Executive Council Standing Committee on Finance

July 7, 2020

Minutes of the Tele-Meeting

Attending: Mally Lloyd, Kurt Barnes, Michael Curry, Mike Ehmer (PB&F), Cecilia Malm, TJ Houlihan, Anne Kitch, Andrea McKellar, Diane Pollard, Holli Sturm, Margareth Crosnier de Bellaistre, and Patrick Haizel, Byron Rushing, Patty Downing, and Zena Link.

Absent: Anne Hodges-Kopple. Regrets: Cornelia Eaton

Mally called the meeting to order at 5:00 PM EDT. Anne K offered a prayer.

The agenda was reviewed, moved, seconded and approved without changes.

The minutes from June 2, 23 and 30 were moved and seconded en bloc. No corrections were made and the motion carried without opposition.

What sections of the budget must be funded? Canonical portion shall have funding priority according to Canon I.4.6b. What are other obligations (basics, contracts, etc.)? Anne K suggested that FIN prepare a resolution to amend the canon that pertains to the former, three-part budget. Andrea will do the resolution.

An EC meeting is coming up shortly. FIN should make a recommendation concerning the staged reductions that will be made, if necessary. Mally asserted the gray areas had been approved by the other JSCs except Mission Within. Kurt will post an updated spreadsheet after hearing from MIN after their meeting on July 16. Mally hopes to have gray areas ready for EC to vote and a bottom line figure of how much savings were realized in the re-done 2020 budget.

Mally observed that confusion and angst might be created by putting a list together, before the need actually arises, of items that would be eliminated from the budget. This observation was discussed at length. It was appreciated that the church has some reserves and PPP grant; suggestion was made to thank specifically the staff for the reductions they were able to identify. One concern was that looking into 2021 would help to focus on where other reductions could be made for 2020, if necessary. Patty talked about the transparency of advising the church about what this committee is considering.

The other JSCs might be asked to sharpen their priorities to inform the 2021 budget, which would inform 2022-24. Kurt’s approach is “maybe you’re almost there.” The diocesan income is based on a lag of two years, yielding no real impact right now and 2020 income will not be reported until September of 2021. Staff can be asked to look at 2021 for similar cuts. Travel and the decisions around General Convention could make a significant change in the bottom line.

The PB suggested reframing the questions in a positive light to get at the same answers. A decision about GC will be made in the fall prior to the October EC meeting. FIN would have to wait until the end of the year or January 2021 to present a 2021 budget for approval.
The budget management document outlines the work but there will not be a staged reduction plan for 2020. ECEC will hear this at their next meeting. August will be the time to begin on 2021’s budget. The committee will have a better sense of what can and cannot be done after having lived into the changes that will – or will not – be necessary. REST, it was observed, is part of the Way of Love and is important to this intense work.

Diane’s questions will be revisited at a future meeting. Reframing some of them per Bishop Curry’s suggestion was discussed.

The Honduras subcommittee will be meeting next week. Diane asked if there was a deadline date concerning the grant that was to cover payroll over a two-month period. It was agreed that a report would be presented to EC in August.

Mally noted that the Washington Post made data available concerning all recipients of PPP assistance. TEC appeared in the $2 to $5 million category, along with countless other organizations, religious and secular.

Zena joined the meeting at 5:50.

The end-of-May numbers were looked at. Diocesan income is steady. Kurt’s spreadsheet was shared and there was “almost no new news.” Expenses are in line or below the adopted budget. June numbers will be ready in early August. The corrected 2019 finals will be looked at during a future meeting.

Next meeting: July 21, same time, when the gray areas will be looked at again before the July 22 EC meeting.

In August the committee will discuss a 2021 process in advance of the ECEC meeting. In the meantime, Mally will meet with Cecilia and TJ concerning Development.

Patty closed with prayer and Mally adjourned the meeting at 6:03 PM.

Respectfully submitted,
Nancy Caparulo
Staff support to the committee