

R2: Resolution on Assessment Credit for Increases in Natural Gas and Heating Oil Expenses

Resolved, that parishes incurring increases in actual costs for heating their sanctuaries and parish halls between November 1, 2008, and April 30, 2009, more than ten percent over the costs for the same period of the previous year, shall be eligible for an assessment credit. The amount of such credit will not exceed the incremental increase in the parish assessment that results from the actual increase in heating costs, and be it further

Resolved, that this assistance be provided in the form of a credit for payment of calculated assessment to be issued by the Diocesan Finance Office upon review of appropriate documentation, and be it further

Resolved, that this credit be available only to parishes who have paid in full all assessments for prior years and the current year and have submitted a complete and accurate Parochial Report for 2007, necessary for its calculation, and be it further

Resolved, that the Finance Officer of the Diocese be directed to develop a procedure and appropriate documentation for use by parishes to request the credit to offset the increase in assessment, and to distribute instructions to parishes no later than December 1, 2008.

Submitted by

The Resolutions Committee

Rationale

A similar measure was proposed and passed at the 189th Convention of the Diocese of Ohio, in November, 2005. At that time crude oil was priced at about \$55 per barrel. Crude oil prices at the beginning of October, 2008, have reached \$94 per barrel. Winter heating costs are projected to increase by at least one-third throughout the Diocese of Ohio.

Heating costs are one of the largest expense items after personnel for many of our congregations. The effect of heating increases is exacerbated by recent losses in the market that affect endowment or investment income.

The assessment system established in the present canon was clearly intended to provide for the diocesan budget to reflect the economic swings experienced by our congregations. The natural gas/heating oil credit is an appropriate way of meeting this objective and easing the financial burden imposed on our congregations by the large increase in oil prices coupled with the severe downturn in financial investments.