time during the transition will be important.

*Recommendation: Create a small team consisting of several members of the CF&A groups from both Yellowstone and Rocky Mountain to meet in early 2018 to determine and resolve issues involved in creating a single financial system for both Conferences. Create a timeline for implementation including dates by which software would be purchased, report formatting decisions finalized, data input completed, new staff design completed, and new staff functioning. Issues such as software, reporting formats and staff design could be completed prior to the Annual Conferences in 2018 with data input done and staffing in place shortly thereafter.*

### **Benevolence Budget**

The Rocky Mountain Conference Budget contains a section entitled Benevolence and Program Ministry. In 2017, the total budgeted is \$1,313,235. If we deduct the amount for Program Staff and New Church Development, \$313,125 remains for many line items ranging from \$250 to \$30,000 in size.

In the 21<sup>st</sup> Century, charitable giving patterns are clearly favoring local giving options. For example, people are more likely to give money to support a ministry for the homeless in their local community that give to a regional or national body that helps the homeless. People often ask, “Aren’t there things we can do together that we can’t do alone?” True. However, we also need to ask, “What can we do alone (as a local congregation) better than we can do together?” When it comes to benevolences, both questions need to be considered.

With that in mind, does the \$313,125 collected by the Conference from local congregations to be spent at the Conference level make sense? Would it be wise to leave that

money with local congregations to empower their local mission work? At a minimum, it would seem wise to conduct a thorough evaluation of the rationale behind the collection of these benevolence funds.

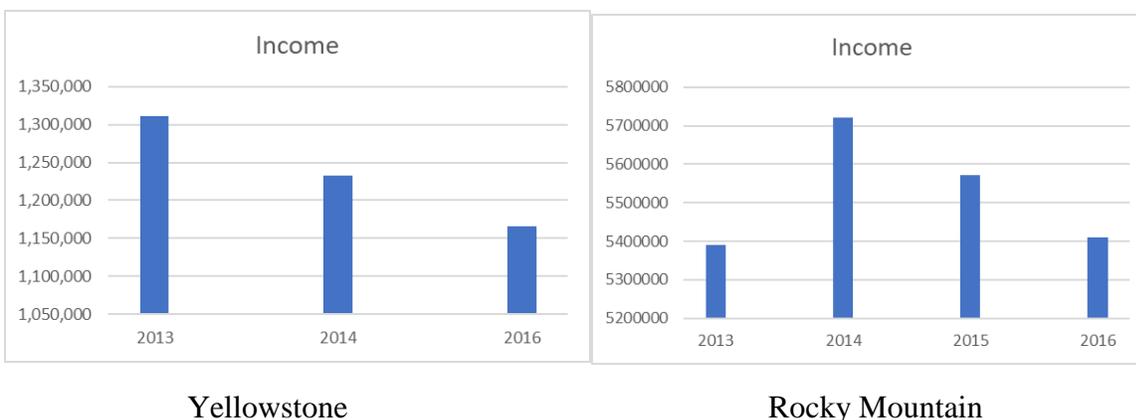
*Recommendation: Have a small team consider whether having a Conference-level benevolence budget makes sense in the 21<sup>st</sup> Century and, if needed, evaluate the current list of benevolences as to what needs to be continued.*

## Financial Outlook

### *The Current Outlook*

In early December, the Treasurer of Yellowstone Conference stated, in an interview, that she expects no deficit for 2017. The Rocky Mountain Treasurer believes 2017 will end with a small deficit. These are solid numbers to build upon in the year ahead.

That being said, current results need to be interpreted within the context of financial trends over the past five years. The graphs below show income decreasing over the past four years.



In the case of both Conferences, trend lines indicate that decreasing amounts of income should be the basis of future financial planning.

### *The Future Outlook*

Given the age of the membership of Methodist (and other mainline denomination) congregations, it is prudent to plan for decreasing revenue from congregations moving forward. We also need to acknowledge that U.S. citizens in the 21st Century are indicating, with their contributions, a clear preference for supporting things closer to home. This tendency is, in part, the result of an increased desire for control/accountability rooted in growing distrust of large institutions. Of course, in the Methodist theology and ecclesiastical culture, this tendency is offset, in part, by a deeply rooted commitment to connectionalism and global mission. Looking ahead, decisions made at the national level of Methodism about the status of LGBT Christians in

the UMC or controversies of other types may cause some members to stop giving no matter what decisions are made.

At some point, stark financial choices will cause congregations, especially small ones, to keep more money close to home and send less money to the Conference and denomination. Planning ahead for the changes taking place within the church, specifically, and philanthropic trends, generally, is not only wise; it is necessary. Can the Rocky Mountain and Yellowstone Conferences create a new vision of their role in the Church Universal and Methodism that aligns with what will almost surely be a smaller revenue stream moving forward? Of course, they can. However, it will require bold thinking that reshapes the mission and budgets of the Conferences. Given the healthy financial reserves, the reshaping doesn't have to a jolt to the Conference system. It can be done over a reasonable and responsible timeline of five to ten years.

While increased spending in the short term can be justified given the size of the financial reserves and the need to jump-start a new Conference on a path toward growth of all types, a plan should be developed that has projections of income and expenses in the 2023-2028 period.

Recommendation: *Have CF&A do long-term financial projections.*

#### *Complete Audit*

To ensure there are no misunderstandings in the future about the financial conditions of both Conferences at the time of their union, it is recommended that the financial records of both Conferences undergo a thorough audit, including subsidiary documents and records as well as supporting documents. While this will be costly, it will build a type of trust that is an invaluable building block for the new Conference.

Recommendation: *Conduct a complete of audit of the financial records of both Conferences.*

## Appointments

A deeply rooted concern for many clergy in both Conferences is where they will be placed (geographically) in their future appointments. Numerous clergy who were interviewed expressed the opinion that they joined their current Conference with the expectation that they would serve congregations in that geographic region for the rest of their careers. Expecting them and their families to move to the region of the “other” Conference was deemed, by them, to be a change in their covenantal agreement with the Conference.

Some clergy in Montana expressed a lack of desire to live and serve in the more densely populated areas of Colorado. One person said, “The idea of living in the Front Range area is terrifying to my family. Terrifying.” Some clergy in the densely populated areas of Colorado expressed a lack of desire to live and serve in rural Montana. While numerous clergy shared this concern with the consultant, there were just as many, perhaps more, who said, “I have no sympathy for that concern. We are in a denomination rooted in open itineracy. We knew it when we became clergy in the UMC.”

*The Book of Discipline* Section 425 cites open itineracy as a defining mark of Methodism: “Through appointment-making, the connectional nature of the United Methodist system is made visible.” *The Book of Discipline* Section 425 creates some flexibility in making appointments with the following language: “The district superintendent annually shall develop with the pastor profiles reflecting the pastor’s gifts, evidence of God’s grace, professional experience and expectations, and also the needs and concerns of the pastor’s spouse and family.” Many of the clergy expressing concerns about serving in the “other” Conference’s region did so referencing their families. *The Book of Discipline* seems to create room for considering this concern in its “the needs and concerns of the pastor’s spouse and family” language.

It seems there are, at least, two options in a new Conference.

- First, the new Conference could allow Rocky Mountain clergy to continue to itinerate in the area currently defined by Rocky Mountain’s boundaries. Yellowstone clergy could continue to itinerate in the area defined by Yellowstone’s boundaries. In effect, current clergy would be “grandfathered” into their current geographical area. New clergy, in contrast, entering the new Conference would be appointed anywhere within the boundaries of the new Conference. The “grandfathered option” might be time limited to a period of 5, 10, or 20 years or it might be permanent until clergy retire.
- Second, the new Conference can be created with the clear understanding that there will be no geographical limitations placed on itineracy. Clergy serving in the new Conference can and will be appointed to the places deemed best, regardless of the boundaries of the legacy Conferences.

In a leadership retreat held in Denver in late November, there seemed to be a preference for option two. However, they expressed a hope that option two would have a generous approach to understanding the needs of individual clergy and their families.

*Recommendation: This appointment issue is, perhaps, the most sensitive and emotion-creating question for clergy regarding a new Conference. A team needs to be formed to provide a recommendation regarding the new Conference's appointment policies. No matter how this issue is resolved, clarity will be better than the current lack of clarity about how and where clergy will be appointed in the future.*

## Staffing Design

The Rocky Mountain and Yellowstone Conferences employ full and part time staff members. Yellowstone's staff is very small while Rocky Mountain's staff is more typical of late 20th-early 21st Century Conference staffing designs. Both Conferences are blessed with staff who are talented and committed to their ministry. Excluding the District Superintendents and District Administrative Assistants, the combined conference staff totals of 12 full-time and 7 part-time is significantly lower than Conferences such as Central Texas, Oklahoma, Great Plains or Virginia. The Conference staffs consist of the following positions:

### *Episcopal Office*

In addition to the Bishop, there is a full-time Executive Assistant to the Bishop and a part-time seminary intern.

### *Yellowstone Conference*

The staff in Billings includes the full time Assistant to the Bishop and Treasurer positions, as well as a part-time Assistant to the Treasurer, part-time Administrative Assistant as well as part-time program people in the areas of Vital Missions, Youth Ministry and Worship.

### *Rocky Mountain Conference*

Full time positions include a Director and Assistant Director of Missions and Ministry, Young People's Ministry Developer & Mission & Ministry Projects Coordinator, Administrative Assistant to the Director of Mission & Ministry, Treasurer, Benefits Officer & Director of Support Services, Benefits & Property Coordinator, and Accounting Manager, Event Coordinator, Hospitality Coordinator & Administrative Assistant together equal a full-time position.

An accountant as a part-time position.

### *Shared Staff*

Several staff positions are shared by both Conferences including full time positions in Vital Ministries Development, Communications Director, and Database Manager & Information Technology Support.

### *District Staff*

There are six full time District Superintendents and one part-time DS, one full time Administrative Assistant and three part-time Administrative Assistants.

### *Totals*

In addition to the Bishop, the two Conferences have 16 full-time and 7 part-time employees between them. There is also a vacant full-time position in Hispanic Ministries.

Additionally, the Districts have 6 full-time and one part-time DS positions, 1 full-time and 3 part-time AAs.

### **Reflections on the Current Staff Design**

An immediately noticeable part of the current staff design for the two Conferences is the existence of two organizational “silos” in Denver. One “silo” exists for finances and administration under the leadership of the Treasurer. The other “silo” exists to create and manage ministry and mission programs under the leadership of the Director of Missions and Ministry.

Typically, the existence of “silos” in an organization is not a best practice. It leads to lack of communication and little cross-fertilization between the “silos.” In worst case scenarios, it leads to competition between the “silos” for resources and power. Finally, communication in a “silo” tends to be up-and-down the “silo” versus the type of horizontal conversations between staff that take place in a more unified organization.

A classic example of “silo” dysfunction in the current setup is the position of Administrative Assistant to both the Director of Mission & Ministry and Treasurer. The Conference has been unable to keep a person in that position for any length of time. Why? The AA is trying to live in and serve both “silos” simultaneously. As very high turnover in the position demonstrates, it is, understandably, nearly an impossible job.

Given the necessity of the Bishop to be someplace other than the Conference office on many days, the “silos” also create a situation where the heads of the “silos” are not accountable, on a daily basis, to a single manager/leader. There is no one “managing the managers.” This is not to suggest that the heads of the two “silos” are not doing their job. It is to say that the organizational system has a missing, day-to-day manager/leader right below the Bishop. In a system of “silos,” this manager/leader would coordinate the work of the two “silos.” In a “non-silo” system, the manager/leader would help build a unified organizational culture.

From the staff interviews, it appeared that there is little sense of team among staff members. At best, there is, occasionally, a sense of team within the “silos.” Typically, a lack of teamwork increases inefficiency and decreases creativity.

### **Reflections on a New Staff Design**

#### *Overall*

During interviews across the Conferences, there were some voices advocating a “lean staff.” Generally, this was a pseudonym for a “small staff.” When it comes to designing a staffing plan, it is not a helpful term. After all, one can buy a large piece of lean meat! Furthermore, when compared to other UMC Conferences, the Mountain Sky Area staff is in the smaller to mid-sized range rather than large.

When considering a staffing design for a new Conference, the driving question should be: “What does the Conference want to do?” The answer to this question should drive the staffing

design, not adjectives such as lean or small. What are the core things that need to be done in the new Conference that cannot be done by volunteers or can be done more effectively by staff?

The Conferences face a choice: Does the new Conference create a staff that meets the bare minimum for its needs? Or does the Conference create an efficient, effective staff, perhaps slightly larger in number than the current combined staff, that will empower its mission and grow the church? The former is a design for mediocrity; the latter creates the possibility of growth for the Conference's congregations.

Some will disagree with any recommendation to increase the size of the staff to ensure that the new Conference gets off to a fast, effective start. However, such a recommendation is in order. In the business world, corporations routinely spend money they don't have during a startup phase to ensure the success of a new venture. They know that applying inadequate resources in the beginning of a new venture guarantees failure in the end. The new Conference is in just such a situation. Cutting corners on staff as the new Conference begins its ministry would be a strategic mistake.

A perfectly fair question is: "From whence comes the money to create a new, slightly enlarged staff?" Rocky Mountain is blessed with significant cash reserves. In interviews, some said this question creates a stark choice: Sit on the reserves as protection against future financial shortfalls or put a portion of the reserves to work in ministry now. However, it is an unnecessary dichotomy. Financial analysis can provide an estimate as to what is a prudent amount of money to be held in permanent reserve for unexpected contingencies such as a downturn in the economy. Some portion of the remaining funds would then be available to be used to empower new ministries that will grow the Methodist denomination in the Mountain Sky Area.

The vision behind the new Conference is to support and empower local congregations. All staff positions should work to that end. Some will do so explicitly, such as a Congregational Vitality program person or a Benefits Officer who helps congregations and local clergy understand thorny benefits issues. Others, such as an accountant will do so more implicitly by keeping track of the Conference's finances in ways that are transparent to any congregational member.

The Conferences currently have talented staffs committed to doing God's work in the region. Re-orienting them to a more congregational focus should be something they will enjoy. In interviews, several of the current staff expressed creative ideas of how they might work more directly for the benefit of congregations. For example, the Accounting Manager suggested that she would love to conduct training sessions for congregational Treasurers. The Tech staff person talked about her dream to help equip local congregations with better technology (hardware and software). Unleashing such creativity among the staff should be a primary goal of the new staff design.

*Recommendation: Build a staff that is designed to realize the vision of a Conference supporting and empowering local congregations. To fund such a staff, analyze how much money, currently in financial reserves, needs to be restricted to deal with unknown, future issues. Determine how much money is available to be used for current ministries over the next five years. The latter*

*would include income from annual apportionments as well as a portion of undesignated financial reserves.*

## **A Possible Staff Design**

### *Senior Leadership/Management*

When it comes to ministry functions performed, a new staff design need not be radically larger or different from the current staff design. There are some “holes” in the current staff design that need to be filled and some roles that can be better defined. However, first and foremost, what is needed is a new way of “being a staff.” Instead of the current “silo” approach and its accompanying hierarchical approach, the Conference needs a unified staff, with a single, day-to-day head of staff.

With the current staff design, there seems to be inadequate attention paid to staff culture and performance. This is not a critique of current leadership so much as an observation. There are many reasons why staff culture and performance come to be ignored in an organization. Lack of adequate senior management is one of them.

A new Conference creates an opportunity to build a new staff culture that promotes creativity, teamwork and high performance. Building a responsive, result-oriented staff culture requires someone who manages to those ends. Again, it is unrealistic to expect any Bishop to play this role, given the time demands on a Bishop to be somewhere other than the Conference office.

To insure a smooth start to the new staff and Conference, an Interim Transitional Leader could be appointed for a term of two years. At the end of two years, the position can be ended if it is deemed unnecessary going forward. An Interim Transitional Leader will work with the finance, administration and program staffs and their leaders to create and foster a single, team-oriented, cohesive, high-performance Conference staff culture. This person should be skilled at and comfortable building a less-hierarchical, more-entrepreneurial staff.

In interviews across the region, there were many mentions of unreturned phone calls and slow responses to emails with the current Conference staff setup. Again, one doesn’t need to blame the staff in order to acknowledge the problem. There are many reasons for lack of responsiveness from a staff. However, it is an issue that needs to be resolved. The Transition leader will work with the staff team to improve overall responsiveness to congregations and clergy. For lack of a better term, the leader will develop high quality “customer service” for the congregations and clergy of the Conference.

Each staff team can create performance measures for itself, in collaboration with the Interim Transitional Leader. As examples, these measures might be recording

- the number of emails and calls coming to the offices and time elapsed until the inquiry is dealt with to the satisfaction of the inquiring person;
- how many times staff initiated direct contact with a congregation versus a congregation contacting the Conference;

- how many duplications were eliminated in the past six months in response to congregations and clergy complaining that they are asked to submit the same information on numerous forms;
- how many team members did continuing education in the past year that increased their skills as a team member.

The list of performance measures can be as fascinating as the team members are creative!

In addition to working on staff culture and performance, a hands-on staff leader is needed over the next two years to attend to the many issues involved in the startup of a new Conference. Someone needs to decide how to manage a list of organizational issues, some of which, no one can predict at this point. As tasks emerge, the staff leader will assign tasks to the appropriate staff members and/or committees/boards.

The staff leader will help the staff re-envision and orient itself in an external way toward congregations. The two examples (training Treasurers; building congregational technology infrastructure) cited earlier are just a small taste of what is possible. The creativity of the entire staff team can be energized in a reorientation toward congregations.

The staff leader will be able to make additional recommendations regarding the new staff design as it is implemented. For example, three staff members are currently involved in various aspects of event planning. Is this the most efficient staff design? Or, is the administrative assistant staff effectively aligned and utilized? These are the types of things a hands-on, present-daily manager will evaluate and resolve.

Finally, the Interim Transitional Leader will ensure that communications between the Conference and its congregations and clergy improves dramatically. In interviews, lay and clergy alike from both Conferences consistently complained about “a lack of communication.” When pressed as to what they meant, they said they routinely hear about decisions after the fact. The staff leader will create an operational plan for communicating decisions large and small to Conference membership and clergy in a quick, clear manner. At present, it does not appear that any staff member has this responsibility.

Why only create this position for two years? First, it is always good to evaluate new positions over a period of 2-3 years. After two years, the Bishop and governing board can determine if there is a continued need for a single leader/manager or if they want to use a different staffing design going forward. Second, there will be an increased staff workload during the first two years of the new Conference. Hopefully, the workload will level out by the third year.

*Recommendation: To promote a new Conference staff culture oriented toward supporting and empowering congregations with an emphasis on responsiveness and high performance, create an Interim Transitional Leader position for two years.*

### *Leveling the Hierarchical Model*

A look at the Possible New Staff Design (Appendix C) reveals a model that creates teams led, but not dominated, by senior management. The teams will work in the areas of: Episcopacy, Interim Transition, Leadership Development, Congregational and Community Vitality, and Finance. In each team, a senior management person performs both as a contributing member to the team's work (versus solely being a manager) and fosters the creativity and performance of the overall team. In the end, performance will be judged not so much on the performance of each individual team member as the performance of the team itself.

In addition to the teams indicated on the chart by red circles, there will be a senior management/leadership team consisting of the Bishop, Interim Transitional Leader, Treasurer, Superintendent of Leadership Development and Superintendent of Congregational and Community Vitality. This team will meet regularly to discuss shared issues and the overall performance of the larger staff team.

The use of this model should eliminate the current problem with "silos." In its place, there will be teams, all working toward the larger goal of a Conference oriented to and serving the needs of its congregations and clergy.

### Other Staffing Options

#### *Financial and Benefits*

While interviewing the Rocky Mountain Treasurer, Benefits Officer and Director of Support Services along with the Benefits and Property Coordinator, it became clear that the two positions can be redesigned in ways that will create some efficiencies and greater clarity of purpose.

It makes sense to create a Chief Benefits Officer, a position found in many other Conferences. This person would be responsible for all issues related to benefits for the new Conference and manage all staff who are dealing with benefits. The macro-issues regarding financial analysis of the well-being of the Health and Benefit plans would remain with the Treasurer. In addition, as is currently the case, the Treasurer will be responsible for all financial issues and the financial team.

The Conference has a huge, valuable investment in property across the Mountain Sky Area. To manage it properly, individuals with professional experience and expertise are needed. Surely there are hundreds of real estate professionals and attorneys who are members of Methodist congregations. Why not use them? A retired person heading a small team of professionals can manage the real estate assets in ways that ensure maximum return on investment. This person might be paid on a very part-time basis or, hopefully, serve as a volunteer member of the staff.

*Recommendation: Separate the benefits management function from the Treasurer's current job description by creating a Chief Benefits Officer (CBO). The CBO will handle all the delivery of*

*benefits issues while the Treasurer will continue to monitor the financial well-being of the health and benefit plans. Create a small team of real estate and legal professionals to manage the sale and purchase of property. The team can be headed by a very part-time person who is paid or a volunteer.*

### *Cultivating the Call*

Some Conferences invest heavily in the recruitment of clergy leadership for the church. It is not clear that Rocky Mountain and Yellowstone Conferences are doing so. The beginning of a new Conference is a good time to reconsider this issue.

Yellowstone has a part-time youth staff person who is having some promising success. Rocky Mountain has a staff member who has a part-time responsibility for “young people’s ministry.” Ideally, a Conference would want staff to develop a sense of call in its youth starting in high school (youth ministry), continuing in college (campus ministry) and coming to realization in young adulthood (young adult ministry). Some Conferences have a person who also shepherds candidates for ministry through that process.

Does it make sense for the new Conference to devote some of its resources (staff and financial) to this process? If yes, one option would be to create a second part-time position for youth ministry in Colorado-Utah area (or a full-time position for the entire Conference); make the part-time young people’s ministry position full-time with a focus on campus ministry and young adults; and create a part-time position to work with candidates for the ministry once they have begun the ordination process (This might be done at no cost by a retired clergy person). This could be done with the addition of 1.5 full-time equivalent positions. Since two of the new positions would be part-time, the benefits costs would be limited.

An additional option is to change the current Mission and Ministry Director position to one that cultivates leadership development. This would include developing leaders through youth, campus, and young adult ministry but not be limited to it. It could also include training for circuit elders and others working at the District level.

*Recommendation: Consider a staffing plan that nurtures Conference youth and young adults with specific attention to identifying and supports individuals who have some sense of call to ordained ministry. Consider changing the Mission and Ministry Director position into a Superintendent of Leadership Development position as a team leader for leadership development.*

### *Mission and Ministry*

Rethinking the staff design of this part of the Conference’s work will be important. Does this area need both a Director and Assistant Director? Does this staff need to be more regionally oriented with, for example, two Congregational Vitality people working in two geographically defined areas rather than having one person attempting to cover the entire conference? Should the vacant Hispanic Ministries position be reconfigured in some way? If an additional Congregational Vitality position is created, one of the two could become a Superintendent of

Congregational and Community Ministry with Hispanic Ministries, Vital Mission and Worship as part of the team.

*Recommendation: Consider adding an additional staff person in the area of Congregational Vitality by eliminating some management functions (Assistant Director) in current staff job descriptions. Have a small team evaluate the best way to support and grow Hispanic ministries. Consider creating a Superintendent of Congregational and Community Ministry to lead a team in that area.*

### *Information Technology*

The church is charged with communicating the love of God through the Gospel of Jesus Christ. In the 21st century, communication is done increasingly through internet-related technology. Rocky Mountain and Yellowstone Conferences currently share the work of a staff person who devotes one-half of her time to technology support and a full-time communication staff person.

The Conferences currently have the software capability to take control of a remote screen to make repairs on a computer. However, that capability is not used. Why not? Lack of time is the answer. The current tech staffer also has the capability and training to do strategic planning for the Conference's congregations but doesn't have time for it. Developing a plan with goals for where each congregation might be technologically in, say, five years would be a major step toward enabling the Methodist denomination to thrive in the Mountain Sky Area. This would mean having a full-time staff position for technology and hiring a second part-time person to do database management work that is currently done with the other half of the tech staffer's time.

At the same time, it would be wise to investigate how other Conferences are handling their IT support work. At least one Conference outsources questions about things like Zoom to a contractor for very little monthly expense.

*Recommendation: Make the half-time technology staff person into full time. Hire a part-time person to do the database work currently being done by the tech staffer.*

### *Communications*

As discussed earlier, Conference laity and clergy alike express great frustration and occasional anger at what they perceive to be a lack of communication from the Conference. It is urgent that this problem be corrected. The Conference currently has a full-time Communications Director. This person's time is oriented toward the website, regular eblasts and some written communications. The job does not include a strong focus on communicating decisions rapidly to a widespread audience of Conference members.

The Conference should consider having this position be more focused on communicating key decisions being made at the Conference and District levels. Corporations, non-profits, political bodies typically have such a Communications Director handling communication with their core constituencies. Why not a Methodist Conference? In such a role, the Communications Director would be the first person out the door of a meeting, rushing to create clear

communications to the Conference as to what has been decided and its implications. The word from Conferences offices should beat the word on the street in terms of speed of communication!

The lack of a communication strategy around decisions large and small has eroded trust in the Conference. This problem needs to be solved January 1, 2018.

*Recommendation: By January 2018, put someone in charge of communicating decisions to the Conference.*

#### *District Administrative Assistants*

Is it necessary to attach an Administrative Assistant to a District Supervisor? In the 21st Century, a DS is surely capable of handling her/his own calendar, email, and voice messaging. Similarly, most people find it easier to make their own air and hotel reservations rather than going back and forth with someone who does it for them. If one accepts these assumptions, the Administrative Assistant then works with the District's congregations rather than as a personal assistant to a DS. In some instances, this is already the case. It needs to be the rule, not the exception.

It may make sense to create a pool of AAs who work together under the direction of a lead AA to manage and perform all the District level administrative work. Some of the current AAs have already discussed this possibility amongst themselves. Some AAs may be assigned to work with congregations in a specific District as currently happens. But the AA work may also be re-designed along the lines of specialties, e.g., one AA would be responsible for collecting all the compensation documents; another would work with charge conferences to distribute and collect data; etc.

To figure out the proper role and number of AAs for the new Conference, a team consisting of a few District Superintendents, District AAs and a few lay people skilled in information/office management can devise a plan.

*Recommendation: Create a team of District Superintendents, District Administrative Assistants and a few lay people with expertise in information/office management to devise the best plan for handling administrative work in the new Conference.*

#### *The Montana Office*

Yellowstone Conference currently has an office in Billings, Montana with an Assistant to the Bishop and Treasurer in full-time positions and part-time staffers in administration, assistant to the Treasurer and part-time program staff for Vital Missions, Youth and Worship.

The Yellowstone Conference office is an important "touch point" where members of congregations get information about compensation, health and pensions as well as help filling out the various forms required by the denomination of local clergy and congregations. The program staff do not require a Conference office to do their work.

In talking with lay and clergy alike, it is difficult to overstate the importance of dependable, friendly help from someone at the Conference level when problems arise with forms

or benefits issues. For that reason alone, some type of administrative presence needs to continue in Montana for that constituency, at least for the first few years of the new Conference's existence. One of the current staff persons might be able to provide a continuity connection to the congregations. Whether a current or new staff person, this individual should be knowledgeable about finances, pensions and benefits.

As discussed in the financial section of this report, the function of the Yellowstone Treasurer and assistant to the Treasurer may be better consolidated into one financial operation in Denver. It is possible that a part-time position in Denver might need to be created to handle the increased workload. However, we shouldn't assume that as necessary.

A Montana-based Assistant to the Bishop position does not appear to be necessary in the new Conference. The part-time program people can work within Mission and Ministry area of the new Conference.

*Recommendation: Retain a small office in Montana housed in a local church with a single administrative assistant. Move the current part-time program staff positions to Mission and Ministry in the new Conference where they will be managed by the Director. Consolidate financial operations in one location (Denver). Develop generous end-of-service packages for any employees not being retained in the transition.*

### **Staffing Design Conclusion**

This report makes no attempt to evaluate the performance of the current staff of Yellowstone and Rocky Mountain Conferences. Such evaluations are the ongoing responsibility of the current leadership of the Conference. The findings of this report are limited to understandings of the current functions of staff based on interviews with staff members and conference members. With an eye to the stated purposes and priorities of a new Conference, the report contains suggestions regarding possible staff realignments that may increase the likelihood of achieving the purposes and priorities. As elsewhere in the report, the recommendations in this section are options, not mandates.

The key ingredient throughout the recommendations is creating accountability and responsiveness within the new staff. The recommendations are also intended to help orient the new Conference's staff toward supporting congregations. Others may have better ideas toward the same ends.

The recommendations, if approved, will probably add some expense to the Conference budget for staff. For two years, it adds the salary of a senior management/leadership person. For the rest of the staff, it adds 1.5 full-time equivalents to cultivate a sense of call among youth and young adults; a half-time addition in technology and database management; a paid or unpaid part-time position in the area of property management. There is also a recommendation to consider morphing one current Mission and Ministry management position into an additional Congregational Vitality position. This will not add cost. If the Conference decides to downsize the Montana office, it may result in personnel expense savings that will partially offset increased costs by the recommended staff additions.

Any additional personnel expense can be justified as an investment in 1) increasing the capacity of the staff to support congregations and 2) creating a healthy, high performance staff culture. Without a Conference-wide commitment to the creation of such a culture, the investment is not worth making. However, with such a commitment, many of the suggestions made by interviewees as to how to improve the Conference and its staff can be realized.

## Office Locations

As mentioned in the staff design section of this report, it is recommended that a small office be retained in Billings; preferably located in a local church with a single administrative person to be responsive to inquiries from congregations and clergy. The office in Denver is a more complicated issue.

It is hard to make a case for moving the offices to a city other than Denver. The Bishop and other staff are regularly required to travel for denominational meetings. Being near a major airport is both cost and time efficient. Denver is also a hub into which people from all parts of the Conference can get flights or drive on major highways. Finally, the Denver employment market offers the Conference a good source of skilled staff members.

The Denver office building is functional. However, its layout seems to feed the two “silos,” with staff working in their own spaces, relating primarily to staff in their own “silo.” The current office has a relatively sterile feel to it. Finally, and perhaps most importantly, it is detached from the realities of ministry, sitting in the middle of an office park. Having the office located near a Methodist landmark like Iliff School of Theology has a certain appeal, connecting the offices to an institution that provides clergy leadership to the two Conferences.

*Recommendation: Keep the office in Denver. Form a small team to investigate the income generated by selling the existing offices and the cost of new office space in a location more immersed in the realities of daily ministry. If a new office is created, work with a consultant to create a space that helps build a healthy staff culture.*

## Summary of Recommendations

### **General**

*Recommendation 1: After receiving this report, the Bishop will appoint small teams to discuss each of the specific issues identified. The teams will be given a very short time frame to make recommendations. The recommendations will then be voted upon (always open to amendment) by the appropriate governing bodies.*

*Recommendation 2: The specific teams charged with handling strategies related to the creation of a single Conference will come up with their own performance measures and timelines. They will define, in advance, what “success” will look like. The Conference’s governing board will review regularly the performance measures and timelines for all strategies adopted in relation to a union of the two Conferences.*

*Recommendation 3: It is important for Conference leadership to frame the decision regarding a single Conference in positive, inspiring terms rather than in a depressing acquiescence to the decline in membership and financial resources. If the decision is viewed as an opportunity to grow the church and create new disciples rather than organizational retrenchment, there are strong reasons to believe it will be approved at the Annual Conferences in 2018. Since congregations are where church growth takes place, Bishop Oliveto’s vision for a congregationally-oriented Conference seems to be spot-on.*

### **Organization & Governance**

*Recommendation 4: Recommendation: Establish and implement a policy as to how decisions by governing bodies will be communicated quickly and clearly to the Conference as a whole.*

*Recommendation 5: Use the existing team working on organization to create a strong strategically-thinking governing council; create clear lines of authority and responsibility between boards and councils that are absolutely necessary; eliminate many of the existing boards, councils and committees, replacing them with small teams and/or making them regional in scope rather than conference-wide.*

*Recommendation 6: Consider the staffing and training needed to ensure the Circuits continue to grow in spirit and impact. Consider having the appropriate Conference staff create training events for circuit elders, lay people in circuits, etc.*

*Recommendation 7: Have a team consider moving to biennial Annual Conferences.*

*Recommendation 8: Make the Districts and Circuits the center of the Conference’s effort to focus on congregations and clergy.*

*Recommendation 9: Have Nominating Committees make an intentional effort to recruit younger generations (Gen X and Millennials) for key leadership positions.*

## **Finances**

*Recommendation 10: By January 31, 2018, the reports of both Conferences should be fully compliant with GAAP. With that information in hand, a team of knowledgeable financial members should prepare budgets for both Conferences individually for 2018 and a projected combined budget for 2019.*

*Recommendation 11: Create a small team consisting of several members of the CF&A groups from both Yellowstone and Rocky Mountain to meet in early 2018 to determine and resolve issues involved in creating a single financial system for both Conferences. Create a timeline for implementation including dates by which software would be purchased, report formatting decisions finalized, data input completed, new staff design completed, and new staff functioning. Issues such as software, reporting formats and staff design could be completed prior to the Annual Conferences in 2018 with data input done and staffing in place shortly thereafter.*

*Recommendation 12: Have a small team consider whether having a Conference-level benevolence budget makes sense in the 21st Century and, if needed, evaluate the current list of benevolences as to what needs to be continued.*

*Recommendation 13: Have CF&A do long-term financial projections.*

*Recommendation 14: Conduct a complete of audit of the financial records of both Conferences.*

## **Appointments**

*Recommendation 15: This appointment issue is, perhaps, the most sensitive and emotion-creating question for clergy regarding a new Conference. A team needs to be formed to provide a recommendation regarding the new Conference's appointment policies. No matter how this issue is resolved, clarity will be better than the current lack of clarity about how and where clergy will be appointed in the future.*

## **Staff Design**

*Recommendation 16: Build a staff that is designed to realize the vision of a Conference supporting and empowering local congregations. To fund such a staff, analyze how much money, currently in financial reserves, needs to be restricted to deal with unknown, future issues. Determine how much money is available to be used for current ministries over the next five years. The latter would include income from annual apportionments as well as a portion of undesignated financial reserves.*

*Recommendation 17: To promote a new Conference staff culture oriented toward supporting and empowering congregations with an emphasis on responsiveness and high performance, create an Interim Transitional Leader position for two years.*

*Recommendation 18: Separate the benefits management function from the Treasurer's current job description by creating a Chief Benefits Officer (CBO). The CBO will handle all the delivery of benefits issues while the Treasurer will continue to monitor the financial well-being of the health and benefit plans. Create a small team of real estate and legal professionals to manage*

*the sale and purchase of property. The team can be headed by a very part-time person who is paid or a volunteer.*

*Recommendation 19: Consider a staffing plan that nurtures Conference youth and young adults with specific attention to identifying and supports individuals who have some sense of call to ordained ministry Consider changing the Mission and Ministry Director position into a Superintendent of Leadership Development position as a team leader for leadership development.*

*Recommendation 20: Consider adding an additional Congregational Vitality staff person by eliminating some management functions (Assistant Director) in current staff job descriptions. Have a small team evaluate the best way to support and grow Hispanic ministries. Consider creating a Superintendent of Congregational and Community Ministry to lead a team in that area.*

*Recommendation 21: Make the half-time technology staff person into full time. Hire a part-time person to do the database work currently being done by the tech staffer.*

*Recommendation 22: By January 2018, put someone in charge of communicating decisions to the Conference.*

*Recommendation 23: Create a team of District Superintendents, District Administrative Assistants and a few lay people with expertise in information/office management to devise the best plan for handling administrative work in the new Conference.*

## **Offices**

*Recommendation 24: Retain a small office in Montana housed in a local church with a single administrative assistant. Move the current part-time program staff positions to Mission and Ministry in the new Conference where they will be managed by the Director. Consolidate financial operations in one location (Denver). Develop generous end-of-service packages for any employees not being retained in the transition.*

*Recommendation 25: Keep the office in Denver. Form a small team to investigate the income generated by selling the existing offices and the cost of new office space in a location more immersed in the realities of daily ministry. If a new office is created, work with a consultant to create a space that helps build a healthy staff culture.*

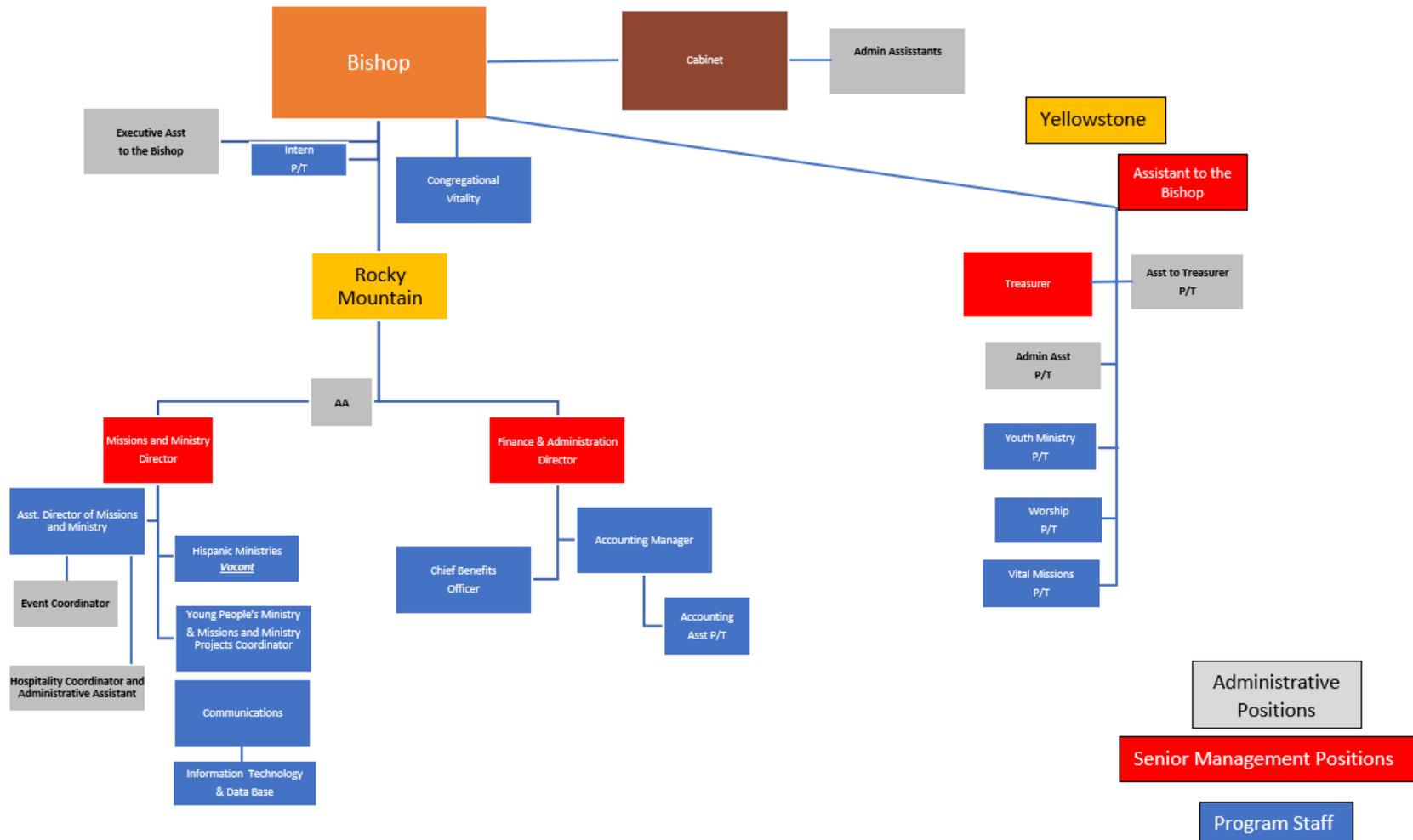
## **Appendix A**

### **Possible Timeline**

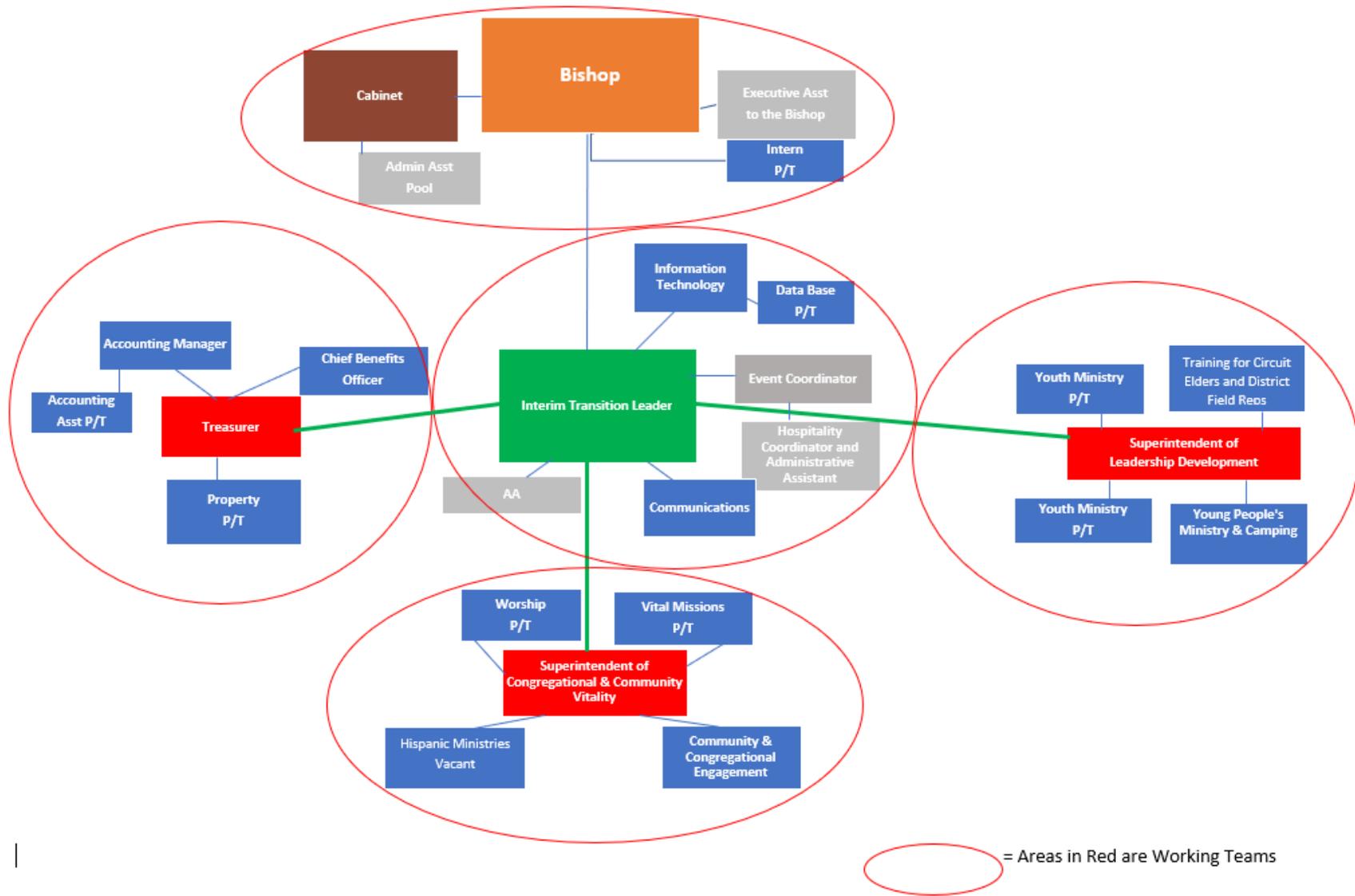
December 31, 2017	Receive the final report from the consultant
January 2, 2018	Distribute the report to the appropriate individuals with a deadline for it being read by January 8 <sup>th</sup>
Mid-January 2018	Leadership Retreat discusses the report and makes decisions about it. Small teams (mentioned next) could happen at this same retreat.
Mid-January- Mid-February 2018	1) Small Issue Teams Have One-Time Meetings to Make Decisions 2) Financial Team Creates 2018 Budgets for both Conferences and Projected New Conference Budget for 2019
Early March	Appropriate Decision-Makers act on options created by the small and financial Teams
Mid-March	Boards of Stewards of both Conferences act on recommendations from the teams
April 3	Report and Recommendations are distributed across the conference and placed on the websites
April 10-May 21	Forums, face-to-face and virtual, are created to discuss and debate the various recommendations that will be brought to the Annual Conferences
May 21-31	Based on the feedback from the forums, any revisions to the recommendations can be considered by the appropriate decision-makers.
June 7-10	Annual Conferences in Ogden, Utah

# Appendix B

## Current Staff Design for Mountain Sky Area



Appendix C Possible New Staff Design



## **Appendix D**

### **PETITIONS TO THE 2016 ROCKY MOUNTAIN and YELLOWSTONE ANNUAL CONFERENCES SEEKING APPROVAL FROM THE WESTERN JURISDICTIONAL CONFERENCE TO REALIGN CONFERENCE BOUNDARIES**

#### **Purpose**

To renew and expand Wesleyan Christian Values in its Mission Field in order to empower local churches and laity to achieve the Mission of the United Methodist Church. The Mission of the United Methodist Church is to “Make Disciples of Jesus Christ for the Transformation of the World,” according to the instructions Jesus gave his Disciples.

#### **Definition**

We believe that the United Methodist denomination holds the best core values of any Christian faith tradition. Our churches are filled with believers in a Wesleyan Christian theology. We desperately want to love the world around us and share our understanding of the Christian faith. One that is accepting and loving. One that invites questions and creative thought. One that believes ALL humans have sacred worth.

The affiliated and the unaffiliated will experience Wesleyan Christian values through people not buildings, actions not meetings, relational not institutional activities, connections not committees. We will serve outwardly, not inwardly, by open expressions of love and understanding with both tangible and intangible gifts.

#### **Priorities**

The Purpose of the new annual conference will be achieved by aligning resources (funding, people, programs) first and foremost according to these priorities.

- 1) Renew and establish vital congregations
- 2) Develop leaders who are gifted at empowering local churches and laity in the Church Mission
- 3) Establish new faith communities to meet the needs of our unique Mission Field.

#### **Principles**

In all efforts, the new conference will:

- 1) Assure communications and efforts are simply stated and elegantly executed in order to meet the three Priorities in an effective and efficient manner.
- 2) Focus on the Mission of the Church versus the organization of the church, preservation of the conference, or denomination.
- 3) Assure resources are only deployed against goals that have a strong purpose and measurable outcomes.
- 4) Allow for the Holy Spirit to be active in everything that we do and give us needed flexibility in approach.
- 5) Balance consideration of the rich history of the Yellowstone and Rocky Mountain Annual Conferences with consideration of the current and future needs of its unique Mission Field.

Jesus promises us, “Whoever finds their life will lose it, and whoever loses their life for my sake will find it.” (Matthew 10:39 NSRV)

## Appendix E

### The Consultant

After serving congregations in Houston, Texas and Bethesda, Maryland, John Wimberly was pastor of the Western Presbyterian Church in the Foggy Bottom neighborhood of Washington, D.C. from 1983 until he retired in December 2012. During that time, Western changed from a tiny congregation with a membership almost exclusively over the age of 65 to a dynamic, 350-member, program-size congregation in which 2/3 of the membership is under the age of 45. Raised in the Midwest, John received a B.A. from the University of Wisconsin-Madison, a Master of Divinity degree from McCormick Theological Seminary in Chicago, a Ph.D. in systematic theology from The Catholic University in Washington, D.C., and a MBA from The George Washington University.

John helped found the Houston Rape Crisis Coalition, the Network for Abused Women in Montgomery County, Miriam's Kitchen for the Homeless at Western and Ethiopia Healthcare Network which provides healthcare to low income women and children in Addis Ababa. He has served as moderator of National Capital Presbytery and the Synod of the Piedmont. In 2006, he was recognized for his work in the Washington, D.C. community by being the seventh clergyman to be inducted into The Washington D.C. Hall of Fame.

John has written two books. *The Business of the Church: The Uncomfortable Truth that Faithful Ministry Requires Effective Management* is widely used in seminaries and continuing education events for clergy. His newest book *Mobilizing Congregations: How Teams Can Motivate Members and Get Things Done* describes the use of teams for ministry. As one of the Alban Institute's field consultants, John worked with congregations on strategic planning, financial and staffing issues. After Alban shut down operations, John joined with the other former Alban consultants as part of a new congregational consulting group. He remains in demand as a consultant and teacher on issues related to congregations carrying out their missions more effectively. Current Clients include congregations in Brooklyn, Nashville, New Orleans, Indianapolis, San Francisco, Seattle, Tulsa, Bucks County, PA, Troy, Ohio, Green Bay, WI, Evansville, IN, Harrisburg, PA, High Point, N.C., Altoona, PA, Ft. Collins, CO and Washington, D.C. In the first half of 2017, he worked with The Great Plains Conference of the UMC on a staff design and office location assignment.

John is married to Phyllis, a retired D.C public school teacher. In the summer, he teaches and works on the pottery wheel in San Miguel de Allende, Mexico where he and his wife have a second home.