



ANNUAL REPORT 2019/2020



Psalm 46: 1-3

God is our refuge and strength, a very present help in trouble. Therefore, we will not fear, though the earth should change, though the mountains shake in the heart of the sea; though its waters roar and foam, though the mountains tremble with its tumult.

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First Church in Marlborough (Congregational), United Church of Christ
37 High Street, Marlborough, Massachusetts 01752-2344
(508) 485-6297

AGENDA OF ANNUAL MEETING
June 14, 2020

1. Call to Order: Joan Campbell, Moderator
2. Opening Prayer: Rev. Dr. Kaz Bem
3. Introductory Remarks: Joan Campbell, Moderator
4. Approve the Minutes of the 2019 Annual Meeting held on May 5, 2019.
5. Approve the Annual Report excluding Matchmaking (Nominating) and the Proposed Fiscal Year July 2020 - June 2021 Budget.
6. Approve Matchmaker (Nominating) Report and election of Nominees.
7. Swearing in of the Trustees, Moderator, Clerk, Assistant Clerk, Treasurer, Assistant Treasurer, Collector and Assistant Collector.
8. Approve the Operating Budget for Fiscal Year July 1, 2020 to June 30, 2021.
9. To vote approval of the Treasurer and Assistant Treasurer to be granted full authority to buy, sell, exchange or in any other way transfer title of stocks, bonds, and any other investments, their rights or warrants which stand in the name of the Church; and that they may be enabled to execute the legal transfer of same with the approval of the Trustees.
10. To act on the matter of authorizing the Treasurer to borrow money with the approval of the Trustees.
11. Other business for discussion only (only matters appearing on the Warrant can be voted upon).
12. Closing Prayer: Rev. Dr. Kaz Bem
13. Adjournment

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WARRANT OF ANNUAL MEETING ~ JUNE 14, 2020

The Annual Meeting of the voting members of First Church in Marlborough (Congregational), UCC will be held via a Zoom Meeting hosted by the Board of Trustees, and accessible via computer, tablet, or telephone, on Sunday, June 14, 2020 at 11:30am to act on the following:

1. To hear and act on all reports.
2. To receive the Matchmaker (Nominating) report and to elect officers for ensuing year.
3. To act on the appropriations of such sums as may be needed to defray expenses for budget year July 1, 2020 to June 30, 2021 and to adopt methods of raising the same.
4. To vote approval of the Treasurer and Assistant Treasurer to be granted full authority to buy, sell, exchange or in any other way transfer title of stocks, bonds, and any other investments, their rights or warrants which stand in the name of the Church; and that they may be enabled to execute the legal transfer of same with the approval of the Trustees.
5. To act on the matter of authorizing the Treasurer to borrow money with the approval of the Trustees.

Warrant posted electronically via Constant Contact email on May 31, 2020 according to law.
Deborah L. Marino, Church Clerk

Instructions for computer users:

To join the First Church Annual Meeting via Zoom, please do the following:

1. Click on the meeting invitation link: <https://us02web.zoom.us/j/89449471443>
2. A new tab will open on your web browser and then click "Open Zoom Meetings".
3. After the new window opens, click "Join with Video".
4. Another window will then open, click "Computer Audio".

Note: In order to listen to the discussion, make sure the computer speakers are turned on!

To join the meeting using your cellphone:

Call 301-715-8592 and then enter 89449471443# at the prompt.

CLERK REPORTS

MINUTES OF 359th ANNUAL MEETING MAY 5, 2019

The Annual Meeting of the voting members of First Church in Marlborough (Congregational), UCC was held in the sanctuary of the church on 37 High Street, Marlborough, Massachusetts on Sunday, May 5, 2019 at 11:30am.

Attendance sheets were passed out and were signed by 48 members.

The meeting was called to order by Moderator Joan Campbell. Reverend Dr. Kaz Bem gave the opening prayer, welcoming and blessing the assembled group. Joan gave some introductory remarks and reviewed the meeting agenda. She thanked all those who were in attendance for coming and supporting the church at its 359th annual meeting.

Joan noted that Robert's Rules would be used as "guiding principles" and not in a restrictive format for the annual meeting. She noted that we would move to approve reports, have discussion, and then move to accept reports. Joan mentioned that there were vacancies in the Church Council, Trustees, Delegates, and Matchmaker Ministries and hoped members might consider volunteering for open slots. Also, she made clear that the budget, when it was voted on, would be voted on in its entirety, not line by line.

The minutes of the 2018 Annual Meeting were approved unanimously, after the church Clerk Deborah Marino corrected the date May 8, 2018 to May 6, 2018 on the heading of the 2018 Annual Meeting Minutes on page five. The 2019 Annual Report excluding (1) the Matchmaker's Report and (2) the Proposed Fiscal Budget Year July 2019 - June 2020 was approved unanimously.

The Matchmaker's Report was reviewed by the moderator. It was noted again that there were still some openings. Joan asked if there were any volunteers or nominations from the floor. Although there were none, Joan asked members to prayerfully consider filling in positions over the next few weeks. The congregation voted unanimously to accept the Matchmaker's Report as presented.

The church Clerk, Deborah Marino, was sworn in by moderator Joan Campbell. Deborah then swore in all officers of the church as well as the trustees and ministry members. Those not present were sworn in in absentia.

The Church Treasurer, Jeremy Crocker, opened discussion of the operating budget for fiscal year July 1, 2019 to June 30, 2020. He addressed questions concerning "global ministries" gifting as opposed to non UCC Mission offerings and other Christian Outreach expenses, like the Worcester Outreach to clarify their differences on page 43 of the proposed budget.

The Congregation voted unanimously to approve the Operating Budget for Fiscal Year July 1, 2019 to June 30, 2020 as written, with one abstention.

The Treasurer and Assistant Treasurer were voted unanimously to be granted full authority to buy, sell, exchange or in any other way transfer title of stocks, bonds, and any other investments, their rights or warrants which stand in the name of the Church and that they are enabled to execute the legal transfer of same with the approval of the Trustees, with one abstention.

The membership voted approval of authorizing the Treasurer to borrow money with the approval of the Trustees, with one abstention.

The floor was opened to discussion of other business. It was noted that the Central Association was planning a meeting on May 15, 2019 to discuss evacuation and security plans for the UCC churches. A walk-through will be done at our church and a safety plan will be proposed and implemented by the Church Council during the upcoming fiscal year.

Pastor Kaz Bem thanked everyone for their help and encouragement in this, his eighth year at First Church. He especially thanked Sue Pellerin, Church Administrator, for all her work in coordinating church activities.

Pastor Kaz gave the closing prayer, thanking God for the gathering of faithful and hard-working stewards of our church who are looking to the needs of our church in the coming year.

The meeting was adjourned at 12:00pm by Moderator Joan Campbell.

Submitted by: Deborah L. Marino, Church Clerk

ANNUAL REPORT OF THE CLERK For Calendar Year Ended December 31, 2019

The membership of First Church of Marlborough (Congregational), UCC at the close of 2019 was 228, an overall decrease of five members since 2018. Two members were removed from membership due to transfers. We lost five active members due to death. Two active members were removed from membership due to moving out of the area. Four adults joined our church. There were two off-site weddings officiated by Rev. Kaz Bem. There were no weddings in the sanctuary. Average church attendance at worship services was slightly over 100.

Reverend Kaz Bem officiated at the baptism of one child:

February 9, 2019 Alexis Erin Scruggs Bradbury, born June 11, 2009 in Worcester to
Jerry Scruggs and Lisa Bradbury

Reverend Kaz Bem officiated at two off-site members weddings:

September 7, 2019 Lauren Bersey and Brian Hasbrouck
October 5, 2019 Cindy Ruggerio and John Tenney

Four new members were welcomed on December 8, 2019:

Morgan Cefalu
Brenda Feeney
Raquel D. Morales
Steve O'Toole

First Church was saddened by the loss of many friends and members in 2019:

January 25, 2019 Debra A. Beauregard, active member
February 4, 2019 Claudette D'Agostino, former member
March 7, 2019 Barbara Miller, former member
June 18, 2019 Anne G. Tennyson, active member
July 1, 2019 Annalee "Abby" Ginnetti, friend of the church
July 27, 2019 Sheldon Steeves, friend of the church
July 29, 2019 Judith I. Butler, former member
August 7, 2019 Olive Kozak, active member
August 21, 2019 Shirley C. Fenton, friend of the church
August 23, 2019 William C. Provencher, active member
September 22, 2019 Marjorie A. Park, friend of the church
October 11, 2019 John Tibbets, former member
October 16, 2019 Ashman L. Berry, friend of the church
November 25, 2019 Susan E. Frullo, former member
December 30, 2019 Clarence A. Forman, Jr, Esq., active member

Submitted by: Deborah L. Marino, Church Clerk

PASTOR'S REPORT

Dear Saints of God at First Church,

This has been a good year for First Church – has it not? I know, most of your thought bubbles just went “Wait, whaaaaat?!” or those of you who are less inclined to judgment thought “Oh, dear, he submitted last year’s Annual Report by mistake” I have not. It is April 30, 2020 and we have been under Covid-19 lockdown since the middle of Lent. But bear with me, please.

Our worship life saw a slow but consistent climb in numbers, and we were on track to go once again over 100 worshippers on average each Sunday. New members were being welcomed, new children baptized into the Christian faith, and our small but feisty confirmation group was doing very well indeed. This past year I started an evening Bible Study and I am pleased to report that the morning group has grown to a circle of 20-25 people and the evening group to anything between 5 and 10 people. With over 10% of First Church members being involved in Bible Study, I dare say we are the most Biblical congregation of all the Massachusetts UCC churches! Yay First Church! In our Sunday School we (re)introduced another class for kids in the age group before confirmation and it was a huge success – the children began to be interested in learning more about the Bible and Christian faith (shout out to our Sunday School teachers!). The music ministry is flourishing thanks in large part to the leadership of Ellie – whose passion and cool-headedness remind me that there are great hymns beyond the 17th century!

This past year our church has not seen any floods or lighting strikes (remember two years ago?!). Our church tower was invaded by a feisty racoon family, but we managed to evict them with little damage to us, the tower or the racoons (deepest thanks to CaseyLee for checking things out in the tower). We did need a partial new roof, and in the first four weeks the “Raise the Roof Campaign” ran, we raised \$15,125 of the \$22,000 total cost. That is very impressive! The Stewardship Team conducted the most successful stewardship campaign in our history, and the Trustees have been very faithful and diligent in managing First Church’s assets.

In terms of outreach, while more can be done, we fed asylum seekers in Worcester, we continue to serve meals to guests at Our Father’s table, and support two students at the Christian Theological Seminary in Sri Lanka with our Edward Warren Memorial Scholarship. Finally, after years of planning, we managed to inaugurate an organ concert series with Jenn Bastien, Joan Campbell, and Ellie’s planning, fundraising and leadership. Our last pre-Covid concert brought together 82 people from as far as Rhode Island and Connecticut – ok, so that was Benjamin Straley, our artist, but you get the general idea.

And then came Covid....

Yes, let us look at what happened. Let us look closely, so that we can pay careful attention and not miss anything! Despite the upheaval in your lives, despite the uncertainty in the world around us, despite the news of doom, gloom, and more gloom, despite all the uncertainty – what has happened to First Church and at First Church?

- You continue to show up for worship online in numbers that suggest that we are doing very well! There are probably around 100 people participating in worship online, and you continue to show up despite the fact that I am the only person singing!
- You continue to show up for Bible studies as you watch the short movies I make and zoom in for the Tuesday live one too. While it is not the 35 people we had before, we have a number of folks who are zooming in from Pennsylvania, New York and Florida.
- Your mission and missionary-ness has increased: many of you have invited friends, neighbors and family members to watch our worship or Bible studies. We have regular viewers of our worship in Oregon, California, Illinois, Maine, New Hampshire, Florida, Argentina, Morocco, Australia, Switzerland, France, UK, the Netherlands, Poland and the Philippines.
- Your generosity and faithfulness to First Church has remained steadfast. A huge shout out to our Trustees, Sue, Jeremy, Pam, Cliff are due – they process finances, make sure our meetinghouse is in tip-top condition for when we return, and Sue makes sure that you are kept up to date with everything.
- Only today, the Mission & Outreach team has very wisely and with much thought decided how to disburse our mission money in times such as these for those most in need in Marlborough, Hudson, and around the World, especially those affected by Covid-19.
- Our Sunday School kids are making face masks as we speak to help those in need of them in Marlborough and to raise money for the Church World Service Blanket Project to help those less fortunate in the US and around the world.
- Our Deacons are planning already how to wisely and safely re-open for worship in the weeks ahead.

Finally, on a personal note, like all of you I was thrown off my routine of travelling post-Easter and in the upcoming summer. But by the Grace of God, this year my parents came for Christmas and not for Easter, and we spent time together just before this pandemic hit. That, and your absolutely moving, kind and touching, notes, texts, emails and messages of support have allowed me to minister to you better than I feared I would in times like these. Again, if in this period, I have let down anyone or been remiss, I ask for your Christian forgiveness. All I can say is that I could not have dreamt of a better congregation to minister to, and proclaim with, the message of the Gospel of Jesus Christ.

In the year when we will commemorate the 400 anniversary of the coming of our Puritan ancestors to the shores of Massachusetts let us remember their motto “Qui transluit sustinet” – “The One who transplanted us, will sustain us”. The author of the Gospel of Matthew, which is our lectionary base for this liturgical year, ends his masterpiece with Jesus assuring his disciples: “And remember, I am with you always, even to the end of the age” (Matthew 28:20). The Covid-19 pandemic, our isolation and the media coverage want to drown out the good news, the EVANGELION, the news of the battle won for us in Jesus Christ. But they can never extinguish it – the strife is over, the battle won. Our God is with us – the God of Jacob is our refuge (Psalm.46:7). God with us – Immanuel – Christ Jesus!

For that, and all the blessings we have received from God’s most gracious hand, even at times such as these – to our God be praise and glory!

Yours in Christ,

Pastor Kaz

CHURCH COUNCIL

The Church Council's objectives are to facilitate communication among the ministry teams and to determine and interpret policy decisions. Church Council meetings are open to anyone to attend, listen, provide input and get updates on church life. Council meetings typically take place at 7:00pm on the fourth Monday of each month.

The 2019-2020 Council members are: Lori Hannay (at-large member and Chair), Andy Dunn (at-large member and Vice-Chair), the position of at-large member and Secretary has been vacant with Andy Dunn and Marnie Hooker sharing Secretary duties, Rev. Dr. Kaz Bem (Pastor), Susanna Buckingham (Spiritual Formation Ministries Facilitator), Joan Campbell (Church Moderator), Marnie Hooker (Church Operations Ministries Facilitator), Susan Pellerin (Parish Life Ministries Facilitator), Gary Hollis (Worship & Music Ministry). Our vacant Facilitator position this year is for the Mission/Outreach Ministries. Please look on the next page for an outline and reminder of how we are structured under our Bylaws as of May 3, 2015.

This year Church Council developed and completed the First Church Emergency Action Plan (EAP), which addresses emergency situations and the appropriate response strategies. The Plan will be delivered electronically to the congregation in early May, and a drill will be planned for the fall of 2020. Council also worked on updating the First Church Child Safe Policy (special thanks to Joan and Sue Buckingham) which will be finalized in May. The ministry facilitators have kept the Council informed of the workings of the various ministry groups at First Church. Highlights include:

The Spiritual Formation Facilitator has kept Council updated on Sunday School matters and worked diligently on the Child Safety Policy update. The Moderator has continued to act as a liaison with the UCC, providing contacts to help with various projects and questions.

The Parish Life Facilitator has reported on numerous church life events, including Ghost Light Player performances, Holiday concerts, Organ concerts, Stars & Angels, Our Father's Table, and the Men's and Women's Fellowship ministry fundraising efforts.

Worship Ministries updates have been provided by both Diaconate and Pastor Kaz regarding worship planning, the new music search for a permanent organist following the retirement of James Duncan and the search for a youth minister.

The Operations Ministry Facilitator has been our liaison with the numerous Trustee building and grounds large projects throughout the year and the use of building by outside groups.

Mission/Outreach Ministry information has been provided by both Susan Pellerin and Pastor Kaz, including local, national and international outreach projects. Pastor Kaz has kept us updated his efforts throughout the year.

Council welcomes input from First Church members as we continue our church ministry work.

Submitted by: Lori Hannay, Chair



- Diaconate:
 - Lead Welcoming Effort
 - Staff Lay Leadership
 - Support New Members; Baptism; Confirmation
 - Special Services; Deacons Fund
 - Telephone tree
- Audio Visual
- Music (all groups) & Flower
- Funeral Hospitality Team
- Bible Study
- Volunteer Development and Deployment



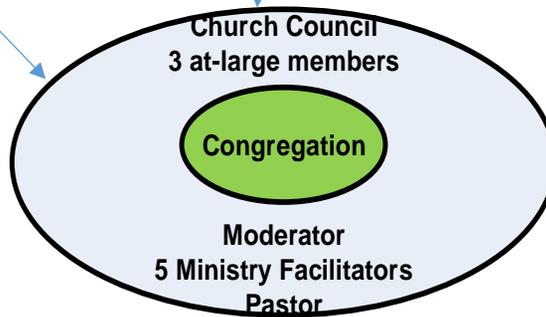
- Our Father's Table
- Food Bank
- Mission Outreach programs
- Educational opportunities on mission related issues
- Volunteer Development and Deployment



- Sunday Morning CE
- Confirmation Group
- Youth Group
- Adult Formation opportunities
- Stewardship
- Volunteer Development and Deployment



- Pastoral Care Team
- Food related Fellowship (coffee hour)
- Whole and small group Fellowship opportunities (Women's & Men's)
- Communications (Crier, Website)
- Matchmaking/Nominating
- Fund raising events (BBQ, Rewards)
- Scholarship (Alice Blakeley and Christian summer camps)
- Volunteer Development/Deployment



- Trustees
 - Building Maintenance
 - Building Use
 - Finance/Audit
 - Personnel Support
- Pastoral Relations
- Volunteer Development/Deployment-

WORSHIP MINISTRIES

DIACONATE

As this report is prepared on a beautiful mid-March evening all of us are trying to manage our lives. We would have never imagined in a thousand years that we would be dealing with this terrible “Coronavirus”. The Diaconate, Pastor and church leaders have had to make extraordinary decisions during this time. All meetings, activities, church school and regrettably church services had to be cancelled for many weeks. We are not sure what the future will bring in the weeks and months ahead. This is usually the busiest time of the year for the deacons with Holy Week fast approaching. As many of you know, our mission and core responsibilities are to support the logistical aspects of our worship services.

Summary of 2019-2020 year:

- We welcomed new deacons Maxine Bellew and Kathy Powers and the return of Gary Hollis. Dot O’Shea and Jenn Burgos took over as co-chairs. Monthly meetings were moved to the third Wednesday of each month.
- We welcomed Junior Deacon Kelson Knox.
- Pastor Kaz did a sermon series on the “Lord’s Prayer”.
- We always enjoy planning and supporting baptisms and new member services! Diaconate also manages the ‘Deacons Fund’, with our church Treasurer maintaining the funds. Contributions to the fund come primarily from periodic second collections during Sunday services and are used to provide temporary financial assistance to church members in need and outside charitable causes. We continue to support funerals and other special services that take place in the sanctuary and help our college students through finals by sending them end-of-semester ‘goodie bags’. In January, we held our annual retreat at Zion Lutheran Church in Pittsfield.
- We continue to pray for our members Trenton, on his major hip surgery and Rose, as she continues to heal from a horrific dog attack.

We would like to thank Rev. Jon Wortmann for preaching in Kaz’s absence, as well as Russ Goliger, Steve Kotsopoulos, Liz Mahoney and Richard Rowell. Thanks very much as well to the many lay leaders, readers and greeters that contribute to our weekly services.

Special thanks to our deacons: Maxine Bellew, Jenn Burgos, Liz Correll, Rose Eastman, Gary Hollis, Dave Kemp, Kathy Leonard, Peter Nott, Dot O’Shea, Kathy Powers, Sandy Stetson and Trenton Vartabedian.

Submitted by: Dot O’Shea and Jenn Burgos, Co-Chairs

FLOWER MINISTRY

We are so blessed to have a caring and generous congregation that provides beautiful fresh flower arrangements throughout the year by ordering altar flowers and arrangements through the flower team. The church is beautified each week by colorful blooms that mirror the church's various seasons. Our florist, Alana at the Floral Gallery on Williams Street in Marlborough, is an artist at her craft and actively seeks to use colors and blossoms that are requested by the donors. Donors may take their arrangements after the service or ask to have them given to a shut-in or to someone in need of cheer. They may also be ordered to celebrate a special occasion or to show appreciation. We have floral trust funds that are sometimes used to purchase flowers as well, on a yearly, scheduled basis.

There are numerous organizational tasks that are necessary to maintain the flower records over the year, and we have a new member of our team, Krysta Koppenal-Lynch, who coordinates the schedules, takes requests and dedications, plans the bulletin inserts, and works directly with the florist. She has taken on these tasks from Cindy Vail, who performed these functions for several years and has passed the torch to Krysta. We thank Cindy for all she's done and are happy to report she is still a vital and active part of our team. Donna Ziegler has also joined the flower team this year. She coordinates the Easter and Christmas plant ordering and prepares the dedication inserts. Welcome, Donna and Krysta! Joan Beauchemin decorates the Parish Hall and sanctuary on a seasonal basis and can also be found planting live flowers outside the church in the large tub as well as throughout the front bushes. Debbie Marino hangs the wreaths that adorn the front doors for Easter, spring, fall and Christmas, and assists in decorating throughout the year. We had many helpers to assist with putting up and taking down Christmas decorations, including Cliff Fenton, Dick Yurkus, Jeremy Crocker and several others. We are so thankful for their assistance!!

Our busiest times of the year are Easter and Christmas when special flower orders are taken. We had a record number of red and white poinsettias ordered last Christmas, beautifully foil wrapped and freshly delivered by Trombetta florists of Marlborough. The pulpit and windows of the sanctuary were adorned with color. This Easter Cindy had ordered both Eco Palms and straight palms for Palm Sunday. Some will be saved to burn for ashes during our Ash Wednesday service in 2021, as we have done for several years. Orders for Easter tulips and lilies had to be cancelled due to coronavirus concerns and a temporary closing of the church. Mother's Day carnations are typically ordered each spring for all the ladies in the congregation however, this too has been cancelled.

We welcome flower requests at any time. More arrangements create an even prettier sanctuary setting! Simply speak to a floral team member, or ask us about joining our team!!

Joan Beauchemin, Krysta Koppenal-Lynch, Debbie Marino, Cindy Vail and Donna Ziegler

MUSIC MINISTRY

The past year has been marked by transitions as we said goodbye to Jim Duncan in his retirement and to Jenn Bastien as she moved on to serve a new congregation in Clinton, Massachusetts. At the same time, we welcomed Yunhee Kim as our interim organist/pianist in the Fall of 2019. As the Music Director, I am grateful to Diane Burke for her steady leadership and talent, to Yunhee for her excellent accompanying skills and to all the members of our music ensembles for their constancy during the past year. Since the middle of March, of course, our music ensembles have been on hiatus due to the Coronavirus pandemic, but we are looking forward to returning to making music together when it is safe to gather.

Chancel Choir

The Chancel Choir continued to expand this past year with the addition of one new member in the soprano section. We welcome all who would like to sing to join us in any section, especially the bass and alto sections. The ability to read music is not required, just an enjoyment of singing and a sense of fun!

This year has seen musical growth as well. We have been able to learn and perform more challenging repertoire and to stretch into styles that are less familiar. Highlights from the past year include “When the Saints Go Marching In,” Mozart’s “Ave Verum Corpus” and a reprise of the Advent spiritual “Keep Your Lamps”.

Last summer, we continued with our “summer choir” for several Sundays and invited anyone who wanted to sing to do so. There was only a brief rehearsal right before the service where singers learned a simple and fun piece of music – typically a round or folk-style song. It’s a great way for anyone who is thinking about singing with the choir to try it and for choir members who are missing singing during the summer. We look forward to continuing the Summer Choir again this summer.

Joyful Ringers

The Joyful Ringers have had a year of collaborations, transitions, and growth! We began with a combined piece with the Chancel Choir to celebrate Easter, and on Music Appreciation Sunday in May we were pleased to offer a swing-style jazz piece as our contribution to the service.

In June, we bid farewell (as a church and as a handbell choir) to Jim Duncan, our longtime organist (and willing handbell sub!) and his lovely, talented wife Linda, who had joined the Joyfuls a few years ago and brought humor, passion, and skill to the group. In Jim’s honor, we decided to purchase the highest bell (a C8) in the octave we partially own and dedicate it to him. It bears a plaque inside the handle honoring him. We were honored that he asked the bells to play a piece with him at his last service, and we “toasted” him with bells on the final note. We will miss them both dearly for so many reasons, and it was difficult to let them go!

June also brought the biennial handbell Festival/Conference for New England, and Tambre Knox, Sarah Shaw and I attended at the University of Hartford for three days of ringing, learning, and performing. Tambre and I performed in a quartet version of “Ave Maria” that we also played here in church. Sarah and I performed with a handpicked elite choir to play one challenging piece on only two rehearsals (!), and all three of us were involved in a performance by the Lincoln Ringers - one of my other handbell choirs - in which Kelson Knox also participated on the djembe, with his dad and grandmother watching. It was a very special experience!

On to Summer Bells, where some of the Joyfuls were joined by ringers from two churches in Sudbury as well as from Lincoln, and we prepared three pieces to play at the July 28th service. Two quartets were also formed, and they showcased their pieces in church on September 15th. This program seems to be a wonderful way of getting new ringers started and challenging existing ringers to develop ensemble skills, so the twofold purpose is reaping terrific rewards!

Before the fall, we were also incredibly lucky - and grateful! - that in addition to the “Duncan” bell in Jim’s honor, we could complete our top octave of bells with the purchase of the last four. This was through a combination of fundraising and private donation, and our heartfelt thanks go out to those who helped make this a reality. We have already put them to use in just about all our pieces!

The fall brought two more collaborations in addition to our usual third Sunday of the month offerings. We played “Make Me an Instrument of Thy Peace” with accompaniment by Jim Duncan on piano, and Kelson Knox and Alyssa Crocker did an inspired reading of the prayer as we played. In December, we joined with .covenant and the Chancel Choir for a combined performance of “God Rest Ye Merry Gentlemen” based on the Trans-Siberian Orchestra arrangement. It definitely rocked the church and was great fun!

In February, we hosted First Church’s annual Pancake Supper on Shrove Tuesday, and it was a rousing success! We served more people than last year, people seemed to linger a bit to enjoy a little more fellowship, and we were ably led by our fearless leader (and ringer) Melissa Purnell. We had a great time in the kitchen as always, but Sandy Stetson’s wacky headband seemed to be the hit of the day! We also appreciate our extended families and church members helping us with chores and cleanup.

Lastly, our group continues to grow musically and change personally! This year we were sad to lose Carol Palmgren and Barbara Chambers temporarily due to some medical issues and hope to have them back soon. We also had to say goodbye to Sarah Shaw, who is now living in western Massachusetts and did her very best to try to keep ringing, but it became unrealistic for her to continue in Marlborough. We miss her talent, her passion, and her positive spirit, and hope she finds a wonderful handbell home somewhere west of here! We have also been happy to welcome new ringers Rob Knox and Jessica Bowen who have been great sports and fabulous additions to the group! We will soon also add Carissa Mak and David Evans-Brown as well. As always, the one thing that’s certain is change! I am so grateful and appreciative each year for the camaraderie, ambition, and skill of this handbell choir. We work hard and continue to push past what we thought were limitations to produce music that is diverse, challenging, and inspirational...and we make sure to enjoy ourselves in the process. It’s a match made in Heaven!

Children's Choir

One of the transitions mentioned above is the departure of Jenn Bastien. New for this year, Ellie has taken over working with our children and youth musically.

Building on the success of the revised rehearsal schedule for our children's choir that Jenn began last year, Ellie worked with Kaz before the year started to make changes to the choral participation in the service. This has allowed her to join the children in the Sunday School classrooms during church time and lead them in singing. New for this year, was the division of the children into age groups (younger and older). With this division, we can select music that is more age appropriate and engaging for our kids.

Both groups (Children's Choir & Youth Choir) sang in Sunday morning worship as well as the Family Christmas Eve service with great success. We were scheduled to sing on Palm Sunday (Children's Choir) and Easter Sunday (Youth Choir), but with worship moving to virtual format and the loss of rehearsal time in March, we have had to cancel this. We hope to add performances by both groups later once regular worship resumes.

On a personal note, the addition of these duties to my First Church routine has been an absolute joy and pleasure and I have really enjoyed getting to know our children and the Sunday School teachers better.

Organist

The Wick’s Pipe Organ at First Church continues to serve the congregation very well. It is one of the best pipe organs in the Marlborough area as showcased most recently in our new Organ Recital Series (see more below). The instrument continues to be maintained and tuned by the Ortloff Organ Company in Brookline,

Massachusetts. In addition, all five church pianos are properly maintained and tuned as necessary.

Yunhee Kim has been serving as our interim organist since September 2019. Since Yunhee is serving in an interim capacity, Ellie has assumed responsibility for overseeing organ and piano maintenance.

Other Music

In addition to our fine ensembles and excellent organ and piano music, we were blessed to have many church members and friends contribute their musical talent to enhance our worship. These gifts include Sarah Shaw (trumpet), Nancy Hale (violin), Sarah Hanahan (saxophone), Jenn Bastien (vocal), Diane Burke (vocal), Dot O'Shea (vocal), Eva Kotsopoulos (vocal), Russ Goliger (vocal), Liz Mahoney (vocal), Marnie Hooker (vocal) and Kevin Dyier (vocal).

We were especially blessed to have Steve Kotsopoulos organize two musical offerings in the fall of 2019. In November, a smaller version of .covenant performed a rendition of Lauren Daigle's "You Say" which featured singers Liz Mahoney, Joanne Kotsopoulos, Tammy Ducey, Susan Hanahan and Fritz Haas, and violinist Nancy Hale along with Steve on guitar and Ellie on piano. The next month a larger group presented "God Rest Ye Merry Gentlemen". This involved the Chancel Choir, the Joyful Ringers along with extra singers and instrumentalists. Both presentations were met with appreciation and enthusiasm.

A new project showcasing our Wicks Organ was initiated by Pastor Kaz, Jenn Bastien and other church members involved with the 350 Fund. Sponsored by St. Mary's Credit Union, the inaugural season of the Community Organ Recital Series, a series of five organ recitals, was organized to open the gift of our wonderful organ up to members of the community at large. Two recitals were held before the Coronavirus forced us to postpone the recital planned for March. We are live streaming a performance in late May and are hoping to continue the series indoors soon. In addition, we are already thinking and planning ahead to continue the series next year.

Future Plans

We are once again in the midst of a search for a permanent organist. We currently have several viable candidates that we are considering and will be scheduling auditions as soon as it is possible.

Once the current health crisis subsides, our music-makers will be happy to gather once again and resume our activities. As I look to that time, my thoughts turn to what music and activities will be most meaningful to us as ensembles and to the wider church community. This time of being apart certainly does reaffirm for all of us how essential music is in our worship and live and how important and special we are to one another.

Respectfully Submitted:

Elinor A. Armsby, Music Director and Diane Burke, Handbell Music Director

MEMBER IN DISCERNMENT FOR ORDAINED MINISTRY

Russ Goliger continues as a member in discernment – no report was submitted.

PARISH LIFE MINISTRIES

The Parish Life Ministry consists of those groups who are called to lead and participate in pastoral care, communications, fund raising efforts, scholarship programs (Alice Blakeley or summer camps), food-related fellowships such as coffee hour, and whole and small group fellowships including Men's and Women's Fellowship.

First Church welcomes new ideas and visions for creating and growing fellowship opportunities as well as community events to open the church to others. If you are seeking help to facilitate a new idea for a fellowship program or community event, please contact me. (Susan Pellerin)

WOMEN'S FELLOWSHIP (62nd year)

September 2019 to June 2020

The First Church Women's Fellowship has 27 active members (we grew!) and two honorary members. We are a busy and highly productive group who meet monthly from September to June of each year on the second Tuesday of the month. Women's Fellowship sponsored a successful fall rummage sale on September 27 and 28, 2019, with a Friday evening-Saturday morning time frame that once again seemed to work well. Savers of Marlborough received some leftover goods and presented a check to the group, increasing the profits to nearly \$1,800. The November 23rd Meetinghouse Fair was highly successful as well, providing a profit of \$7,648! We welcomed a few outside vendors this year, who were much appreciated. We were very grateful for the assistance given to us by many church members and friends who helped make it an all-church fair! As always, the Men's Fellowship was extremely helpful with set-up and take-down. The annual Silent Luncheon, which marks the beginning of lent on Ash Wednesday, was held on February 26, and it was very well attended this year. The quiet beauty and simple but delicious lunch enjoyed by all and presided over by Rev. Kaz Bem. A spring rummage sale which was scheduled for April 4th and 5th was cancelled due to coronavirus concerns. Our group regularly hosts the coffee hour on the fourth Sunday of each month after the worship service.

The Women's Fellowship supports First Church in many ways. We provide kitchen and coffee hour supplies each week. The Fellowship pays to have the parish hall floor stripped and waxed twice per year and pays to have the kitchen and stove cleaned thoroughly each year. We paid for oven repairs this spring. We routinely give scholarship aid to church youth who wish to attend Star Island Retreat. We maintain a scholarship fund for members of the church studying for the ministry. Women's Fellowship has hosted many collations in the Parish Hall following funeral services over the years. We annually provide memorial flowers for past WF members and members of the Ladies Benevolent Society. Last year we purchased the beautiful carnations presented to all women on Mother's Day. We assisted in the celebration of Jim Duncan's retirement. We donated memorial gifts in remembrance of members of Women's Fellowship who we lost this past year: Debra Beauregard, Anne Tennyson, Barbara Miller and Olive Kozak. We will miss their smiles and their fellowship. We are always looking to serve the church in any way needed.

Women's Fellowship is very active in outreach activities to the wider community. Each month we collect non-perishable items for our local food pantry. A large basket is filled each month with specifically requested food items which are then delivered to the Tri-County Food Bank. In December, we had a "baby shower" and collected baby food, diapers, baby clothes, blankets, and other baby necessities for the food

pantry. A cash donation was also sent to the pantry. Cash donations were also sent to Heifer, New England Home for Little Wanderers, You Inc., Thrive, Support and Advocacy (a support system for Metrowest residents with developmental disabilities and their families), UCC Church World Service, UCC Christmas Fund for retired ministers, and many other charities seeking aid.

The group has had some enlightening and enriching programs this past year. In September, we began our year with a covered dish supper and an interesting presentation by Chelcie Martin, one of the owners of Honey Pot Orchards. In October, we had a fun evening of fall floral arranging with our church florist, Alana of the Floral Gallery. In November, Jim and Linda Duncan presented a wonderful concert with the Southborough Senior Songsters. Our December program was another musical program, with Bob and Cindy Mangan singing and playing a mix of holiday and oldie favorites. Our meetings in January and February were noontime ones, to allow for easier travel in the snowy cold months. In January, we shared a delicious pot luck luncheon. The February meeting began with a shared lunch and then a fun afternoon of games. Our March program of preparing May baskets was rescheduled to April 15th and our April program was scheduled to be The Peace Players, but meetings have not taken place since the coronavirus restrictions went into effect. It is likely that our June meeting, the annual banquet where we celebrate our friendship and all that we accomplished over the previous year, may also be cancelled this year due to social distancing restrictions.

Historically, the purposes of Women's Fellowship are to encourage women to grow to full stature as mature Christians, to enlist them in a closer fellowship of Christian love, to help them better understand the life and work of the church, and to provide opportunities to serve the church and greater community in needed causes. We welcome all teens and women of the church to join us at our meetings (second Tuesday of the month) and share our joy in service to others.

Submitted by:
Deborah Marino, Recording Secretary

MEN'S FELLOWSHIP

September 2019 to June 2020

Men's Fellowship meets on the third Sunday of each month in classroom 7 at 11:30am following our worship service. All are invited to join in and participate.

Some of our activities planned throughout the year included:

- Monthly Spaghetti Supper open to the public (main source of funds used to support needs of First Church)
- A member's dinner out at The Horseshoe Pub
- A Paw Sox baseball game in June (Frank Marino threw out the first pitch)
- Assisted Women's Fellowship in setting up for annual rummage sales and Meeting House Fair
- Provide food and personnel for coffee hour every other month

With funds accumulated we have made donations for the following this year:

- Bolton Street entrance flooring replacement
- Hygiene Kits for UCC (Qty 10)
- Jim Duncan Gift
- Fallen Worcester Firefighter Fund
- Purchase of four new kitchen carts
- Annual 10% tithe to general church funds

Would like to thank the many individuals that participated in activities this past year.

President Gary Hollis, Vice President Cliff Fenton

Secretary Dave Kemp, Treasurer Larry Wenzel, Chaplain Bill Davis

SCHOLARSHIP

It is with great thanks and honor that I let you know we awarded 16 students an Alice Blakeley Scholarship on Baccalaureate Sunday in June 2019. Easy student was given \$625 to further their undergraduate studies. Awardees were: Hannah Cole, Madison Cole, Brian Ducey, Emily Ducey, Jackie Forman, Max Hooker, Daniel Santamaria Hopkins, Amelia Kinney, Ella Kinney, Carrington Leclerc, Ashley Levy, Kevin Macauley, Kira Macauley, Brandon Nzukie, Christopher Rowell, and Jack Snow. We congratulate these bright students and wish them well on their academic endeavors. Since its inception in 1993, this scholarship fund has awarded \$277,900 to our college students.

No Christian camp scholarships were given out in 2019 as there were no applicants. Unused funds were rolled over for 2020 applications.

Submitted by: Liz Mahoney

SPIRITUAL FORMATION MINISTRIES

The Spiritual Growth Ministry is made up of those who are called to see to the spiritual growth of our congregation and friends including Sunday Christian Education, Confirmation, Youth Group, Adult Faith Formation and Stewardship. This year Lynette Biggs and Anita Stetson have overseen the Sunday School program and added a religious education discussion group based on the weekly sermons for kids in grades six through nine. Jenn Bastien worked with Pastor Kaz and the confirmation group. Rob Knox continued to offer periodic prayer support. Pastor Kaz continued to lead Tuesday bible study groups (one morning and one evening). (Susanna Buckingham)

CHRISTIAN EDUCATION ~ SUNDAY SCHOOL/NURSERY

Anita Stetson and Lynette Biggs have been running the Sunday School again this year. We have shared responsibility of teaching, getting parent volunteers, buying supplies, and organizing supplies and activities. We also share the responsibility of making sure the nursery is staffed or notify parents if the nursery will not have coverage.

The nursery has generally had just one (sometimes zero) babies. Ashley has continued to care for the children, with occasional assistance from some teens or an adult from the Sunday School classroom across the hall. Often, parents remain in the room to spend time with their little one.

Sunday school had a total of about 25 children registered for the 2019–2020 school year, ranging from four through 15 years old. On average, 12 children attend each Sunday. The children generally begin the service with their families upstairs in the sanctuary through the scripture readings. They then move forward to hear the “word for all ages” together in the front pew. After the message, the younger children rush downstairs to Sunday School. When there is Communion, the children begin downstairs and join their families for Communion.

Lynette has continued to use the lectionary-based curriculum called “Spark Lectionary” with the children who are age four through 5th grade. The curriculum is tailored to the readings designated for the service, so the children hear the story read by the Lay Leader or Pastor upstairs. Downstairs, the children hear the same story that was presented in the reading upstairs, but in a version accessible for young kids. They follow along in their story Bibles. The lesson is then discussed and reinforced with an activity or craft. Ellie Armsby has been leading them in singing to bring music to all the children rather than just to those who participate in Children’s Choir. Sharing music with the kids is very important!

The older children (grades six to nine) remain upstairs for the sermon. Following the sermon, they come down to a classroom with Anita, where they discuss what they heard upstairs and how it relates to their lives. They have expressed that they enjoy the opportunity to gather as a group, have a snack, and chat. It is Anita’s focus to help them discern how their faith and the messages that they receive at church are relevant to them—as well as a deeper understanding of the flow of the church year. Ellie has also been meeting with these kids so they are able to be a part of the music ministry of the church.

Our children have been very engaged and hard-working, and they take pride in their work, projects, and discussion. They continue to develop a wonderful sense of community.

Since we have been unable to have worship in-person due to coronavirus concerns, the kids have been joining Kaz in a group chat following his live-stream worship service. Our first week was a quick chance for the kids to say hi. The second week had so many attendees that we didn't fit in Facebook Messenger! Did not know there was a limit! So, for the third week, we graduated to Zoom. We are doing our best to remain connected to each other from our homes.

Respectfully submitted,
Anita Stetson & Lynette Biggs

CONFIRMATION AND YOUTH GROUP

This year at First Church had an active confirmation group made up of four girls: Lindsey Biggs, Alyssa Crocker, Piper Kinney and Lauren Williams. Over the summer the girls took a trip to Star Island, off the coast of New Hampshire, the home of a religious retreat. Meetings started in September and averaged once a month. The confirmands explored the history of our denomination and what that means to their personal faith. Part of that process is visiting other types of churches, so in October the confirmands and some of their mentors attended a service at the Greek Orthodox Church. The confirmands then each attended separate services with their individual mentors. In November, we visited the oldest continuous church in the United States in the Hingham, Massachusetts Old Ship Church. The girls also held a booth at the Meeting House Fair in November selling pottery items that had been donated. They will use this money to offset some of the costs of future trips. In early March, the confirmands took a trip to Yale Divinity School. There they attended a church service and visited the rare manuscript library. Mid-March brought a lockdown on the state due to COVID-19, so meetings continued virtually. The girls were scheduled to be confirmed on May 31st, and this has now been postponed until the fall of 2020.

Submitted by: Jenn Bastien, Youth and Confirmation Leader

STEWARDSHIP

When the stewardship ministry team got together to plan our FY-2020 financial campaign we reviewed last year's results and feedback which helped us set the groundwork for this year. Under the guidance of Pastor Kaz we discussed our existing programs including Katy Mahoney Backpacks, Our Father's Table, Tuesday Bible Study classes, 350th Outreach Fund scholarship money for two students at the Christian Theological Seminary in Sri Lanka, and many smaller but impactful ministries. We also looked to our future with a growing church family (228 members), an older church building and what we hoped to accomplish this next year.

The trustees, treasurer, and ministry teams have all worked together diligently to efficiently manage our church budget this past year, but with growth, comes increased expenses. This year we have been searching to fill two positions: a Youth Minister and a Senior Church Organist. These positions represent a combined market competitive investment of \$15,000.

Out of this need our pledge campaign slogan "Investing in us... Aren't We Worth It?" was born. We set two goals for the 2020 Pledge Program, \$190,000 with 70% of church members and friends pledging. The team assembled and mailed out 162 letters (total number of potential pledges) in early November. A visual

thermometer with our two goals was put together and was used to report back to the congregation on our weekly progress towards these goals.

Pledges were returned during November and into December with some follow-up emails, reminders and phone calls to individuals we had not hear from. The result is that we came in at 96% of our first goal raising \$181,538, and we exceeded our second goal with a 102% renewal pledge number. The financial amount was the largest since 1999 (we beat that number by \$56.00!). The number of electronic pledges also increased which helps provide a consistent cash flow throughout the year making our treasurer and trustee budgeting life a little easier.

Thank you, to all the members and friends who invested in First Church and helped make this stewardship campaign a success, and to the stewardship ministry team, CaseyLee Bastien, Jeremey Crocker, James Mutinda, Kathy and Steve Powers for all their time and effort planning, organizing and follow-up for this successful stewardship pledge campaign.

Submitted by George Pellerin, Stewardship Team

MISSION/OUTREACH MINISTRIES

Our ongoing Outreach and Mission ministries continued to flourish this past year however, we remain in need of a Facilitator for this Group to work with members to explore new programs and ministries both within and outside of First Church. This person would also be a member of Church Council which meets monthly on the fourth Monday at 7:00pm.

350th Outreach Fund

The mission of the Fund is to provide local, national and international outreach funding in gratitude toward God. This is the third year we have had money available to award grants from our 350th Outreach Fund. We began the 2019 calendar year with a balance of \$11,907 of which \$2,976 was available for applicants. We did not receive any grant requests this year however, we did receive a generous donation of \$2,000 from Avidia Bank in Hudson to be used for future requests. (Susan Pellerin)

Katy Mahoney Backpack Program

What a fun experience we had this year. Just when I thought we had all the backpacks we were going to be bringing to the Educational offices across the street from First Church, God provided more. First Church (proper) donated 71 backpacks, then came an unexpected gift of 20 more from the Marlborough Eagles. A day or two after those 91 backpacks were dropped off, another 10 showed up by way of Pastor Sarah Hubbell and friends, for a total donation of 111 backpacks in Katy's memory. These backpacks were distributed throughout the Marlborough school system for preschoolers through grade three. I am so very honored for your continued support. Over ONE HUNDRED students got to start the year with a new bag and the supplies they need for school. You are a very wonderful group of parishioners! (Liz Mahoney)

LGBT Asylum Task Force

A handful of First Church members, Pastor Kaz and Senior Youth Group members served a full dinner and desserts to refugees from the LGBT Asylum Task Force at Hadwen Park Congregational Church in Worcester again this year in June. Volunteers cooked and served the meal and then had an opportunity to meet with the refugees and hear their stories. Pastor Kaz and several members/friends attended the October 2019 Gala and Silent Auction at the DCU Center, raising money for their mission to purchase a multi-family house in Worcester to house asylum seekers. (Susan Pellerin)

Marlborough Food Pantry

We collect your weekly donations and Cliff Fenton delivers the food and nonperishable items every week to the Marlborough Food Pantry. All are welcome to bring in any food or household supply items to worship on Sundays and leave them in the baskets in the front lobby. We are fortunate to receive a good amount of contributions, especially those from the Women's Fellowship monthly meetings. (Susan Pellerin)

Our Father's Table (OFT)

One of First Church's community outreach mission is Our Father's Table. A free meal is served to anyone in need of a hot meal with fellowship (we usually serve 30 to 40 guests). OFT is run out of the church hall at Living Waters Church on Main Street in Marlborough. Our assigned night is now every other month on the third Thursday (April through February). We serve our guests from 5:00-6:00pm and have a wonderful group of volunteers from First Church who prepare meals and desserts at home, serve dinner, and clean up after our guests leave. I am extremely grateful to every one of them who helps in any way they can. We all feel it is a very rewarding ministry.

I would like to thank everyone who donated small packages of tissues and hand sanitizers for the Christmas gift bags. We served a pot roast dinner with rolls, beverages and desserts to 100 guests. They all received a large bag filled with toiletries and clothing articles. There were children singing for entertainment which everyone enjoyed! If at any time you would like to join our group, please contact me at 508-481-0623. (Carol MacEwen)

Out MetroWest

First Church continues to make an annual outreach financial donation to Out MetroWest, and our space is available to them for events as may be requested.

Prayer Shawls

Our prayer shawl and lap robe ministry is still providing a few shawls for comfort and covering to anyone who may be struggling physically or emotionally. These are available from Pastor Kaz or one of the deacons. If we are to keep this ministry alive, we need more knitters or people to crochet shawls or lap robes. Please talk with me if you can help. (Carol MacEwen)

Stars and Angels

Thanks to all of you who were the STARS of our Stars and Angels Christmas gift program this year! We provided gifts to 50 children who are in foster care through the Dept. of Children and Families (DCF). This was a huge undertaking this year. Please continue to keep these children and families in your prayers. (Susan Pellerin)

Worcester Fellowship

First Church supported Worcester Fellowship this year with donations of socks and winter hats/scarves for the homeless and at-risk adult community of Worcester. We are also blessed with a special angel here at First Church who leaves a bag of socks at the church office every month! (Susan Pellerin)

STABILITY MINISTRIES

TRUSTEES – GENERAL

2019 has been a year of new investments and review of our facilities now and going forward. This ministry team continues to work within our charter to *take care of our 'church home', both physically and financially*. Some of the new investment opportunities include the following:

Senior Organist search – with the retirement of Jim Duncan, there was an opening for a new Senior Organist to continue to provide the wonderful organ music for the chancel choir, bells and other vocal groups. A search was initiated led by Ellie Armsby, our Music Director, along with Diane Burke, George Pellerin and Pastor Kaz. Several candidates were interviewed, auditions held, and the decision was made to bring in Yunhee Kim as the interim organist finishing 2019 and going into 2020. A new search has been initiated in 2020.

Youth Minister/Confirmation Leader search – Pastor Kaz and the trustees discussed the need for a permanent youth minister who would also lead the two-year confirmation program beginning in 2020. Jenn Bastien graciously agreed to stay on as the confirmation leader through the end of this term. A search will commence in early 2020.

Common Lease renewal – with the lease of the Common expiring at the end of 2019, the trustees, working with Attorney Joseph Connolly, renewed our lease agreement with the City of Marlborough for a three-year term effective January 1, 2020. The reduced term will give First Church more flexibility going forward versus being locked into a 10-year term.

The trustees work together to continually review the condition of our building, its contents and facilities. This year was no different as it included, but was not limited to, the heating system, the kitchen stove, the roofs, the parking lot and surrounding grounds. Based on the age of our building this was not a bad year as you can read in the building maintenance report. Some items that began this year that will continue into 2020 including:

Stone Wall repair – the trustees are working with the city Department of Public Works (DPW) on this as the results of the survey initiated by the trustees indicated that a portion of the stone wall was on city property. The city DPW will be making their own assessment in the spring.

Tree replacement/grounds – you may have noticed that the two Cyprus trees at the front of the church have been cut down. This was based on an evaluation by Casey-Lee Bastien on the health of the trees. Casey-Lee, Paul Hasbrouck, and George Pellerin cut and removed the trees. Cliff Fenton was able to place a couple of wreaths on the building during the Christmas period which looked much better than the trees. The next step is to remove the stumps and replace them with something else.

Sanctuary Roof and Raise the Roof Campaign – as noted in the building maintenance report there were several issues with the roof over the sanctuary and Parish Hall that will need action. The trustees initiated a 'Raise the Roof' campaign to collect donations towards the replacement of the Sanctuary roof. This is scheduled to be completed in early 2020.

Church survey – Church Council initiated a building related church survey that was sent out to the 162 members of our congregation and the results will be analyzed by the trustees in 2020 to determine what actions should be taken.

Going-green – In January 2019, First Church adopted a new policy where no Styrofoam products (cups, plates, dinner plates) whatsoever or plastic straws would be used at First Church. All ministry teams and renters were been notified of this new policy and have or are working to that end. We are also reviving our paper and plastic recycling program going forward. The results have been well received. Looking into 2020 additional projects/policies are being evaluated by the trustees.

Special thanks go out to the trustee ministry team – Casey-Lee Bastien, Jeremy Crocker (who keeps the team updated with our financial position and reporting), Paul Hasbrouck, Laurel Hill, Steve Powers, Sandy Stetson, Linda Warren, and Steve Ziegler for their hard work this past year. Thanks also go out to a couple of unofficial members of the trustees – Cliff Fenton, our sexton, who maintains our church facility and runs the facility, and Pastor Kaz for his direction and guidance in all matters financial and not to our team.

Submitted by George Pellerin, Chair of Trustee Ministry Team

TRUSTEES - PERSONNEL

One of the responsibilities of the trustees is the care and feeding of our church staff. As a group, they work diligently to make the operations side of First Church run smoothly and efficiently. They interact with all the other ministry teams and the pastor to help keep First Church current on events and schedules.

During the current fiscal year, we had a few human resources issues to deal with:

1. We hired an interim organist, Yunhee Kim, to bridge the gap between Jim Duncan's retirement and the hiring of a Senior Organist.
2. The Senior Organist job description was written, approved by Trustees, and the search has begun.
3. We conducted staff surveys via Survey Monkey in February. People who routinely interact with staff were asked to participate (Deacons, Trustees, etc.). Survey results were shared with staff at the end of February.
4. The Trustees want to thank Laurel Hill for helping to cover the church office during Sue Pellerin's medical leave while she worked from home in January and February.

Submitted by Linda Warren, Trustee HR Liaison

TRUSTEES - BUILDING MAINTENANCE

2019 has been a relatively quiet year for the building maintenance team. The shakedown of the new boiler system continued with some pauses to have 14 identified leaks in the water pipes corrected. This required the heating system to be shut down as all the water had to be drained before work could commence on the leaks. Knights Fuel Company completed the work and tested the whole system at the same time. EverSource installed some Gas Meter Bollards to protect the new gas meters. The parking space is scheduled to be changed to a van handicap accessible space once the handicap sign is painted on the ground.

Annual inspections of the fire extinguishers, alarm system and stove ventilator system were performed, and we are now on a regular schedule. We also received an occupancy permit from the City of Marlborough as

our previous one had expired several years ago and the city did not have a record of us since they swapped to a new computer system.

The roofs over our buildings have had issues with shingles flying off and some leaking which resulted in some carpenter ants eating some ceiling boards in Parish Hall near the kitchen entrance. An exterminator company was brought in to take care of the ants and a portion of the rubber roof over that section will need to be made. This is scheduled for early 2020. We also attracted a raccoon into our belfry. Casey-Lee Bastien helped to identify the creature and attempted to capture same. Unfortunately, we were not successful and had to call in a professional exterminator to do the job.

The trustees closed off the downstairs basement ladies' room as there were issues with the drainage pipes in that area. We had the drain cleaned out and at this point the flooding has stopped. This will be checked in the spring to be sure we do not have any additional water in that area. There is no plan to reopen that room.

There were some upgrades made to the building most notably the replacement of the floor in the Bolton Street entrance. A BIG THANK YOU to Men's Fellowship for paying for the replacement of the floor, a new floor mat and a lock to the outside door. The lock was required as we were having issues with individuals sleeping overnight in the room. It is unfortunate that we had to do this, but the safety of our staff is of prime concern.

Another upgrade was made to Pastor Kaz's office. Thanks to Richard Rowell, Gene Hannay, Susan and George Pellerin for painting the ceiling and walls and installing new shelving and an armoire in the office. The existing shelving was reused in the temple room and the choir room.

The stove and oven in our kitchen continued to exhibit 'Murphy's Law' whenever the ovens were being used. Two pilot lights were changed, and several tests were performed, which of course worked perfectly. The sexton checks the burner and stoves each day he is in the building to make sure they are working properly. If the problems continue to happen, we may be faced with obtaining a new stove.

Submitted by George Pellerin, Chair of Trustee Ministry Team

Reviewed by Casey-Lee Bastien, Paul Hasbrouck and Steve Ziegler of the Building Maintenance Team

TRUSTEES - BUILDING USE MINISTRY TEAM

We continue to provide a facility that can be used by members and outside rental groups with a rental fee structure that is economical and provides some funding for our church budget. Our long-time association with the Early Risers, Boys Scouts, Girls Scouts, A Way of Life, and One Step at a Time groups continued in 2019.

We brought in a new group with the Hudson Arts Alliance that rented our facility for rehearsals and a production of 'The Addams Family' in October. They have requested some dates in 2020 for future events. Late in the year we had a small rental with the Fox Dance Studio which offered different types of dance classes. We also had single day rentals throughout the year. Ghost Light Players have indicated they will be back in 2020 with a new performance.

With success, come changes. That is the case for our SEIU Property Services New England Training Fund. The number of individuals signing up for the ‘English as a second language’, and citizenship programs have grown tremendously, and they had to look for better equipped facilities to house their classes. They have moved to Assabet Valley Collaborative for 2020 where there are separate classrooms with white boards, internet, and better audio-visual equipment. Jude Travers, regional coordinator, writes: “We have run classes in Marlborough for many years and frequently moved to locations that were not always available and changes were made at the last minute so many members stopped attending due to the changing locations and new members showing up for a class found nobody there and gave up. Having regular use of the space at First Church, feeling welcome and knowing in advance when classes would have to meet elsewhere definitely contributed to the program growth. On behalf of myself, the other teachers who have had the pleasure of working with our members at First Church and the members themselves I want to thank you for hosting us and hope that in the future if we do have events requiring space that First Church would be open to hosting us again”.

Submitted by George Pellerin, Chair of Trustee Ministry Group
Reviewed by Laurel Hill of the Building Use Team

MULTIMEDIA AND CHURCH WEBSITE

The Sunday Services continue to be broadcast in full HD on Marlborough’s local access station WMCT. WMCT is broadcast on Comcast channel 96 and Verizon channel 33. The services are typically edited to 60 minutes each week with some announcements and prayer requests edited out due to the timely or personal nature of the content. The files are uploaded electronically to WMCT and aired one or two weeks after the service, and are also available in various formats to church members who make a request.

Thanks to our group of Sunday Worship Service videographers which includes Peter Nott, Tom Sullivan, Dave Youngstrom and Steve Ziegler.

PASTORAL RELATIONS

The Pastoral Relations ministry group is comprised of Fred Haas, Patricia Kennedy, George Pellerin, and Jim Saart.

The committee met with Pastor Kaz intermittently throughout the year. During these meetings Pastor Kaz expressed his goals and plans for the church for the coming year. The committee members provided support and guidance to Pastor Kaz regarding issues of parish life. Committee members also brought forth any concerns that were voiced by church members. These concerns were discussed, and resolution was proposed.

Submitted by Patricia Kennedy

COMPUTER SYSTEMS

Computer systems continues to maintain the Church systems and network and ensure that all necessary updates, patches, and software is kept up to date. The Church Ministry groups continue to use the email distribution lists for communication and those lists are updated as members join and leave those groups.

Toward the end of 2019 we setup accounts under Microsoft Office365 taking advantage of Microsoft's Non-Profit program. The Office and Treasurer accounts have been migrated to Office365 with the Pastor's account and the email lists being next to migrate. This program has also given us access to more cost-effective pricing for the Microsoft Office product line we have migrated the Office license over to that pricing for with an effective savings of about 40% for the cost of the license.

Through the next few years, 2020, 2021, and 2022, Computer Systems will be looking at replacing the computing systems for the Office, Treasurer, and Pastor. All three systems are dated and have various physical hardware and performance issues. As part of these upgrades we will be standardizing on a laptop platform to allow all users ease of use for being able to work outside of the Church office and streamline support. In 2020 we will be replacing the Office system, 2021 Treasurer, and 2022 Pastor.

Submitted by Todd Beauchemin

DELEGATES TO THE SOUTHERN NEW ENGLAND CONFERENCE & CENTRAL ASSOCIATION, UNITED CHURCH OF CHRIST

We currently do not have delegates for the Southern New England Conference (formerly Massachusetts Conference) of the United Church of Christ, as neither position was filled at the 2019 annual meeting. Our delegate to the UCC Central Association continues to be Laura Lane. We are eligible to have two delegates to this entity as well, but there has been no response from church members the past several years to fill these open positions.

MATCHMAKER (NOMINATING) REPORT

The bylaw mission of the ‘Matchmaker Ministry’ is to fill open church positions and to assist some of the individual ministry groups with openings for an upcoming church year. For the 2020-2021 church year, the church administrator reached out to the current Officers, Pastoral Relations (via Pastor Kaz), Auditors and Delegates to get those positions filled. The openings are filled by the individual ministry groups for Diaconate, Trustees and Church Council (some of these groups still have open slots at press time). These ministry groups and people serving in them have been asked by Pastor Kaz to prayerfully seek out candidates from members of the congregation and reach out to them to fill openings. This provides a wonderful vehicle for First Church members and friends to reach out to others and find out what their spiritual gifts may be.

Slate of Proposed Candidates for the Annual Meeting First Church in Marlborough (Congregational), UCC June 14, 2020

Officers (one-year terms)

Moderator	Joan Campbell	1 yr – 2021
Clerk	Deborah Marino	1 yr – 2021
Assistant Clerk	Laurel Hill	1 yr – 2021
Treasurer	Jeremey Crocker	1 yr – 2021
Assistant Treasurer	Sandra Stetson	1 yr – 2021
Collector	Pamela Patten	1 yr – 2021
Assistant Collector	Marnie Hooker	1 yr – 2021

Church Council At Large (3 people)

Andy Dunn	1 yr – 2021 Chairperson (Final year)
Marnie Hooker	2 yrs – 2022 Vice Chairperson
_____	3 yrs - 2023 Secretary

Diaconate/Worship (12 people one-year terms)

Jennifer Burgos	1 yr - 2021	Dorothy O'Shea	1 yr - 2021
Elizabeth Correll	1 yr - 2021	Kathy Powers	1 yr - 2021
Gary Hollis	1 yr - 2021	Sandra Stetson	1 yr - 2021
David Kemp	1 yr - 2021	Trenton Vartabedian	1 yr - 2021
Kathy Leonard	1 yr - 2021	_____	1 yr - 2021
Peter Nott	1 yr - 2021	_____	1 yr - 2021

Trustees/Stability (8 people plus Treasurer)

Casey-Lee Bastien	1 yr - 2021
Paul Hasbrouck	1 yr - 2021
Laurel Hill	1 yr - 2021
George Pellerin	1 yr - 2021
Steve Powers	1 yr - 2021
Sandy Stetson	1 yr - 2021
Treasurer (J. Crocker)	1 yr - 2021
Linda Warren	1 yr - 2021
_____	1 yr - 2021

Pastoral Relations for Settled Pastor (4 people)

Fred Haas	1 yr - 2021
Patricia Kennedy	1 yr - 2021
George Pellerin	1 yr - 2021
James Saart	1 yr - 2021

Auditors (3 people)

Susan Hanahan	1 yr - 2021
Joanne Kotsopoulos	1 yr - 2021
Karen Sullivan	1 yr - 2021

SNEC/Delegate to Central Association

Central	Laura Lane	1 yr - 2021
Central	_____	1 yr - 2021
Southern NE Conference	_____	1 yr - 2021
Southern NE Conference	_____	1 yr - 2021

Matchmaker Ministry (3 people)

_____	1 yr - 2021
_____	1 yr - 2021
_____	1 yr - 2021

FINANCIAL REPORTS

**COLLECTOR RECEIPTS
CHURCH FISCAL YEAR JULY 2018 - JUNE 2019
(Pledge Year is Calendar Year)
Pamela K. Patten, Collector**

First Church Funds	Amount
Pledges	
Pledge Year/Cal Yr 2018	\$ 86,133
Pledge Year/Cal Yr 2019	91,145
Non-pledged Receipts for General Church Funds:	
Ash Wednesday	42
Christmas Offering	3,682
Deacon's Fund	3,959
Donation for Bulletins	195
Easter Special Offering	2,511
Fundraising-350 th Outreach Fund	153
Fundraising-Metal Recycle	738
Good Friday	186
Initial Offering Envelope	67
Internal Church Group Donation	157
John Morrow Fund	500
Katy Mahoney Backpack Donation	80
Key Deposit	25
Loose (Non-pledged)	10,136
Maundy Thursday	279
Memorial Donations - Unrestricted	50
Memorial Donations – Deb Beauregard	820
Memorial Donations - Bob Vail for Music Ministry	125
Rent	255
Sunday School Offerings	401
Wednesday Evening Service Offerings	15
Youth Group Donation	360
Special Collections Sent Outside the Church:	
Global Ministries - Sri Lanka Mission	818
LGBT Asylum Task Force	214
UCC Christmas Fund Offering	909
UCC One Great Hour of Sharing	306
Veterans Day Collection	500
TOTAL FOR FISCAL YEAR	204,762

**COLLECTOR RECEIPTS
SIX MONTHS OF CHURCH FISCAL YEAR 2019 - 2020
FROM JULY 2018 – DECEMBER 2019
Pamela K. Patten, Collector**

First Church Funds	Amount
Pledges	
Pledge Year/Cal Yr 2019	84,001
Pledge Year/Cal Yr 2020	1,069
 Non-pledged Receipts for General Church Funds:	
Advent Bulletins	125
Bible Donations	48
Christmas Offering	2902
Deacon's Fund	50
Donation for Bulletins	135
Fundraising-350th Anniversary	2525
Internal Church Group Donation	28
Katy Mahoney Backpack donation	100
Loose (Non-pledged)	4185
Loose (Outreach-WF)	50
Memorial Donation - Unrestricted	480
Music - Bell Choir Donation	1100
Rent Misc.	100
Youth Group - Outreach	219
Youth Group Donation	2972
 Special Collections Sent Outside the Church:	
Global Ministries	518
LGBT Asylum Task Force	50
Sri Lanka Mission	358
UCC Christmas Fund Offering-Veterans of the Cross	1027
Veterans Day Collection	753
 Total For 6 Months Fiscal Year July 19 – December 19	 <u>102,795</u>

TREASURER REPORT

For the Fiscal Year from July 1, 2018 – June 30, 2019 (FY 2019)

There were a couple changes in the Treasurer’s office in FY 2019 of note. The first was the accounting software was transitioned to QuickBooks Online to provide a better means of accessing and storing the accounting data. While the transition did not go as smoothly as anticipated and there have been a number of hurdles to overcome along the way, we are finally getting back on track. The second change was the opening of new bank accounts at Main Street Bank for the purpose of becoming the new main operating account of the church and moving away from Citizens Bank. This process was begun in May 2019 was eventually finished up in FY 2020.

Financial statement highlights:

- The church has assets of over \$1.46 million, an increase of approximately \$35,000. Approximately \$453,000 of those assets are tied up in restricted funds that can only be used for specific purposes, and slightly over \$132,000 can never be used and must be maintained at all times.
- Like previous years, almost all the assets are comprised of investments and cash and cash equivalents – 87.7% and 7.5%, respectively. Liabilities remain minimal, as the church has no loans or other long-term debt.
- Net assets for the year increased by \$34,702 in total, compared to \$39,015 in the previous year. Realized gains on investments comprised the bulk of the increase in net assets, as operations were relatively flat for the year.
- In looking at the changes in net assets from operations, which reflect the management of the day-to-day operations of the church, this shows a decrease of \$12,305, compared to a decrease of \$1,223 the previous year (after reclassifications). As noted in last year’s report, the impact of the building repair expenses weighed on the results for FY 2019, although FY 2018 was also buoyed by a significant one-time contribution of \$32,000, meaning FY 2019 was better managed.
- Pledges continue to be the top method of support for the church, comprising approximately 76.9% and 76.7% of unrestricted and undesignated support and operating revenue for FY 2019 and FY 2018, respectively. Net pledges were up 1.5% in FY 2019.
- Without considering the casualty losses that were covered by insurance, expenses otherwise decreased by over \$20,000 in FY 2019. Heating costs, now being recorded in utilities with the switchover to gas, dropped over \$6,000, and an additional \$9,000 was saved with fewer other building repairs.
- Operations in FY 2019 and 2018 continued the trend of beating their budgeted amounts:

	Changes in net assets from operations, net of non-operating investment income					
	2019	2018	2017	2016	2015	2014
Budget	\$(47,865)	\$(47,241)	\$(34,474)	\$(23,494)	\$(45,893)	\$(43)
Actual	\$(15,300)	\$(7,656)	\$5,818	\$(8,695)	\$(16,083)	\$(16,402)
Difference	\$32,565	\$39,585	\$40,292	\$14,799	\$29,810	\$(16,359)

- The timing of the Annual Meeting being nearly a year after the close of the financial year usually allows an early glance at unaudited FY 2020 numbers. However, the Covid-19 crisis forced the closure of the church building and obtaining some records and transactions has been difficult. I do not feel the FY 2020 data is accurate enough to be presented at this time, even as unaudited.

Frequently asked questions:

Normally each year, a few important questions pop up that require addressing in this section. However, in this year's report, I am going to address the one question that has come up the most, and it occurred in FY 2020.

1. How has the Covid-19 Coronavirus crisis impacted the financial operations of the church?

This situation is unlike anything we have been through before. Just prior to the crisis hitting us here, we had just replaced the roof on the sanctuary (just under \$25,000) and were proceeding with the Raise the Roof fundraising campaign to replenish the funds used in that repair. Then, in late March 2020, we were forced to shut the doors of the church for the health and safety of all our members and try to implement church operations remotely. It took a week or two to work out the bugs and get the technology working properly, but weekly church services were being live streamed each Sunday as of this writing.

The financial impact of this was sudden and quite severe at first. The investment markets had a sharp correction in February and March (the fastest in modern history), and the investment gains that we had accumulated over most of the past 10-12 months were wiped out in about 5-6 weeks. Our pledges and loose offerings took a hit in March, and our facility rental income has ceased for the time being. Things definitely looked a little bleak at the beginning.

But there appears to be a light at the end of this tunnel (and it isn't a train coming at us). Our investments have recovered nicely in the month of April and so far into May, putting back a decent chunk of what was lost in February and March. Pledges have stabilized somewhat as members and friends have adapted to either using electronic means of giving or by mailing their donations to the church. Our operating expenses have decreased due to less use of the church building. Finally, we were able to secure a special government Payroll Protection Loan for just over \$35,000 from Main Street Bank. What makes this loan so special is that if we comply with the terms of the loan and use the entirety of it within a specific time period to cover payroll and benefits costs, the loan becomes 100% forgivable and we don't have to pay it back! We would only have to pay any interest that accrued during the loan period, which would be a small amount.

While we don't know how long the crisis will last, know that we have plenty of assets to survive for a very long time and overcome some bumps in the road, and we've already been proactive in taking steps to ensure we continue to be a healthy, vibrant church, in whatever form that entails, for the foreseeable future.

Respectfully submitted,
Jeremy S. Crocker, C.P.A, Treasurer

First Church in Marlborough (Congregational)
Proposed Budget Overview
July 2020 through June 2021 (FY 2020)

Ordinary Income/Expense

Income

Pledges (net of allowance for uncollected pledges of \$2,600)	\$178,938.00
Loose Offering	8,500.00
Special Offerings	
Ash Wednesday	500.00
Christmas	3,000.00
Deacon Funds	3,500.00
Easter	2,500.00
Global Ministries Collections	800.00
Good Friday	175.00
Initial Envelopes	60.00
Maundy Thursday	300.00
Non-UCC Collection	1,000.00
One Great Hour of Sharing	400.00
UCC Collections	1,000.00
Total Special Offerings	12,785.00

Special Gifts

Bulletin Support	250.00
Flower Fund	1,500.00
Total Special Gifts	1,750.00

Special Fund Raising

Amazon Associates	600.00
Daily Devotionals	125.00
Labor Day	1,500.00
Men's Fellowship	
Men's Fellowship Donations	200.00
Spaghetti Supper	
Spaghetti Proceeds	4,500.00
Spaghetti Expenses	-2,500.00
Total Spaghetti Supper	2,000.00

Total Men's Fellowship	2,200.00
Metal Recycling	0.00
Pancake Supper	150.00

Rewards Program	
Card Sales	65,000.00
Card Value Donation	3,600.00
Card Purchases	-65,000.00
Shipping	-225.00
Rewards Points Income	175.00
Interest/Dividends	5.00
Total Rewards Program	<u>3,555.00</u>
Women's Fellowship Income	
Meetinghouse Fair	6,500.00
Fall Rummage Sale	1,500.00
Spring Rummage Sale	1,300.00
Banquet	500.00
Interest - Women's Fellowship	35.00
Total Women's Fellowship Income	<u>9,835.00</u>
Total Special Fund Raising	17,965.00
Facility Rentals	9,000.00
Investment Income	
Interest Income	10.00
Baldwin/Earnshaw income	17,340.00
Pastoral Housing Fund Income	23,600.00
Blakely Restricted Scholarship	7,560.00
Bible Fund income	3,120.00
Morrow Fund income	450.00
Total Investment Income	<u>52,080.00</u>
Total Income	<u>281,018.00</u>
Expense	
Church Operations	
Advertising & Publicity	500.00
Computer Operations	2,500.00
Conferences & Conventions	340.00
General Supplies	1,200.00
Insurance	17,000.00
Maintenance & Repairs	
music	570.00
Maintenance & Repairs – Other	15,000.00
Total Maintenance & Repairs	<u>15,570.00</u>

Office Supplies	7,200.00
Stewardship Support	300.00
Telephone/Internet Services	2,500.00
Treasurer's Office Support	
Bank /service charges	100.00
Faith Street fees	230.00
Payroll service charge	690.00
Treasurer's Office Support – Other	300.00
Total Treasurer's Office Support	<u>1,320.00</u>
Utilities	
Electric	9,100.00
Gas	9,000.00
water	2,000.00
Total Utilities	<u>20,100.00</u>
Total Church Operations	68,530.00
Church Personnel	
Collector	
FICA	213.03
Salary	2,784.72
Total Collector	<u>2,997.75</u>
Confirmation Leader-1099	3,000.00
Joyful Ringers Director – 1099	1,287.50
Music Director	
FICA	1,068.30
Salary	13,964.66
Total Music Director	<u>15,032.96</u>
Nursery Supervisor – 1099	2,795.98
Office Administrator	
FICA	1,338.95
Salary	17,502.66
Total Office Manager	<u>18,841.61</u>
On Call Pastor Coverage	1,200.00

Organist	
FICA	1,224.00
Salary	16,000.00
Total Organist	<u>17,224.00</u>
Other Substitute Workers	200.00
Pastor	
FICA Allowance	6,028.08
Housing Allowance	31,476.48
Life & Disability Insurance	1,217.50
Medical/Dental	13,374.90
Pension	11,362.66
Professional Expenses	4,800.00
Salary	47,321.40
Total Pastor	<u>115,581.02</u>
Sexton	
FICA	1,534.01
Salary	20,052.42
Total Sexton	<u>21,586.43</u>
Substitute Minister	1,200.00
Substitute Organist – 1099	0.00
Sunday School Staff – 1099 – 3 positions	6,000.00
Treasurer	
FICA and Benefits	1,009.42
Treasurer – Other	13,195.00
Total Treasurer	<u>14,204.42</u>
Youth Group Leader – 1099	<u>3,000.00</u>
Total Church Personnel	<u>222,927.67</u>
Education, Worship and Mission	
Christian Education Ministry	
Bibles & Other Books	1,800.00
Confirmation	800.00
Sunday School	900.00
Youth group	1,000.00
Total Christian Education Ministry	<u>4,500.00</u>

Christian Outreach	
Global Ministries Support	750.00
Non-UCC mission offerings	1,500.00
Other Christian Outreach expenses	1,200.00
Total Christian Outreach	<u>3,450.00</u>
Diaconate	1,000.00
Family Support - Deacons Fund	2,000.00
Flowers	1,750.00
Men's Fellowship	2,400.00
Music Ministry – General	
Dues (Guilds)	145.00
Honorariums (guest musicians)	100.00
Seminars & Education	100.00
Supplies	25.00
Total Music Ministry - General	<u>370.00</u>
Music Ministry – Chancel Choir	
Sheet Music – Chancel Choir	300.00
Chancel Choir - Other	25.00
Total Music Ministry – Chancel Choir	<u>325.00</u>
Music Ministry – Handbell Choir	
Equipment	50.00
Sheet Music – Handbell Choir	300.00
Handbell Choir – Other	25.00
Total Music Ministry – Handbell Choir	<u>375.00</u>
Music Ministry – Youth Choir	
Sheet Music – Youth Choir	50.00
Youth Choir - Other	25.00
Total Music Ministry – Youth Choir	<u>75.00</u>
Total Music Ministry	1,145.00
Scholarships	
Alice Blakeley Scholarship	10,000.00
Scholarship-Grotonwood/Star Island	1,000.00
	<u>11,000.00</u>

UCC Mission	
Pledge	8,400.00
Special Offerings	900.00
Total UCC Mission	<u>9,300.00</u>
Women's Fellowship Expenses	<u>6,600.00</u>
Total Education, Worship and Mission	<u>43,145.00</u>
Total Expense	<u>334,602.67</u>
Net Ordinary Income	-53,584.67
Other Income/Expense	
Other Expense	
Depreciation	<u>1,237.28</u>
Total Other Expense	<u>1,237.28</u>
Net Other Income	<u>-1,237.28</u>
	<u><u>\$-54,821.95</u></u>

ADDENDUM CONTAINING:

THE REPORT OF THE AUDIT COMMITTEE

AND

THE FINANCIAL STATEMENTS FOR

JUNE 30, 2019 AND 2018

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Financial Statements

June 30, 2019 and 2018

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

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REPORT OF THE AUDIT COMMITTEE

DATE: May 29, 2020

TO: First Church Council, Board of Trustees & Congregation of First Church in Marlborough (Congregational)

We have reviewed the records and the financial reports of First Church in Marlborough (Congregational) for the fiscal year ended June 30, 2019. While our review was limited to testing the transactions and balances and would not necessarily disclose all errors, we found no evidence of significant errors or omissions. In our opinion, the financial reports mentioned above are fairly stated.

We wish to commend the Treasurer, Collector, and their assistants for their fine work during the year. On behalf of the congregation, we thank them for their gifts of time and talent.

Respectfully submitted:

Joanne C Kotsopoulos

Susan Hanahan

Karen Sullivan

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Statements of Financial Position
As of June 30, 2019 and 2018

	2019	2018
ASSETS:		
Cash and cash equivalents:		
Unrestricted	\$ (15,723)	\$ 38,776
Designated	64,528	62,902
Restricted	60,382	67,595
Total cash and cash equivalents	\$ 109,187	\$ 169,273
Rewards card inventory	11,719	9,094
Prepaid expenses	5,624	39,860
Investments:		
Unrestricted	749,061	711,015
Designated	3,668	3,663
Restricted	524,685	483,942
Total investments	1,277,414	1,198,620
Fixed assets:		
Land	-	-
Building	1,000	1,000
Building Improvements	48,254	-
Equipment	5,275	5,275
	54,529	6,275
Less: accumulated depreciation	(1,619)	(1,000)
Total fixed assets, net	52,910	5,275
Total assets	\$ 1,456,854	\$ 1,422,122
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	\$ 4,091	\$ 4,541
Refundable facility deposits	1,946	1,466
Total liabilities	6,037	6,007
Net assets:		
Unrestricted:		
Undesignated	797,554	798,013
Board designated	68,196	66,565
Total unrestricted	865,750	864,578
Temporarily restricted - purpose restriction	452,783	419,253
Permanently restricted	132,284	132,284
Total net assets	1,450,817	1,416,115
Total liabilities and net assets	\$ 1,456,854	\$ 1,422,122

The accompanying notes are an integral part of these financial statements.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Statements of Activities and Changes in Net Assets
For the Fiscal Years Ended June 30, 2019 and 2018

	2019					2018				
	Unrestricted		Temporarily Restricted	Permanently Restricted	Total	Unrestricted		Temporarily Restricted	Permanently Restricted	Total
	Undesignated	Board Designated				Undesignated	Board Designated			
SUPPORT AND OPERATING REVENUE:										
Pledges	\$ 174,832	\$ -	\$ -	\$ -	\$ 174,832	\$ 172,315	\$ -	\$ -	\$ -	\$ 172,315
Loose offerings	9,740	-	-	-	9,740	9,561	-	-	-	9,561
Special offerings	11,278	-	4,779	-	16,057	10,555	-	4,446	-	15,001
Special gifts	1,445	2,838	3,254	-	7,537	824	6,454	1,310	32,000	40,588
Special fundraising	5,533	11,897	80	-	17,510	6,317	14,771	175	-	21,263
Facility rentals	7,210	-	-	-	7,210	8,249	-	-	-	8,249
Investment income	17,242	1	35,237	-	52,480	16,985	1	33,048	-	50,034
Total support and operating revenue	227,280	14,736	43,350	-	285,366	224,806	21,226	38,979	32,000	317,011
RECLASSIFICATIONS:										
Net assets released from designation	13,105	(13,105)	-	-	-	21,527	(21,527)	-	-	-
Net assets released from restriction upon satisfaction of purpose	44,527	-	(44,527)	-	-	46,269	-	(46,269)	-	-
Non-operating revenue reclassified to operations	-	-	2,376	-	2,376	-	-	1,834	-	1,834
Total reclassifications	57,632	(13,105)	(42,151)	-	2,376	67,796	(21,527)	(44,435)	-	1,834
EXPENSES:										
Church operations	127,280	-	-	-	127,280	137,260	-	-	-	137,260
Worship	107,455	-	-	-	107,455	108,846	-	-	-	108,846
Mission	28,093	-	-	-	28,093	32,449	-	-	-	32,449
Parish Life	20,197	-	-	-	20,197	26,367	-	-	-	26,367
Education	17,022	-	-	-	17,022	15,146	-	-	-	15,146
Total expenses	300,047	-	-	-	300,047	320,068	-	-	-	320,068
Changes in net assets from operations	(15,135)	1,631	1,199	-	(12,305)	(27,466)	(301)	(5,456)	32,000	(1,223)
NON-OPERATING REVENUE & EXPENSES:										
Realized gains and losses on investments	(18,229)	-	(8,552)	-	(26,781)	55,893	-	43,248	-	99,141
Unrealized gains and losses on investments	32,396	-	43,259	-	75,655	(14,862)	-	(36,625)	-	(51,487)
Insurance/legal settlement	42,063	-	-	-	42,063	2,968	-	-	-	2,968
Casualty losses	(40,935)	-	-	-	(40,935)	(3,951)	-	-	-	(3,951)
Depreciation	(619)	-	-	-	(619)	(4,599)	-	-	-	(4,599)
Non-operating revenue reclassified to operations	-	-	(2,376)	-	(2,376)	-	-	(1,834)	-	(1,834)
Total non-operating revenue & expenses	14,676	-	32,331	-	47,007	35,449	-	4,789	-	40,238
Changes in net assets	(459)	1,631	33,530	-	34,702	7,983	(301)	(667)	32,000	39,015
Net assets, beginning of year	798,013	66,565	419,253	132,284	1,416,115	790,030	66,866	419,920	100,284	1,377,100
Net assets, end of year	<u>\$ 797,554</u>	<u>\$ 68,196</u>	<u>\$ 452,783</u>	<u>\$ 132,284</u>	<u>\$ 1,450,817</u>	<u>\$ 798,013</u>	<u>\$ 66,565</u>	<u>\$ 419,253</u>	<u>\$ 132,284</u>	<u>\$ 1,416,115</u>

The accompanying notes are an integral part of these financial statements.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Statement of Cash Flows
For the Fiscal Years Ended June 30, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 34,702	\$ 39,015
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Realized gains and losses on investments	26,781	(99,141)
Unrealized gains and losses on investments	(75,655)	51,487
Depreciation	619	4,599
Decrease in accounts receivable	-	35
(Increase) decrease in rewards card inventory	(2,625)	(1,625)
Decrease (increase) in prepaid expenses	34,236	(32,146)
(Decrease) increase in accounts payable	(450)	1,840
Increase in refundable facility deposits	480	230
Net cash provided by (used in) operating activities	18,088	(35,706)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of marketable securities	(435,189)	(358,791)
Sales of marketable securities	405,269	405,298
Purchases of property and equipment	(48,254)	-
Net cash (used in) provided by investing activities	(78,174)	46,507
Net change in cash and cash equivalents	(60,086)	10,801
Cash and cash equivalents, beginning of the year	169,273	158,472
Cash and cash equivalents, end of the year	\$ 109,187	\$ 169,273

The accompanying notes are an integral part of these financial statements.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Statement of Functional Expenses
For the Fiscal Year Ended June 30, 2019

	<u>Worship</u>	<u>Education</u>	<u>Mission</u>	<u>Parish Life</u>	<u>Church Operations</u>	<u>Total</u>
Staff salaries and related expenses	\$ 102,711	\$ 11,423	\$ 10,589	\$ 6,544	\$ 64,280	\$ 195,547
Casualty losses	13,062	-	-	-	27,873	40,935
Utilities	-	-	-	-	19,428	19,428
Insurance	-	-	-	-	15,830	15,830
Maintenance and repairs	380	-	-	-	10,723	11,103
Scholarships	-	-	-	10,000	-	10,000
UCC mission	-	-	9,615	-	-	9,615
Office supplies and copier	538	-	-	-	6,655	7,193
Christian Outreach	-	-	6,464	-	-	6,464
Christian Education	113	5,599	-	50	-	5,762
Women's Fellowship	-	-	500	2,694	1,286	4,480
Computer operations	-	-	-	-	3,530	3,530
Men's Fellowship	-	-	400	512	1,185	2,097
Flowers	1,783	-	-	-	-	1,783
Telephone and Internet	-	-	-	-	1,632	1,632
Music ministry	1,142	-	-	-	-	1,142
General supplies	-	-	-	-	1,052	1,052
Treasurer's office support and service fees	-	-	-	-	1,032	1,032
Diaconate	771	-	-	111	23	905
Deacons' fund family support	-	-	525	285	-	810
Depreciation	-	-	-	-	619	619
Advertising and publicity	17	-	-	-	497	514
Stewardship	-	-	-	-	127	127
Heating fuel	-	-	-	-	-	-
Conferences and conventions	-	-	-	-	-	-
Total expenses	<u><u>\$ 120,517</u></u>	<u><u>\$ 17,022</u></u>	<u><u>\$ 28,093</u></u>	<u><u>\$ 20,196</u></u>	<u><u>\$ 155,772</u></u>	<u><u>\$ 341,600</u></u>

The accompanying notes are an integral part of these financial statements.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Statement of Functional Expenses
For the Fiscal Year Ended June 30, 2018

	<u>Worship</u>	<u>Education</u>	<u>Mission</u>	<u>Parish Life</u>	<u>Church Operations</u>	<u>Total</u>
Staff salaries and related expenses	\$ 100,153	\$ 12,859	\$ 10,098	\$ 8,841	\$ 64,798	\$ 196,749
Maintenance and repairs	4,100	-	-	-	16,347	20,447
Insurance	-	-	-	-	15,295	15,295
Heating fuel	-	-	-	-	15,122	15,122
UCC mission	-	-	11,972	-	-	11,972
Utilities	-	-	-	-	9,892	9,892
Scholarships	-	-	-	9,750	-	9,750
Office supplies and copier	545	-	-	-	6,207	6,752
Women's Fellowship	-	-	2,008	3,094	1,488	6,590
Christian Outreach	-	-	5,863	-	-	5,863
Deacons' fund family support	350	-	1,435	3,712	-	5,497
Depreciation	-	-	-	-	4,599	4,599
Casualty losses	-	-	-	-	3,951	3,951
Men's Fellowship	137	-	1,073	244	1,463	2,917
Telephone and Internet	-	-	-	-	2,817	2,817
Christian Education	-	2,212	-	171	-	2,383
Flowers	1,657	-	-	380	-	2,037
Computer operations	-	-	-	-	1,194	1,194
General supplies	-	-	-	40	1,106	1,146
Music ministry	1,027	-	-	-	-	1,027
Treasurer's office support and service fees	-	-	-	-	881	881
Diaconate	877	-	-	-	-	877
Advertising and publicity	-	-	-	135	402	537
Conferences and conventions	-	75	-	-	160	235
Stewardship	-	-	-	-	88	88
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88</u>	<u>88</u>
Total expenses	<u>\$ 108,846</u>	<u>\$ 15,146</u>	<u>\$ 32,449</u>	<u>\$ 26,367</u>	<u>\$ 145,810</u>	<u>\$ 328,618</u>

The accompanying notes are an integral part of these financial statements.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Supplemental Statements of Actual vs. Budget Operating Revenue and Expenses
For the Fiscal Years Ended June 30, 2019 and 2018

	2019			2018		
	Actual	Budget	Over/Under Budget	Actual	Budget	Over/Under Budget
SUPPORT AND OPERATING REVENUE:						
Pledges	\$ 174,832	\$ 168,000	\$ 6,832	\$ 172,315	\$ 166,999	\$ 5,316
Loose offerings	9,740	9,360	380	9,561	11,750	(2,189)
Special offerings	16,057	11,770	4,287	15,001	9,470	5,531
Special gifts	7,537	2,921	4,616	40,588	1,618	38,970
Special fundraising	17,510	17,652	(142)	21,263	15,916	5,347
Facility rentals	7,210	5,000	2,210	8,249	5,000	3,249
Investment income	52,480	50,428	2,052	50,034	47,692	2,342
Total support and operating revenue	285,366	265,131	20,235	317,011	258,445	58,566
EXPENSES:						
Staff salaries and related expenses	195,547	201,433	5,886	196,749	193,454	(3,295)
Utilities	19,428	10,120	(9,308)	9,892	8,193	(1,699)
Insurance	15,830	16,500	670	15,295	17,000	1,705
Maintenance and repairs	11,103	12,170	1,067	20,447	11,800	(8,647)
Scholarships	10,000	11,000	1,000	9,750	17,500	7,750
UCC mission	9,615 #	9,200	(415)	11,972 #	8,400	(3,572)
Office supplies and copier	7,193	7,200	7	6,752	7,380	628
Christian Outreach	6,464 #	2,400	(4,064)	5,863 #	1,200	(4,663)
Christian Education	5,762 #	4,600	(1,162)	2,383 #	4,000	1,617
Women's Fellowship	4,480 *	6,600	2,120	6,590 *	8,639	2,049
Computer operations	3,530 #	1,200	(2,330)	1,194	1,200	6
Men's Fellowship	2,097 *	2,400	303	2,917 *	2,150	(767)
Flowers	1,783 #	1,750	(33)	2,037 #	1,200	(837)
Telephone and Internet	1,632	2,020	388	2,817	2,100	(717)
Music ministry	1,142 #	1,379	237	1,027 #	1,348	321
General supplies	1,052	960	(92)	1,146	960	(186)
Treasurer's office support and service fees	1,032	1,110	78	881	1,168	287
Diaconate	905	1,200	295	877	1,100	223
Deacons' fund family support	810 #	2,000	1,190	5,497 #	2,000	(3,497)
Depreciation	619 x	1,314	695	4,599 x	1,314	(3,285)
Advertising and publicity	514	800	286	537	1,000	463
Stewardship	127	300	173	88	300	212
Heating fuel	-	15,000	15,000	15,122	12,000	(3,122)
Conferences and conventions	-	340	340	235	280	45
Total expenses	300,665	312,996	12,331	324,667	305,686	(18,981)
Change in net assets from operations, net of reclassified non-operating investment income	<u>\$ (15,299)</u>	<u>\$ (47,865)</u>	<u>\$ 32,566</u>	<u>\$ (7,656)</u>	<u>\$ (47,241)</u>	<u>\$ 39,585</u>

* Self-funded

Some or all funded by directed contributions

^ Please see the respective group's reports in the 2019 and 2018 Annual Reports for further information.

x Non-cash item

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Supplemental Statements of Special Fundraising Revenue
For the Fiscal Years Ended June 30, 2019 and 2018

	2019	2018
Meetinghouse fair	\$ 5,510 +	\$ 6,541 +
Rewards program	2,945	3,838
Fall rummage sale	1,678 +	1,535 +
Spaghetti suppers	1,505 *	1,943 *
Labor day barbeque	1,478	1,793
Spring summage sale	1,295 +	1,182 +
Metal recycling	741	584
Amazon associates	694 #	727 #
Other Men's Fellowship fundraising	621 *	236 *
Other Women's Fellowship fundraising	523 +	2,529 +
Other program fundraising	300	-
Pancake supper	140 y	150 y
Katy Mahoney Backpack Program	80 z	175 z
Daily devotionals	-	30 ^
 Total special fundraising revenue	 17,510	 21,263
 Budgeted special fundraising revenue	 17,652	 17,486
 Over/(under) budget	 \$ (142)	 \$ 3,777

Funds were allocated 90% to Youth Group and 10% to church operations

^ Funds were allocated to Diaconate

+ Funds were allocated to Women's Fellowship

* Funds were allocated to Men's Fellowship

x Funds were allocated to Youth Group & Confirmation

y Funds were allocated to Joyful Ringers

z Funds were allocated to the Katy Mahoney Backpack Program

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Notes to Financial Statements
June 30, 2019 and 2018

1. ORGANIZATION

First Church in Marlborough (Congregational), United Church of Christ (the “Church”), is a Commonwealth of Massachusetts not-for-profit organization established in 1666 for the purpose of organizing, operating and maintaining the Church as a place of worship, and for the mutual and spiritual benefit of its members, as it may be constituted from time to time.

The Church has received a favorable determination letter from the Internal Revenue Service stating that it is exempt from tax under Section 501(a) of the U.S. Internal Revenue Code (the Code) as an organization described in Section 501(c)(3) as a member church of the United Church of Christ. Contributions to the Church are tax deductible within the limitations prescribed by the Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Church are prepared on the accrual basis of accounting.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include checking, money market and money fund accounts with maturities of less than 90 days. Cash and cash equivalents – designated is the portion of cash and cash equivalents intended to support net assets designated by the Board of Trustees (Trustees) for specific purposes. Cash and cash equivalents – restricted is the portion of cash and cash equivalents intended to be used to support temporarily restricted net assets.

Rewards Card Inventory

Rewards card inventories are stated at the card values. Cards are purchased below stated value, and the difference is recorded as a donation to the church.

Prepaid Expenses

Prepaid expenses consist primarily of prepaid benefits for the pastor of the Church.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Notes to Financial Statements (Continued)
June 30, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investments – restricted is the portion of investments intended to be used to support temporarily and permanently restricted net assets.

Fixed Assets

Fixed assets in excess of \$5,000 and with a useful life of more than one year are capitalized at cost, or, if donated, at the fair market value on the date of the donation. Repairs and maintenance that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets ranging from seven to forty years.

Refundable Facility Deposits

Refundable facility deposits consist of rental deposits for leased space in the Church and deposits for keys to access the Church building.

Classes of Net Assets

The financial statements report amounts separately by classes of net assets:

Unrestricted net assets are those currently available for all ministry and general purposes under the direction of Trustees, those designated by Trustees for a specific use, and those invested in fixed assets.

Temporarily restricted net assets are those contributed with donor stipulations for specific operating purposes or programs. They are not currently available for use in the Church's ministries until commitments regarding their use have been fulfilled.

Permanently restricted net assets are those contributed with donor stipulations that the principal amount of the contribution must be maintained permanently, but permits the use of the income generated by the contribution. Unless the donor has placed stipulations on its use, income generated from permanently restricted net assets is classified as unrestricted net assets.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Notes to Financial Statements (Continued)
June 30, 2019 and 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenses

Contributions are recognized when made. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported on the statement of activities and change in net assets as net assets released from restriction.

Gifts of fixed assets are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Pre-payment of rent for third-party usage of the church facility is recorded as deferred facility rental income, and is reclassified as revenue after the usage has occurred. All other income is recorded when earned. All expenses are recorded when incurred in accordance with the accrual basis of accounting.

Donated Services

A substantial number of unpaid volunteers have made significant contributions of their time to the Church. These volunteers have a significant impact on making the Church's ministries effective. However, the value of these services is not reflected in the financial statements because it does not meet the definition of donated services required to be reported.

3. INVESTMENTS

An investment committee consisting of 3 members of the Church oversees the Church's investments in conjunction with Trustees. The Church has several investment funds as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Baldwin/Earnshaw fund	\$ 561,743	\$ 538,015
Pastoral Housing fund	485,903	455,659
Alice Blakeley Scholarship fund	129,620	123,341
Bible fund	61,869	52,323
Rev. John W. Morrow Memorial Fund	34,611	25,619
Women's Fellowship	3,668	3,663
	<u>\$1,277,414</u>	<u>\$1,198,620</u>

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Notes to Financial Statements (Continued)
June 30, 2019 and 2018

3. INVESTMENTS (Continued)

The investments are closely monitored by the investment committee and the Church's financial advisor in order to mitigate market risk associated with these investments.

As of June 30, 2019 and 2018, the funds are invested as follows:

	<u>2019</u>	<u>2018</u>
Equities	\$ 817,232	\$ 868,146
Corporate bonds	345,576	217,994
Annuities and insurance contracts	110,938	108,817
1-year renewable certificate of deposit	<u>3,668</u>	<u>3,663</u>
	<u>\$1,277,414</u>	<u>\$1,198,620</u>

Interest, dividends, capital gains distributions, and partnership distributions are treated as operating income for the Church and are listed as investment income in the statements of activities and changes in net assets. Realized and unrealized gains and losses are generally treated as non-operating income, with the exception of realized and unrealized gains used to pay scholarships from the Alice Blakeley Scholarship fund; these amounts are reflected as non-operating revenue reclassified to operations in the statements of activities and changes in net assets, and amounted to \$2,376 and \$1,834 for the years ended June 30, 2019 and 2018, respectively.

4. FIXED ASSETS

Fixed assets at June 30, 2019 and 2018 consist of the following:

	<u>2019</u>	<u>2018</u>
Land	\$ -	\$ -
Church building	1,000	1,000
Building improvements	48,254	-
Equipment	<u>5,275</u>	<u>5,275</u>
	54,529	6,275
Less: accumulated depreciation	<u>(1,619)</u>	<u>(1,000)</u>
	<u>\$52,910</u>	<u>\$ 5,275</u>

The original settlers of the colony of Massachusetts granted the land at 37 High Street, Marlborough, MA and its adjacent common to the Church, and its original granted value is not determinable. The original cost of the Church building is an estimate due to the absence of documentation.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Notes to Financial Statements (Continued)
June 30, 2019 and 2018

4. FIXED ASSETS (continued)

In 2016, a 1947 Steinway piano valued at \$5,275 was donated to the Church. While this asset is in use in daily operations, its salvage value, given regular maintenance, approximates its current value, and thus, it will not be depreciated. This asset is included in equipment in the statement of financial position as of June 30, 2018 and 2017.

In March 2018, the oil burning boiler of the Church failed. The Church decided to convert to a new gas boiler instead of repairing or replacing the oil burning boiler, rendering the burner booster attached to the oil burning boiler obsolete. Attempts to sell the burner booster for even a nominal amount were unsuccessful, so the value of the burner booster has been written down to \$0, and the impairment loss of \$4,599 is included in depreciation in the accompanying statement of activities and changes in net assets for the year ended June 30, 2018.

Work on installing a new gas boiler began in June 2018, with work finally completed and the asset placed into service in September 2018. The total cost was \$48,254 and is included in building improvements in the accompanying statement of financial position.

5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at June 30, 2019 and 2018, are all purpose restricted and consist of the following:

	<u>2019</u>	<u>2018</u>
Pastoral housing	\$298,586	\$282,658
Bibles and related materials	61,596	57,176
Charles Lyons Trust (medical equipment for needy children)	44,466	43,248
Scholarships	32,878	27,107
Flower fund	4,950	5,469
Deacons fund	7,495	3,460
Katy Mahoney backpack program	80	175
Rev. John W. Morrow Memorial Fund	2,732	(40)
	<u>\$452,783</u>	<u>\$419,253</u>

Of the total temporarily restricted net assets, \$60,382 and \$67,595 is included in cash and cash equivalents and \$392,401 and \$351,658 is included in investments in the statements of financial position as of June 30, 2019 and 2018, respectively.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Notes to Financial Statements (Continued)
June 30, 2019 and 2018

6. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets at June 30, 2019 and 2018, consist of the following:

Alice Blakeley Scholarship fund	\$98,100
Rev. John W. Morrow Memorial Fund	32,000
Bible fund	<u>2,184</u>
	<u>\$132,284</u>

Alice Blakeley Scholarship fund

The original donation from the estate of Alice Blakeley stated the principal amount of the donation was not to be used, and any income generated from the donation was restricted to provide scholarships to college bound students. Scholarships paid out from the income of this fund totaled \$10,000 and \$9,750 for the years ended June 30, 2019 and 2018, respectively.

Rev. John W. Morrow Memorial Fund

In December 2017, the church received a principal donation of \$32,000 to establish this fund. The donor stipulated that the initial principal must be maintained at all times, and that any income generated by the fund is restricted to support the youth ministry of the Church. The Church may not spend from the fund until at least one year, at minimum, has passed from the date of donation. The donation includes a stipulation that should the needs of the Church change over time, the Church may obtain the donor's approval to modify the purpose of the fund, or, if the donor is legally unavailable to respond to such a request, the Church may change the purpose of the fund by a majority vote of its voting members. The fund is also open to accept additional donations going forward.

Bible fund

The original donation consisted of 21 shares of Exxon stock valued at \$104 per share on the date of donation. The donor stipulated that the principal amount of the donation was to be preserved, and any income generated from the donation was restricted to the purchase of Bibles and Bible-related materials. Purchases made from the income of this fund totaled \$2,167 and \$1,125 for the years ended June 30, 2019 and 2018, respectively.

7. OPERATING LEASE COMMITMENTS

In February 2017, the Church entered into a new, non-cancellable, 5-year operating lease for a Xerox Workforce 7835i, prior to the expiration of the lease on the existing piece of equipment. Payments on the new lease are fixed at \$405 per month. As an incentive to enter this lease, the new lessor paid the Church \$3,225, an amount approximately equal to the payments that were remaining on the existing lease at that time.

**FIRST CHURCH IN MARLBOROUGH (CONGREGATIONAL)
UNITED CHURCH OF CHRIST**

Notes to Financial Statements (Continued)
June 30, 2019 and 2018

7. OPERATING LEASE COMMITMENTS (Continued)

As of June 30, 2019, the total remaining operating lease payments are as follows:

<u>Year</u>	<u>Payments</u>
2020	4,860
2021	4,860
2022	<u>3,240</u>
	<u>\$12,960</u>

8. OTHER COMMITMENTS

The Church is expected to make contributions to the Massachusetts Conference of the United Church of Christ as long as it is a UCC Church. The commitment for 2020 is approximately \$8,400.

9. SUBSEQUENT EVENTS

The Church has evaluated subsequent events through May 29, 2020 (the report date), the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

Due to the Covid-19 Coronavirus pandemic that hit our region in March 2020, the physical church building was closed to protect the health and safety of members and friends of the Church per mandate from the Commonwealth of Massachusetts. The Church implemented live streamed video services as a means of continuing operations during the closure.

Additionally, the Church acquired an SBA Payroll Protection Loan from Main Street Bank in the amount of \$35,343 on April 30, 2020 as part of the CARES Act enacted on March 27, 2020. This is a 24 month loan, with repayments beginning after a deferral period on October 30, 2020. Interest accrues at 1%. The loan may be forgiven if the Church uses the funds to pay for payroll costs for the first 8 weeks following the loan funding date, and submits appropriate documentation to support this. Any balance not forgiven when the deferral period ends will be due in 18 installments over the remainder of the loan along with accrued interest.

As of the report date, the church building has yet to reopen, although the Commonwealth of Massachusetts has begun lifting the closure mandates and it is anticipated that the Church will begin a slow reopening and resumption of regular services in summer 2020. The Church is unable at this time to quantify the financial impact of this pandemic on its operations.

10. RECLASSIFICATIONS

Certain amounts in the financial statements for the year ended June 30, 2018, have been reclassified to conform with the 2019 presentation.