

## The Assessment Review Committee of the Executive Council

### Teleconference

August 20, 2019

Attending the meeting: Mally Lloyd, Rosalie Ballentine, Patty Downing, Kurt Barnes, Nancy Koonce, Mike Klusmeyer, Jim Taylor, and Nancy Caparulo.  
Regrets: Mark Latime, Greg Rickel, and Mark Stevenson.

Mally called the meeting to order at 1:02 PM EDT. Nancy Koonce offered the opening prayer.

The agenda was reviewed and no changes were made. The February minutes, posted at the last minute, were deferred for consideration until the next meeting.

The main task for the call was to review the remaining 14 dioceses for waiver decisions.

Minnesota – overpaid their 2018 asking. Recommendation is to give a waiver in that amount for 2019 (\$33,379). This was moved, seconded, and approved after clarifying discussion.

Venezuela – is trying to get to \$1500. A waiver in that amount for one year was moved, seconded, and carried without opposition.

Dallas – A Living Church article reported that the committee misunderstood their intent. However, there is no plan from them about how they will get from 8% (their pledge for 2019) to 15%. Mally opined there is insufficient information upon which to base a decision and their request was declined in February. Follow-up is needed by way of a letter asking for a plan. Mike pointed out that this waiver program is not new but has been in the works now for years. Mally and Kurt will write a letter.

Fond du Lac – sent a financial hardship letter but no plan was provided. Giving had increased between 2016 and 2019 by \$4,000 but no plan to increase was forthcoming. A letter will be sent to them.

Honduras – sent a letter of hardship. They hope in three years they will be able to start paying. No current commitment form was submitted. There is an audit in the TRO. They have been asked to make it clearer since the presentation is hard to understand. Their audit includes the schools and that skews the picture. Kurt has asked them to do a budget that shows all income and expense for the schools. They are over a year behind in repaying a loan that was extended to them three years ago. They are behind in their pension fund contributions. Some of their block grants were used to repay the loans. Since the government improved the public schools, there are fewer children enrolled in in Episcopal schools. The diocese can be told that they would not be eligible for any of the CETALC grants if they do not show forward progress. Rosalie pointed out that Honduras receives money from other sources. All dioceses in Province IX are making gifts in the \$1,000 range and it was felt that Honduras should do so as well. The loan outstanding is about \$200K - \$300K. Discussion looked at the scenario around loan forgiveness or not. The committee agreed that the loan should be repaid. Patty asked about the pension plan arrears. Mally suggested that the EC Finance Committee have a look at the loan and pension issues. Follow-up should allow a waiver for \$1,500 for a year and let them know that Finance will be looking in greater depth around the other issues. Motion to allow \$1,500 was made, seconded and carried.

Rio Grande – The bishop has been responsible in getting information to the ARC but Mally is not comfortable with the plan. Other dioceses with new bishops shouldn't have the rug pulled out from under them. Kurt said Alabama and Mississippi will have new bishops in another year. Mississippi has been granted a waiver and Alabama will need to be

worked with. Rosalie felt that new bishops should be well acquainted with the financial position of a given diocese, further, that appropriate discussion should happen to prevent a four-year delay in a plan to get to 15%. Rio Grande's plan was very long-term (to 2032). They will be re-contacted to say another plan is requested showing a percentage increase over the next three years. Kurt said they were up a bit for 2020 but that no diocesan report has been received. In their budget, total revenue is down from 2019. Mike felt it needs to go back to EC and/or the House of Bishops – it's about the leadership of the clergy and laity. If a diocese cannot or will not pay its full assessment, the diocese should be talking about it during the election process. If they can't do it for whatever reason, the question should be asked if they really need a full-time bishop. The conversation needs to happen at other levels. Mally observed that this situation is true also of Fond du Lac. Nancy K was sensitive about new bishops not having been in the financial picture when this process began.

Alabama – no application received. No waiver. No grants beginning in 2020. Kurt recalled that the bishop had indicated that he might have to apply for a waiver. Nancy noted that Constable Grant season is upon us. Any grant award would be made with a conditional sentence concerning the payment of assessment by the end of February 2020. Kurt will review the dates. Mally suggested no money be awarded to any non-compliant diocese until its compliance is known. Rosalie will make a call saying that the waiver application needs to be done now. Their pledge is roughly 13%.

Albany - Next time there is an officer's meeting, Kurt will check on the status with Albany.

Colorado – Their 2017 diocesan report was finally received. Patty will call the bishop.

Convocation – Mally's feeling is that this should go back to the PB since the information provided by the bishop was so comprehensive. Nancy K. and Kurt felt that there was some lack of clarity in certain areas. Mally thought that a decision with regard to their being a 'diocese' or not needs to be clearer. They wish to be treated as a diocese, however. Nancy saw a lack of education of the people in the pews in Europe that there is no governmental financial support. Proposal: waiver granted for one year and put some pressure to bear so that it can be celebrated as a diocese. It should be clearly stated in the church's organizing documents what the status is of the Convocation. Accept for the time being what they said they will pay. Rosalie thought EC should discuss this as well. Patty added that a conversation needs to happen about dioceses that can't afford themselves. Agreed to grant a waiver for 2019.

Eastern Michigan – Kurt will follow up.

Ecuador Central – They said they would be at 15% by 2020. Kurt will locate the e-mail indicating that.

Florida – Nothing has been heard from Bishop Howard. Mike will call him.

Springfield – They haven't applied for a waiver. They do not apply for grants. No follow up.

Hooray for Pennsylvania!! After additional conversation they have agreed to commit at 15%.

Agenda for December face to face meeting. Start Wednesday after supper. Rosalie is unable to be there. She hoped to discuss how to continue to encourage the dioceses struggling – how to keep plugging at it in order to be a part of the whole. We encourage them through the waiver process. Mally encouraged other agenda items. A quick phone call may be needed if follow-ups result in additional waivers.

Rosalie offered a closing prayer and Mally adjourned the meeting at 2:04 PM.

Respectfully submitted,  
Nancy Caparulo  
Staff support to the committee