

## OPEN LETTER TO DELEGATES TO THE JURISDICTIONAL CONFERENCES

From

The NORTHERN ILLINOIS ANNUAL CONFERENCE DELEGATION

We ask you to share the following letter with members of your delegations.

### The Case for Bishops

We pray you and your church have found the resiliency to meet the challenges of these days. We are grateful to the Council of Bishops for organizing our gathering for February 13<sup>th</sup>. Hopefully, this is one of several opportunities we take to discuss together how the church can move into a promising future.

We've been called together to discuss the Council of Bishops proposal that none of the 14 episcopal positions made vacant by retirements of US Bishops be filled by delegates elected for the 2020 general conference. In the press release about the proposal the Bishops cite Episcopal Fund financial concerns as the reason this unusual choice was necessary. Some of us have had an early presentation on the numbers that will be shared on February 13<sup>th</sup> and we do not believe the numbers justify the recommendation that only zero elections are affordable. We believe there are some number of episcopal elections that will allow the church to select the leadership for this moment at sustainable costs to the Episcopal Fund.

We should mention that the most recent information looks different than an earlier, bleaker version of the economic model. That version, prepared in the summer of 2020 when some believed the pandemic might cause a 70% apportionment payment rate, was used by the Bishops to derive their initial recommendation of no elections. Reportedly, December 2020 was the largest month of general church apportionment payments ever, nearly \$40 million, about a third of the total for the year. Consequently, the Episcopal Fund ended the year with an apportionment payment rate of 86%. The situation of the summer of 2020 is not the situation of December 2020. We know the episcopal and GCFA leaders act in good faith with the best interest of the denomination. We write to offer another valid position using more recent information and we are grateful for the opportunity to discuss in a free and informed manner.

At the end of 2016, the Episcopal Fund had a reserve of \$19.1million, the highest level in at least 20 years. 2016 General Conference decided to spend \$10.9 million of that reserve while reducing the apportionments to the jurisdictional conferences by .7%. We also added an apportionment for the Central Conferences at a more affordable apportionment formula. (see 2016 Daily Christian Advocate pages 1682-1691). Simple math would suggest that we set a course of reserve use that would leave us with \$8.2 million (19.1 minus 10.9) at the end of 2020. In fact, we ended this quadrennium with \$14.1 million; the reserve even went up slightly after 2020, during the pandemic. It is the second highest reserve level to the Episcopal Fund over the last 20 years; reserves are about two thirds of the amount of annual spending. One would think being \$5.9 million above expectation would be cause for celebration.

We are told it is not. We are told this is a crisis. But to be fair the crisis is not the present reserve level, but that we set a course that spends \$10.9 million of that reserve over 4 years, or \$2.7 million per year. We agree that is not sustainable long-term. The decision to leave all 14 episcopal areas vacant would save approximately \$4 million per year.

The church faces some daunting financial headwinds. These challenges have been incorporated into an Episcopal Fund economic model prepared by the competent staff at GCFA. The model assumes that 20% of local churches will be permitted to depart the denomination. Additionally, there is a general belief that the rate

of apportionments is too high. The Economic Advisory Committee and GCFA are recommending that the rate of apportionments for all general church funds be reduced from 3.29% of local church spending (ie “net expenditures) to 2.7%. This will be a reduction in general church apportionments for churches that remain in the UMC. So, the numbers that have been prepared already assume a loss of 20% of the local churches (the high end of the estimate from a survey of the conferences) and a reduction in the rate of apportionments for the churches that remain.

Using the economic model, the reserves are sufficient to fund the same number of bishops as we have in 2020, if conferences pay 85% of the Episcopal Fund apportionment. At 85% payment rate, even factoring in 20% of local churches departing and lower apportionments on the remaining churches, the economic model prepared by GCFA predicts that the Episcopal Fund would end with a reserve of \$5.3 million. The conferences paid 86.5% of the Episcopal Fund apportionment in 2020, during a pandemic when few could meet. Historically, this payment rate has been above 90%.

At the 85% apportionment payment rate, the US jurisdictions could elect 10 bishops and reserve our high \$14.1 million reserve level until 2024. 10 elections could be achieved by reducing the number of episcopal bishops by 5, one per jurisdiction. Again, the numbers the Council of Bishops used in preparing their recommendation for no elections were prepared during the very unique time when the pandemic provided an economic shock to the connection. A shock is not the same as a trend. We would be better served by solemn analysis of the trends affecting our present.

If resources are present for more than zero elections, how many bishops is the right number? We encourage jurisdictions to think about the missional needs for leadership through these moments of the church, and not default to electing the same number we have now without some reflection. This requires jurisdictional conferences to develop a new capacity for evaluating missional needs, how episcopal leadership functions in our denomination, evaluation of the number of episcopal areas into the future and other considerations.

More importantly than the interpretations of financial data, we believe there are theological reasons to proceed with some number of episcopal elections. We affirm that the “bishops [lead] by discerning, inspiring, equipping, implementing, and evaluating the fulfillment of the mission of the church.” (Par. 401. C) It is also our belief that God has, is, and will continue to call apart leaders for God’s work so that they can fulfill their calling to build the Kingdom. As God called Elijah, Deborah, and Paul so too did God call John Wesley, Francis Asbury, and Marjorie Matthews to guide and equip the faithful in fulfilling their God-given mission.

To choose not to elect any bishops is to affirm that God is not calling forth any new people to lead the church this quadrennium. This is a theological statement we are not prepared to make. We have faith that God continues to call new leaders for the United Methodist Church, especially when there are unique challenges that we are going to have to face together. That God is placing within the hearts of new leaders “A passion for the unity of the church. “(Par 401.4) and this calling should be given a chance to be heard, as has happened throughout our denominational history. It is our hope that by pausing to listen for who the Spirit is calling into episcopal leadership we all might be taught new wonders of God’s grace and equipped to continue our mission to Make Disciples of Jesus Christ for the Transformation of the world.

We have heard concerns that we will have too many bishops if the church contracts significantly through disaffiliation. We pray that disaffiliations do not happen. But if there are fewer episcopal areas required for the sustaining UMC, further contractions are possible in 2024, when there are 10 mandatory retirements of US Bishops. We will have more information at that time when we will know more about the number of churches and how episcopal areas are designed.

We believe the church is at a juncture that requires leadership prepared for this moment. Bishops will play central, vital roles in determining how disaffiliation efforts are treated in the annual conferences. The denomination's interests will be best served by careful attention to these details. It's hard to see how 14 fewer bishops can accomplish all the tasks that are necessary.

In addition, this moment cries for the type of visionary leadership that sees beyond the constraints of the compounding crisis and draws us towards the church we can be. The 2020 cohort of delegates were elected, many for the first time, in the shadow of the 2019 Special Session. Many of us carry our annual conference's

hopes for a new direction within the denomination. The 2020 delegates have been selected to find the leadership that can see a future and shepherding us towards it. We need vision casting leadership to get us to the future church we can be.

What to do now?

**1. Called Jurisdictional Sessions before August 2021.** Because the Book of Discipline sets the effective date of episcopal retirements on August 31 after the jurisdictional conferences, the current schedule for jurisdictional conference would have us approve retirements in November 2021, with an effective date of August 31, 2022 (Book of Discipline paragraph 408.1). Jurisdictional meetings held earlier in 2021 and approving retirements so they are effective August 31, 2021 will significantly ease financial pressure on the Episcopal Fund. These meetings will need to be virtual. Elections, if any, would need to happen at a later, in person Special Session of the jurisdictional conference.

**2. Pay Episcopal Fund apportionments at 85%.** The Episcopal Fund can afford all the current positions when we contribute at this rate. If we paid 85% of the Episcopal Fund apportionment, we could elect 10 bishops now and not use any of the reserve funds.

**3. Manage costs.** Annually each additional Bishops in the U.S. cost \$285,000 in direct support and between \$315,000 and \$350,000 when including additional costs like COB travel. In times of financial uncertainty leaders have been known to cap their salaries, forgo annual increases, or reduce their salaries in solidarity with employees and communities.

David Stotts of Mississippi has penned a helpful open letter identifying how simple changes in the cost structures can extend the Episcopal Fund resources to more bishop positions. We would highlight that by reducing office reimbursements to the U.S. conferences by 17% we could fund 2 episcopal positions, while leaving office support to the central conferences unchanged.

**4. Support the Jurisdictional Study Committee proposals.** The JSC has done faithful work this quadrennium, and thought long and hard about missional and financial needs as a denomination. The JSC proposal better aligns the number of bishops in each jurisdiction to the needs of the mission and ministry, and provides a plan and a process to fund those positions. The costs of a jurisdiction's decision to add or subtract the number of episcopal areas should be borne by the conferences in that jurisdiction.

**5. Continue the discussion.** Honest conversations about the missional needs for bishops should incorporate our best aspirations for the mission in our jurisdiction, our most informed analysis of the trends impacting us, our best guess on the capacity of churches we serve, and a clear articulation for the vision God places before us. We will be a better church through deep, open and honest conversation.

The church decision making processes are very slow. In the early months of the pandemic, when churches were holding on to money because they were uncertain what would happen, apportionment receipts were very low and GCFA prudently sounded an alarm of concern. But we mustn't set a financial course based upon a

snapshot of the church at its financial nadir, just as we shouldn't set a financial course based upon the financial position at its apex. We have true challenges that require clear-eyed analysis. Those challenges are both financial and missional.

We hear the case that elections to all 14 episcopal vacancies might be unfeasible, given the uncertainties we have. But we believe no elections to be impractical, given the missional challenges before us. The church requires a leadership of presence as we conform to a new future. We trust the delegates elected to the 2020 general conference to find the leaders uniquely tuned to this moment in the church. We need leadership relevant to these times.

We are glad to be in ministry together on February 13th in this unusual format. Its utility makes plain the need for a US regional body where we can similarly gather for additional considerations, such as the future of the church in the US. We hope there will be additional opportunities to pray, to think, and to plan together as delegates charged to lead this wonderful church through the compounding and disrupting challenges of this moment.

We are open to hearing your reactions or questions with an email to: [nic2020gc@gmail.com](mailto:nic2020gc@gmail.com)