

**General Synod Council  
Reformed Church in America  
Minutes of March 22-23, 2022 Meeting  
Zoom Videoconference**

Welcome and Prayer

Ned Beadel, moderator of the General Synod Council (GSC), called the March 22-23, 2022 meeting to order at 11:02 p.m. (eastern) followed by devotions. The GSC members were placed into breakout rooms for a short time of small group discussion and prayer.

Members Present

The following members of the GSC were present for all or part of the meeting:

Pedro Agudelo	Michael Meyer-Veen
Eddy Alemán, <i>ex-officio</i>	Eric Moreno
Philip Assink	Sheila Moses
Carole Barber	Eric Nichols
Ned Beadel	Albert Plat
Michelle Chahine	Neale Roller
Devonna Cousins	Jidong Shan
Susan Davis	Glenn Spyksma
Bruce Deckinga	Kimberly Van Es
Hellen Harvey	Leigh Van Kempen
Dwayne Jackson	Harris Van Oort
Robert Johnson	Patricia Varga
Kent McHeard	Imos Wu

Members Absent

The following members of the GSC were unable to attend the meeting:

EJ de Waard	Kathryn Lohre (ELCA)
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Staff and Guests

The following staff members and guests were present for all or part of the meeting:

Terri Boven, *Recorder*  
Elizabeth Brand, *Director of General Synod Operations*  
Joshua Scheid, *Moderator of the Commission on Church Order*  
Thomas Smith, *Regional Synod Observer from Council of Synod Executives*  
Christina Tazelaar, *Chief Communications Officer*

Jillisa Teitsma, *Chief Financial Officer*  
Felix Theonugraha, *President of Western Theological Seminary*  
Angela Worthley, *Recorder*

## Consent Agenda

**GSC 22-10** Motion made, supported, and carried:

To adopt the following from the consent section of the agenda:

- Appointment of Robert Johnson and Eric Moreno as governance monitors for the current meeting
- Schedule and agenda
- Approval of the minutes of the November 5, 2021 stated GSC meeting and December 9, 2021; January 7, 2022; January 26, 2022; and January 31, 2022, special GSC meetings
- Agreement to review the commission review process

## Publication of GSC Minutes

**GSC 22-11** Motion made, supported, and carried:

To make minutes of General Synod Council meetings publicly available in a provisional form within 15 business days following the close of each meeting (following circulation via email to the full GSC for any necessary corrections), to be replaced with the final approved copy once formal approval has been obtained at the next stated GSC meeting.

## GSC Appointments

**GSC 22-12** Motion made, supported, and carried:

To appoint Kim Van Es as the General Synod Council representative on the Pastoral Formation Oversight Board, coterminous with her term on the GSC; and further,

To appoint Devonna Cousins as the General Synod Council representative on the Ministerial Formation Certification Agency board of trustees, coterminous with her term on the GSC.

## Correspondence

The moderator reported that a letter was received from the Regional Synod of Albany Executive Committee expressing concern about being the only regional synod not represented on the RF 21-1 restructuring task force.

In response to this communication, Eddy Alemán, the general secretary, presented a name to add to the RF 21-1 restructuring task force. Members of the GSC were given the opportunity to provide feedback.

**GSC 22-13**

Motion made, supported, and carried:

To add Sherri Meyer-Veen as a voting member of the RF 21-1 restructuring task force.

See Schedule GSC 22-13 for the list of approved names in alphabetical order.

The moderator agreed to respond with a letter of apology for the oversight and an explanation of how the concern was being addressed.

The moderator reported that an email was received from the Regional Synod of the Mid-Atlantics (RSMAt) Executive Committee requesting that any new church plants/churches in the Washington DC metro area remain within the boundaries of the RSMAt to be a blessing to the churches nearby. GSC members were given the opportunity to provide feedback.

**GSC 22-14**

Motion made, supported, and carried:

To direct the general secretary to facilitate a conversation between the Classis of Central Plains, the Regional Synod of the Mid-Atlantics, and the Regional Synod of the Heartland to discuss deeper collaboration and partnership regarding congregations in the Washington, DC, area wishing to join the RCA.

**Moderator Election**

Albert Plat, chair of the GSC's nominations committee, introduced the following candidates who had agreed to be considered for service as GSC moderator for the term beginning July 1, 2022 and ending June 30, 2023.

- Philip Assink
- Kimberly Van Es

Each candidate addressed the GSC.

**Permanent Committees (GP 10.1 and 10.2)**

Sheila Moses presented the report of the Investment Advisory Committee.

**GSC 22-15**

Motion made, supported, and carried:

To amend GSC Policy GP-10 as follows (additions are underlined, deletions are stricken):

1. Investment Advisory Committee: In accord with the GSC's Committee Principles (GP-9) and operating in its capacity as Executive Committee of the General Synod, the GSC shall establish an Investment Advisory Committee that assists the GSC, the BOBS, and the CGF in meeting their fiduciary responsibilities. The committee shall be comprised of at least five~~eight~~ members, including two~~one~~ each representing the GSC, the BOBS, and the CGF. These board appointees shall each be appointed by the moderator/president of the board they will represent upon the approval of that board. ...

Robert Johnson presented the report of the Audit and Risk Management Committee.

#### Charitable Gift Annuity Fund

Jillisa Teitsma addressed the GSC concerning the report on examination received on January 21, 2022 from the New York Department of Financial Services (Department) for the GSC's charitable gift annuity fund for the five-year period ending December 31, 2015 and management's response to the report provided to the examiners. The GSC authorized the surrender of the GSC's New York Charitable Annuity Permit at its November meeting (GSC 21-43). The required documents to request surrender were filed with the Department and acknowledgment of receipt was received. No further response from the Department has been received to date.

Each GSC member will be asked to sign a statement confirming that he or she has received and read the "Report of Examination - - Financial Condition as of December 31, 2015" issued by the Department and a certified transcript from the minutes of this GSC meeting that indicate compliance will be forwarded to the Department.

#### Ends Monitoring Reports

The general secretary presented a monitoring report for the following:

- E-2 Transformed & Transforming

#### **GSC 22-16**

Motion made, supported, and carried:

To request a report from the general secretary on ends policy E-2, Transformed & Transforming, at the GSC's fall 2022 stated meeting.

The general secretary presented monitoring reports for the following:

- E-3 Church Multiplication
- E-4 Global Mission
- E-5 Multicultural and Multiracial Future Freed from Racism

#### General Synod 2022

The GSC heard updates from Philip Assink and Elizabeth Brand regarding worship plans, the schedule, and planned COVID protocols for the 2022 General Synod.

#### Recess

The moderator recessed the morning session of the March 22, 2022 meeting at 2:02 p.m. (eastern).

### **TUESDAY AFTERNOON**

#### Call to Order

The moderator called the afternoon session of the March 22, 2022 GSC meeting to order at 3:33 p.m. (eastern).

#### Western Theological Seminary

Felix Theonugraha, president of Western Theological Seminary (WTS), and Joshua Scheid, moderator of the Commission on Church Order (CCO), addressed the GSC regarding work done in response to TE 21-5 that was adopted by the 2021 General Synod (*MGS 2021*, p. 342). The GSC was given an opportunity to comment and ask questions of the WTS president and CCO moderator.

#### **GSC 22-17**

Motion made, supported, and carried:

To bring the updated proposed changes to Western Theological Seminary's bylaws and articles of incorporation as presented in the GSC agenda documents to General Synod 2022 for approval.

#### **GSC 22-18**

Motion made, supported, and carried:

To recommend the following to the 2022 General Synod:

To designate Western Theological Seminary as an agent of the General Synod for the purpose of granting Certificates of Fitness for Ministry; and further,

To re-evaluate this designation for recommendation to be renewed by the General Synod in five years.

The recommendation in GSC 22-18 will be placed before the General Synod only if the General Synod approves the proposed changes to the WTS bylaws and articles of incorporation described in GSC 22-17. If the changes are not approved, WTS remains an agent of the General Synod without the need for further action.

#### Executive Limitations

The general secretary presented monitoring reports and reported compliance for the following:

- EL-3 Financial Planning/Budgeting
- EL-4 Financial Condition and Activities
- EL-6 Emergency CEO Succession
- EL-7 Asset Protection
- EL-9 Communication and Support to the Board
- EL-10 Maintenance of Confidentiality
- EL-11 Relationship with Subsidiary Organizations
- EL-13 Racial Diversity in Staff Team

#### Racial/Ethnic Councils

Reports were heard from the following racial/ethnic councils:

- Council for Hispanic Ministries
- Council for Pacific and Asian American Ministries

#### Board–designated Operations Endowment

Jillisa Teitsma addressed the GSC regarding a proposed board-designated operations endowment policy that, if adopted and established, would be a source of additional revenue.

#### **GSC 22-19**

Motion made, supported, and carried:

To adopt the proposed GSC Board-designated Operations Endowment Policy, and to authorize the chief financial officer to take the necessary actions to establish the endowment in accordance with the adopted policy; and further,

That the funds be managed by LVM Capital along with the rest of the RCA's endowment funds, and that they be managed in accordance with the GSC Endowment Fund Investment Policy Statement (IPS).

See Schedule GSC 22-19 for the Board-designated Operations Endowment Policy.

GSC Job Description (GP 3.7)  
General Synod Assessments

Jillisa Teitsma presented a recommendation to postpone the second General Synod vote on the proposed General Synod bylaws change that affects the manner in which assessments are calculated (*aka* Covenant Shares).

**GSC 22-20**

Motion made, supported, and carried:

To propose to General Synod 2022 that the second vote on the change to the General Synod bylaws in *Book of Church Order* Chapter 3, Part I, Article 3, Section 6c (2019 edition, p. 108) to make Covenant Shares effective be delayed again until the next stated session of General Synod.

**TUESDAY EVENING**

Executive Session

The GSC met in executive session the evening of Tuesday, March 22, 2022 at which the Relationship and Review Committee gave its report.

**WEDNESDAY MORNING**

Call to Order

The moderator called the morning session of the March 23, 2022 GSC meeting to order at 11:02 a.m. (eastern) followed by devotions. The GSC members were placed into breakout rooms for a short time of small group discussion and prayer.

Racial/Ethnic Councils, continued

A report was heard from the African American Black Council (AABC). The GSC discussed the recommendations directed to the GSC within the report.

**GSC 22-21**

In response to the third recommendation, a motion was made, supported, and carried:

To establish a committee for discussion and strategic initiative for financial support, assistance, and guidance for struggling AABC church communities, with specific emphasis on those churches with buildings in desperate need of repair, in conjunction with the AABC and RCA Church Planting and Transformed & Transforming staff.

The GSC took no formal action on the first two recommendations; however, the moderator agreed to write to the AABC to share the GSC's response to all three recommendations.

#### Relationship and Review Committee

Michelle Chahine, chairperson of the Relationship and Review Committee (RRC), described the RRC's rationale behind the two recommendations found in its report.

#### **GSC 22-22**

Motion made, supported, and carried:

To cease requesting feedback from staff and ministry colleagues as part of the general secretary's evaluation process so that the general secretary's performance will be solely evaluated based on organizational performance (Ends and Executive Limitations) as detailed in the GSC Management Delegation policies; and further,

To approve the following changes to the listed GSC policies to effect this change (additions are underlined, deletions are stricken):

#### MD-5: Monitoring General Secretary Performance

6. General Secretary remuneration will be decided by an ad hoc Relationship and Review Committee appointed annually by the moderator not later than the fall meeting of the General Synod Council. The committee will provide pastoral care, counsel and support for the General Secretary. The committee will provide oversight of the General Secretary on behalf of the GSC between sessions. The committee will conduct an annual performance review based on expected General Secretary job outputs including: organizational accomplishments of GSC policies on Ends; organizational operation within boundaries established in GSC policies on Executive Limitations; and a review of GSC monitoring reports received in the last year; ~~and the quality and effectiveness of the General Secretary's leadership in the General Synod and throughout the wider church. Every third year the committee will conduct a review that includes input from leaders across the Reformed Church, senior executive RCA staff (GSC and regional), and ecumenical colleagues. The committee will bring its annual and third year reports to the GSC meeting immediately preceding the General Synod meeting.~~ Any proposed adjustment in remuneration will be reported to and must be confirmed by the GSC at the meeting immediately preceding the General Synod meeting. Unless specific action is



taken to the contrary, an adjustment in compensation/benefits will occur at the start of the GSC's fiscal year.

#### GP-12, Annual Committees

##### 2. Relationship and Review Committee

...The committee will conduct an annual performance review based on expected General Secretary job outputs including: organizational accomplishments of GSC policies on Ends; organizational operations within boundaries established in GSC policies on Executive Limitations; and a review of GSC monitoring reports received in the last year; ~~and the quality and effectiveness of the General Secretary's leadership in the General Synod and throughout the wider church. Every third year the committee will conduct a review that includes input from leaders across the RCA, senior executive RCA staff (GSC and regional), and ecumenical colleagues. The committee will bring its annual and third year reports to the GSC meeting immediately preceding the General Synod meeting.~~ Any proposed adjustments in remuneration will be reported to and must be confirmed by the GSC at the meeting preceding the General Synod meeting. Unless specific action is taken to the contrary, an adjustment in compensation/benefits will occur at the start of the GSC's fiscal year. ...

**GSC 22-23** Motion made, supported, and carried:

That reputable, outside training in policy governance be provided for GSC members in 2022, most likely at a special meeting of the GSC, in order to improve GSC members' understanding of the policy governance model going forward.

Racial/Ethnic Councils, continued

Tom Smith presented a report of the working group formed in response to GSC 21-36, that was adopted at the GSC's November 5, 2021 meeting, to discuss concerns raised by the AABC.

**GSC 22-24** Motion made, supported, and carried:

To direct the moderator of GSC to send correspondence to the regional synod and classis stated clerks, encouraging them to provide care and support for churches that are remaining within the RCA.

## Archives Task Force

Michael Meyer-Veen and Eric Moreno, GSC members of the Archives Task Force that was formed in response to EC 21-23 (*MGS 2021*, p. 48), presented the report of the Task Force.

### **GSC 22-25**

Motion made, supported, and carried:

To ask for compliance information with Archives policies as it relates to the EL-7 monitoring report that the general secretary provides to the GSC at its spring meeting.

### **GSC 22-26**

Motion made and supported:

To create a new Executive Limitations policy that deals explicitly with issues related to the Archives. The Archives policies could become a new EL policy in the GSC policy document, requiring an annual compliance report from the general secretary.

A motion was made, supported and carried to amend the motion as follows (additions are underlined, deletions are stricken):

To explore the creation of ~~create~~ a new Executive Limitations policy that deals explicitly with issues related to the Archives. The Archives policies could become a new EL policy in the GSC policy document, requiring an annual compliance report from the general secretary.

The amended motion was before the body.

The amended motion was adopted. It reads as follows:

To explore the creation of a new Executive Limitations policy that deals explicitly with issues related to the Archives. The Archives policies could become a new EL policy in the GSC policy document, requiring an annual compliance report from the general secretary.

## GSC Job Description (GP 3.7)

### General Synod Assessments, continued

Jillisa Teitsma presented recommendations for the proposed 2023 per-member General Synod assessments. The theological education assessment recommendation contained two rates. The rate that General Synod will be asked to adopt is dependent on the outcome of the General Synod vote concerning the Western Theological Seminary (WTS) bylaws changes and whether WTS will remain an agent of the General Synod, decisions that will occur before the vote on the theological education assessment.

**GSC 22-27** Motion made, supported, and carried:

To propose to General Synod a 2023 per-member General Synod Council assessment amount of \$47.10 per confessing member; and further,

To propose to General Synod a 2023 per-member BOBS assessment amount of \$2.00 per confessing member; and further,

To propose to General Synod a 2023 per-member theological education assessment amount of \$4.00 per confessing member if WTS ceases to be an agent of the General Synod, and \$6.12 per confessing member if WTS remains an agent of the General Synod.

See Schedule GSC 22-27 for further explanation regarding the proposed assessments.

**Litigation**

At its November 5, 2021 meeting, the GSC heard brief reports in accordance with executive limitations policy EL-9 (Communication and Support to the Board) regarding three pending actions against entities at the denomination level. Jillisa Teitsma provided updates as follows:

(1) Little has changed in the lawsuit that names “Reformed Church in America” and others as defendants. The plaintiff’s counsel continues to await the conclusion of the Boy Scout bankruptcy litigation before proceeding.

(2) All claims in the lawsuit against the Church Growth Fund have been dismissed in the lawsuit that named it and a local RCA church as defendants.

(3) Little has changed in the lawsuit that names “Reformed Church in America,” a local RCA church, and a RCA minister of Word and sacrament as defendants. An affidavit of non-involvement is being prepared by our counsel which explains the structure of the RCA and the respective roles and responsibilities of its assemblies. This was done in an effort to persuade the plaintiff to release its claims against “Reformed Church in America.”

Ms. Teitsma provided information on a fourth matter of which the general counsel has recently become aware.

(4) A summons and complaint was served in February that names “Reformed Church in America” and a local RCA church as defendants. The plaintiff alleges that he was abused as a teenager by a Boy Scout leader/volunteer. No Boy Scout entity or the leader/volunteer is named as a defendant. The same counsel has been retained as in the pending action mentioned earlier that is awaiting the conclusion of the Boy Scout bankruptcy litigation.

#### Joint GSC and Commissions Meeting

**GSC 22-28** Motion made, supported, and carried:

To propose to the General Synod that it discontinue the practice of the annual joint in-person GSC and commissions meeting each fall in order to better conserve both budget and individual commission meeting time, but to continue to encourage commissions and GSC to pursue opportunities for collaboration and connection.

#### Data Regarding Petitions to Withdraw and Transfers Out of the RCA

The moderator presented a report provided by GSC staff regarding congregations that have transferred out of the RCA or disbanded and congregations that have filed a petition to withdraw but are still in the process of withdrawing.

The moderator also presented a report from regional synod executives regarding estimates of what may happen in each regional synod over the next few years in terms of what proportion of the regional synod may be leaving or staying.

GSC members were given an opportunity to discuss the information provided.

#### Classis Meeting Visits

GSC members reported orally on visits made to classis meetings.

#### Leadership Reports

The following GSC members addressed the GSC:

- Philip Assink, General Synod president
- Dwayne Jackson, General Synod vice president
- Ned Beadel, GSC moderator

#### Moderator Election, continued

The candidates for GSC moderator were asked to temporarily leave the meeting so that the GSC could make its decision regarding the next moderator without their presence.

#### **GSC 22-29**

Motion made, supported, and carried:

To elect Philip Assink moderator of the General Synod Council for the term July 1, 2022, to June 30, 2023.

The candidates returned to the meeting.

It was agreed that the election of GSC vice moderator would be made at one of the GSC's June meetings.

#### Future Dates and Locations

- June 9, 2022, 12:00 p.m. Central Time (pre-Synod lunch meeting of Committee of Reference)
- June 14, 2022, 12:00 p.m. Central Time (post-Synod GSC meeting)
- Fall stated meeting – October 21-22, 2022, in Grand Rapids, MI

#### Adjournment

#### **GSC 22-30**

Motion made, supported, and carried to adjourn the March 22-23, 2022 meeting of the GSC at 3:15 p.m. (eastern) following prayer by Devonna Cousins.

Terri Boven, Recorder  
Angela Worthley, Recorder

## **Schedule GSC 22-13**

### **Approved RF 21-1 Restructuring Team and Resource People**

#### *Regular team members with vote:*

Eddy Alemán, General Secretary of the Reformed Church in America

Dale Assink, Strategic Leader of the Central Plains Classis

Greg Brower, Pastor at Zion Reformed Church in Grandville, MI

Michelle Chahine, elder and member of the GSC

Chad Farrand, Classis Leader, Classis de las Naciones

Andrea Godwin, trustee at Western Theological Seminary and specialized minister of the Central Plains Classis

Sung Kim, Pastor at Grace Church in Ann Arbor and Associate General Secretary/COO of the Reformed Church in America

Micah McCreary, President of New Brunswick Theological Seminary and General Synod Professor

Sherri Meyer-Veen, Pastor at Schoharie Reformed Church in Schoharie, NY

Ina Montoya, elder at Jicarilla Apache Reformed Church in Dulce, NM

Young Na, Pastor at Forrest Park Reformed Church in Queens, NY

Dionne Harvey Parks, elder at Chosen Generation Church, Long Beach, CA

Andres Serrano, Pastor at Iglesia La Senda and Coordinator for Hispanic Ministries of the Reformed Church in America

Gildo Vieira, elder at Igreja Vida Nova in Ontario, Canada

#### *Resource people without a vote:*

Tim TenClay, Pastor at The Community Reformed Church in Manhasset, NY

One person from the Commission on Church Order

One person from the Vision 2020 Team (Brian Keepers or Marijke Strong)

Dr. Bob Logan will serve as the facilitator

## **Schedule GSC 22-19**

### **General Synod Council of the Reformed Church in America Board-designated Operations Endowment Policy**

The General Synod Council of the Reformed Church in America board-designated Operations Endowment Fund (The Fund) is established by this Policy adopted by the General Synod Council of the Reformed Church in America (GSC) effective March 23, 2022.

The only contribution to The Fund are net assets without donor restrictions. These funds are not donor-restricted, but rather they are net assets without donor restrictions and the principal or portions thereof may be expended with the approval of a majority of the directors.

The intention of the GSC in establishing The Fund is to grow the principal and re-invest dividends and/or interest and to begin using investment earnings according to the annual spending rate recommended by the investment advisory committee and approved annually by the GSC.

The annual spending from The Fund will be used to support the operational expenses of the organization. The goal is to fund the business and ministry operations through spendable earnings from the board-designated endowment while maintaining the principal. This will allow for the organization to be less reliant on assessment revenue.

While the GSC may authorize the spending of earnings beyond the annual spending policy or the expending of principal, the GSC intends that principal not be expended except in an emergency that threatens the survival of the ministry or in a financial situation which causes the operating reserves to go below the minimum requirement established by GSC executive limitations policy EL-4.

The Fund will be invested according to guidelines established in the GSC's Endowment Fund Investment Policy Statement and the assets will be managed by the Investment Manager selected by the GSC at the recommendation of the RCA Investment Advisory Committee.

Additional funds may be contributed to The Fund. Specific solicitations for donations to The Fund must ensure that the donor knows that the principal remains designated as net assets without restrictions and may be expended at the direction of a majority of the voting members of the GSC. Additionally, the General Secretary may direct the investment of any surplus of unrestricted net assets to The Fund at his/her discretion.

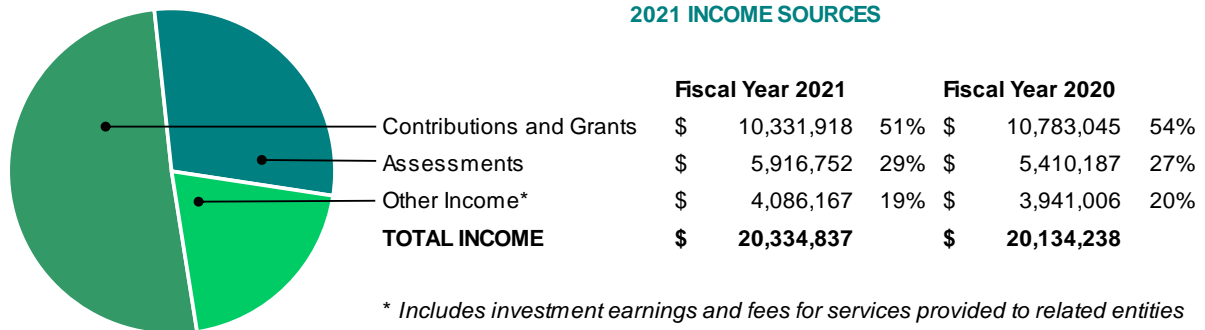
**Schedule GSC 22-27**

**General Synod Council Assessment Proposal**  
Staff Recommendation to GSC

*Financial activity for the work of General Synod*

The source for all of the information in this proposal is the audited financial statements, which are available at [www.rca.org/finance](http://www.rca.org/finance). To find out more about how assessments provide funding to the denomination please review the following resource on the RCA website: [www.rca.org/assessments-and-financials/what-are-assessments](http://www.rca.org/assessments-and-financials/what-are-assessments).

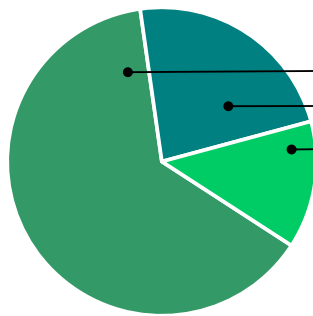
The generosity of donors—churches, individuals, and foundations—provided over half of the cost of carrying out the work of General Synod. The GSC assessment provided 29% of the resources needed for this work, \$5.9 million. Assessment revenue was over \$500,000 more than the prior year due to two quarterly discounts of 30% offered in 2020 offset by the loss of membership. Additional assessment amounts for theological education and BOBS assistance are not included in the chart below. The BOBS assistance amount is also proposed in this report, as is the theological education proposal from the Pastoral Formation Oversight Board.



These funds are spent on ministry expenses, including Transformed and Transforming, Global Mission and Church Multiplication (64%); General Synod, commissions, and General Synod Council (23%); and administration and fundraising (13%).



**2021 EXPENSES**



	<b>Fiscal Year 2021</b>		<b>Fiscal Year 2020</b>	
Ministry Expenses	\$ 10,549,668	64%	\$ 11,651,277	68%
Work of the General Synod*	\$ 3,822,841	23%	\$ 2,845,032	17%
Ministry Support Services	\$ 2,218,170	13%	\$ 2,674,933	15%
<b>TOTAL EXPENSES</b>	<b>\$ 16,590,679</b>		<b>\$ 17,171,242</b>	

\*Includes GSC, General Synod and general secretary's office

**Assessments**

The 2022 per-member assessment amount was approved by the October 2021 General Synod. The per-member amounts include GSC operations, theological education, and BOBS assistance grants. Classes and regional synods also assess churches (those assessments are not covered in this report).

General Synod 2019 approved changes to the General Synod bylaws that would allow a change in the manner in which assessments are calculated to a percentage of income method from the per member method. The amendment process for the Bylaws and Special Rules of Order (BCO Chapter 3, Part I, Article 11) says that both votes by the General Synod must occur at stated sessions. Due to the postponement of General Synod 2020, the final vote of General Synod to make this bylaws change effective did not happen. The 2021 General Synod approved that the second vote on the change to the General Synod bylaws required to make covenant shares effective be delayed until the next stated session of General Synod.

The 2021 General Synod also adopted Rules and Regulations that apply to the interpretation of the provisions of the *Book of Church Order (BCO)* related to the transfer of churches. Specifically, RF 21-3 included the adoption of Rules and Regulations that will guide the application of certain provisions of the *BCO* related to the payment of assessments for departing churches. Due to the administrative implications of implementing the changes adopted in RF 21-3, staff is proposing that the implementation of covenant shares be delayed again. See the separate report on pages 147-148 of this agenda packet related to this recommendation.

The GSC assessment rate has not increased in four years. The GSC assessment-funded areas (excluding Global Mission and MFCA) have reduced their budgets in that four year period by \$1.9 million. The GSC assessment-funded areas have reduced full-time equivalent staff positions (FTEs) from 62 in 2020 to 46 in 2022. That is a reduction of 16 FTEs. Those reductions were made in anticipation of a significant decline in the assessment revenue due to churches leaving the denomination. Total confessing membership has been declining for several years in a row – at an average annual decline of over 2% over the past ten years. The 2020 CRF total confessing membership was just over 120,000. Since January 1, 2021 and through March 7, 2022, 112 churches with over 32,000 members have either submitted a Petition to Withdraw to their classis that has been reported to the GSC, disbanded, or left the denomination. The GSC based its 2022 budget on assessment income expecting 90,000

confessing members. At this point, we anticipate basing the 2023 budget on assessment income from 70,000 members. That is a drop of 50,000 members from 2021; which equates to a loss of \$2.3 million in assessment revenue (\$46.10, the 2022 GSC assessment amount, multiplied by 50,000).

In recent years, the GSC has been mindful of the impact of denominational assessments on the local church and has chosen not to ask for increases to the GSC per member assessment rate in order to make up for the decline in revenue from departing churches. In order to offset lost assessment revenue from departing churches, we have made significant budget cuts. We are also seeking other sources of income. One additional source of income is to utilize our reserves to establish a board-designated endowment that will generate annual income to the GSC. The GSC's policy is to retain six months of operating expenses in reserves. Currently, we have over \$6,000,000 above what is required. The proposed Operations Endowment Policy would utilize \$4,000,000 of those excess reserves. The fund would generate \$220,000 in annual income to the GSC and if invested in perpetuity, the fund would grow and generate more income annually for years to come. See the proposed policy on page 146 of this agenda packet. In addition to this source of revenue, we are also exploring additional grants to fund the work of the denomination.

However, going forward, we will need additional funding from assessments in order to continue to carry out the work that is required of the GSC. We are recommending an increase to the GSC per-member rate of \$1.00 per member. This increase will help retain and attract dedicated staff with competitive wages and benefits. An increase of \$1.00 per member based on an estimated 70,000 confessing members will raise additional assessment revenue of \$70,000. Even with this increase, we will need to make further reductions to our budget because this will not fully cover rising costs due to inflation and it will not cover the lost revenue from assessments due to departing churches.

The general secretary and the GSC staff realize the tremendous blessing and responsibility we have been given to manage the past and present funds entrusted to us by donors and congregations. We commit to careful stewardship of the funds with which God has blessed us.

#### **Recommendation from Staff to GSC**

That GSC propose to General Synod a 2023 per-member General Synod Council assessment amount of \$47.10.

#### ***Board of Benefits Services Assistance Grant Assessment Request***

The Board of Benefits Services' assistance program provides grants to retired ministers and to their surviving spouses who are experiencing financial distress. Financial assistance is primarily awarded for needs related to housing and daily living expenses, ongoing medical insurance premiums, funeral grants to surviving spouses of an RCA minister of Word and sacrament, retirement contributions for disabled ministers, and payments for one time emergency needs. In 2016, General Synod approved an increase from \$1.50 to \$2.00 per member for assistance grants. Prior to 2016, the per-member assessment had not changed in more than 25 years. The remainder of the funds required to sustain this program are provided through donations to the Board of Benefits Services and endowment income. The Board of Benefits Services requests that the assessment remain at \$2.00 per member for 2022.

## **Recommendation from BOBS to GSC**

That GSC propose to General Synod a 2023 per-member BOBS assessment amount of \$2.00.

### ***Theological Education Assessment Request***

The PFOB's recommendations to GSC regarding the theological education assessment for 2022 are based on the understanding that GSC is asked to bring back to the General Synod a recommendation that first came to General Synod 2021 regarding proposed changes to Western Theological Seminary's bylaws and articles of incorporation. If approved, these changes would mean that WTS would no longer get a share of the RCA theological education assessment unless WTS is subsequently declared an agent of the General Synod by the General Synod.

Two versions of the theological education assessment have been prepared for General Synod, but only the applicable one will be voted upon; the vote(s) on Western's bylaws changes and whether it will remain an agent of the General Synod will take place first, then the outcome of that vote or those votes will determine which version of the theological education assessment is placed before the synod.

***Scenario 1*** (a portion of the theological education assessment is no longer allocated to WTS; applies if BOTH of the following conditions are true: Western's bylaws and articles of incorporation changes are approved AND Western is not subsequently designated as an agent of the General Synod):

The Pastoral Formation Oversight Board (PFOB) recommends a General Synod assessment for theological education of \$4.00 per member, allocated in the following manner:

- \$20,000 to cover the cost of the meeting of the PFOB, the General Synod professors, and collaborative efforts among the respective agents.
- The remainder will be split as follows:
  - 80 percent of the funds are to be split evenly among the two agents for theological education (MFCA and NBTS).
  - 20 percent distributed per capita of students within each agency (MFCA and NBTS) who are formally in the Certificate of Fitness for Ministry process.

***Scenario 2*** (WTS continues to receive a portion of the theological education assessment; applies if EITHER of the following conditions are true: Western's bylaws changes are not approved OR Western's bylaws changes are approved and it is also subsequently designated an agent of the General Synod):

The Pastoral Formation Oversight Board (PFOB) recommends a General Synod assessment for theological education of \$6.12 per-member, allocated in the following manner:

- \$20,000 to cover the cost of the meeting of the PFOB, the General Synod professors, and collaborative efforts among the respective agents.
- The remainder will be split as follows:
  - 80 percent of the funds are to be split evenly among the three agents for theological education (WTS, MFCA, and NBTS).
  - 20 percent distributed per capita of students within each agency (WTS, MFCA and NBTS) who are formally in the Certificate of Fitness for Ministry process.

**Recommendation from PFOB to GSC**

That GSC propose to General Synod a 2023 per-member theological education assessment amount of \$4.00 per confessing member if WTS does not remain an agent of the General Synod and thus no longer receives assessment funding, and \$6.12 per confessing member if WTS does remain an agent of the General Synod and thus continues to receive assessment funding.

*2023 Assessment Request*

The charts below summarize the General Synod assessment amounts for 2022 and the General Synod Council proposed amount for 2023, depending on whether WTS remains an agent of the General Synod following decisions by the 2022 General Synod.

The following chart applies if WTS ceases to be an agent of the General Synod (Scenario 1):

<b>Name of Assessment</b>	<b>2022</b>	<b>Proposed 2023</b>	<b>\$ Change</b>	<b>% Change</b>
General Synod Council	\$46.10	\$47.10	\$1.00	2.2%
BOBS Assistance Fund	\$2.00	\$2.00	-	0%
Theological Education – Scenario 1	\$6.12	\$4.00	(\$2.12)	(34.6%)
	<b>\$54.22</b>	<b>\$53.10</b>	<b>(\$1.12)</b>	<b>(2.1%)</b>

The following chart applies if WTS continues to be an agent of the General Synod (Scenario 2):

<b>Name of Assessment</b>	<b>2022</b>	<b>Proposed 2023</b>	<b>\$ Change</b>	<b>% Change</b>
General Synod Council	\$46.10	\$47.10	\$1.00	2.2%
BOBS Assistance Fund	\$2.00	\$2.00	-	0%
Theological Education – Scenario 2	\$6.12	\$6.12	-	0%
	<b>\$54.22</b>	<b>\$55.22</b>	<b>\$1.00</b>	<b>1.8%</b>