

European College of Bishops of the UMC  
meeting in Rome, Sept, 12-13, 2019

To the General Council on Finance and Administration  
Ms. Dana Joki, Episcopal Services Director  
Nashville  
(sent by e-mail only)

Rome, September 13, 2019

### **Episcopal fund - Budget cuts for 2020**

Dear Dana,

As resident bishops in Europe we have met in Rome (Bishop Eduard Kheday joined online) and discussed the cuts for the budget 2020. This year, the budget submission for 2020 was requested very early, before end June, without any further notice of compensation levels or cuts. We built our budgets on normal expectations of expenses and apportionment incomes.

Only afterwards on July 21, we received notice on the decisions of the Board of Directors concerning compensation levels for salary, office and housing. It included the information about a 50% cut for office costs for the first quarter of 2020. It further indicated that the decision for that cut was made in a way to influence only the first quarter of 2020 instead of the 4<sup>th</sup> quarter of 2019.

Our episcopal offices work in legal settings that are very different from the US. Perhaps it may be possible in the US to cut salaries of employees at short notice or even fire employees at short notice. In most European countries, this is not possible and there are very highly protected contractual rights of employees. Furthermore, salary costs of employees make up a high percentage of our office costs.

Furthermore, we are shocked that such measures are taken without any consideration to the payment of apportionments by annual conferences. We would have expected that such drastic measures of cuts would only be applied to episcopal areas where their annual conferences do not fulfill a payment of apportionment at 100%. This would have been a clear sign (1) of appreciation to those conferences that pay full apportionment, and (2) of limiting the risk that there is a further withholding of apportionment payments by annual conferences. If every annual conference would pay apportionments at 100%, GCFA would not get into financial troubles. Therefore, every measure taken by GCFA needs to honor and encourage a payment at 100%.

**We kindly ask you to reconsider the cuts for 2020 for episcopal areas where annual conferences pay apportionments at a 100%.** If you maintain the cuts, we will need to revisit what we submitted to you in end June as expenses and apportionment income for 2020.

With best regards,

  
  
  


Cc to:

- European member of directors of GCFA, Per-Endre Bjørnevik;
- chairpersons of our central conference councils on finance and administration