

Dear Bishops,

Thank you for your letter dated September 13, 2019. We discussed it at the GCFA board meeting this week and would like to offer some further explanations as to how the decisions were made in July about the funding for 2020 Episcopal salaries as well as office and housing allowances.

As you heard at the last two Council of Bishops meetings from Moses Kumar and Rick King, the projections for Episcopal Fund collection rates in 2019 for both the Jurisdictions and Central Conferences are significantly lower than previous years. While GCFA has recommended an increase to the level of funding for the Episcopal Fund next quadrennium 7%, while the other six funds decrease by 23%, the Episcopal Fund reserves will be depleted by the end of next quadrennium or sooner if collections do not increase or costs are not lowered. With these facts in mind, the intent with the decisions made in July was an effort to mitigate some of the revenue shortfall. As was explained in Lake Junaluska, 81% of the expenses in the Episcopal Fund are for salary, benefits, housing and office costs for active and retired Bishops. Given these realities, the GCFA board had no other viable options to reduce costs besides the areas of salary, housing and office.

Your commitment to the general Church apportionments is greatly appreciated, and GCFA did discuss options that contemplated only reducing funding for those areas that did not pay 100%. The GCFA board decided not to pursue this course based upon the feedback from the COB Executive Committee.

As discussed at the Central Conference bishops meeting in Lake Junaluska, the funding grant from the Episcopal Fund for office costs does not need to fully support the needs of the office. Any further funding necessary may be provided by the annual conferences in the Episcopal Area. This is a common practice in many of the Jurisdictional Episcopal Areas.

We want to thank you for your demonstrated faithfulness to connectional giving.