

# Regional Update from Moderator Tom Stephenson

February 16, 2018

Much has occurred in the last few weeks of which I need to update you, the regional church. Please pass along this correspondence and the attachments to your congregations, clergy groups and others who are part of our shared regional ministry. Our goal over the past year has been to sort through many confusing details, to determine exactly where we stand fiscally and relationally, and to assure that in the future we will have complete and open communication with the church at large, especially when the issues before us are so monumental. Such is the case with this update. The information below is to let you know that your regional leadership is absolutely committed to doing what is necessary to speak the truth in love and make the difficult but necessary decisions to help us live into God's future.

## **Notice of Resignation**

Rev. Steve Bentley has officially tendered his resignation as the Associate Regional Minister for the Christian Church in Ohio, effective May 15, 2018. [That resignation letter is linked here.](#)

The Executive Committee and Regional Church Council passed the following motion:

*It is moved that the resignation of Rev. Steve Bentley from the position of Associate Regional Minister be received with regret and with the fullest expression of gratitude for his 12 ½ years of faithful ministry. Further, we will seek an opportunity for the regional church to celebrate his ministry at an event prior to his departure. Adopted.*

Needless to say, this is difficult news for us but Steve has assured us of his love for the Christian Church in Ohio and his willingness to do everything in his ability to make this a smooth transition, including the work of preparing for the summer programs at Camp Christian. I don't think we can thank Steve enough for his faithfulness and grace-filled service to our region. May that continue in ways yet unknown for many more years. Please keep Steve and his family in prayer as they discern God's call for the next chapter in his ministry.

## **Meeting with Our General Church Partners**

On Friday, February 2, 2018, Interim Regional Minister John Richardson, Moderator Rev. Dr. Tom Stephenson, and regional records investigator Rev. Jeff Gill gathered at the general offices of the Christian Church in Indianapolis at a called meeting with General Minister and President Terri Hord Owens, Church Extension President Rick Reisinger, OGMP Treasury Services Vice-President John Goebel, Christian Church Foundation President Gary Kidwell, Indiana Regional Minister Rick Spleth, and Alabama-N.W. Florida Regional Minister John Mobley.

The stated purpose of the meeting was to discuss the General church's critical concern for the Christian Church in Ohio, its fiscal imbalance and future sustainability, and the larger church's prayerful and pragmatic support of the region. Thus, if the General Church is to remain a covenant partner with the region we must act on the following advisements:

The program advisements from our General Church covenant partners include:

- a. Regional Ministry in Ohio needs to be reimagined through a visioning conversation with the regional members (clergy, congregations, leadership)
- b. That the Regional Minister Search Process is an excellent platform for these reimagining conversations and should proceed this spring and summer through a series of listening

conferences, and that the Search Committee be trained and equipped to conduct these gatherings and seek additional input from the region's Vision Committee.

- c. It essential the region gain mission clarification, rethink its mission delivery system, and provide for a more faithful, sustainable ecclesial and fiscal model.
- d. That the Christian Church in Ohio determine to hold a Re-covenanting Service with the General Minister and President, e.g. a called Regional Assembly to lament our losses, confess our brokenness, and recommit ourselves to a shared and clarified mission.

The fiscal advisements from the General Church include:

- e. Contrary to our mid-2017 agreement to a three-year sliding scale for our DMF distributions, returns to Ohio from Treasury Services have exceeded 100% for many months. This is not sustainable for the General Church and is simply increasing our indebtedness by \$20,000 per month.
- f. The Camp Christian budget should cover a fair-share portion of our Treasury Services accounting cost.
- g. The Lilly Grant should currently (and in arrears) cover a fair-share portion of our Treasury Services accounting cost.
- h. That we should immediately contact the Lilly Endowment to update them on the status of the regional church and seek their recommendations concerning the viability of the grant program.
- i. That we should request short-term relief from the principle on our monthly Disciple Church Extension loan against Camp Christian.

This conversation was reported to the Executive Committee, the Regional Church Council, and now to you, the members of the regional church. We are grateful for the support, honesty and clarity this conversation has brought to our process. Although it is difficult to sit in front of our church's leadership to confess our brokenness, I assure you we were enfolded by their deep concern for our welfare and to help us discern a path forward. At no point did we feel anything but grace which has helped your regional leadership come to the hard but necessary decisions that follow.

### **Lilly Grant Report and Action**

Following the advice of our General Church partners, Tom Stephenson initiated, and John Richardson and Jeff Gill participated in a phone conference with Rev. Chris Coble, Vice-President of the Lilly Endowment on Monday, February 5, 2018. After explaining the critical situation of the region, its broken finances, internal relationships, and program concerns, Rev. Coble shared the following insights:

1. the Lilly Grant is based on an assumption that the recipient organization is in a place of good fiscal and relational health;
2. that the organization has the ability to raise the \$200,000 matching funds;
3. and that the organization has the capacity to execute the program.
4. These assumptions have shifted significantly since the grant was first offered.

Thus, Lilly's recommendations are that we move to immediately to:

1. Officially withdraw from the Lilly Grant program;
2. Submit a Letter of Intention to withdraw and outline our shutdown costs (which include honoring the terms of the Letter of Call for our Director), as well as provide a closing narrative and financial reports;
3. Refund the corpus of the grant money including approximately \$70,000 that was spent from cash flow to pay non-grant expenses prior to our engagement with Treasury Services [*early to mid-*

*2017 our bookkeeping and accounting practices were deeply skewed with bills and payroll being paid out of cash flow, which included Lilly monies that were co-mingled in our accounts. Once discovered this was corrected by Thrive Director Janet Mers and the corrective work of Treasury Services but not before the stated funds were used].*

The Executive Committee immediately voted to withdraw from the Lilly Grant program and adopt the recommendations of the Lilly Endowment to notify them in writing of our intent, to develop a shutdown budget, to notify the Grant Director, Rev. Dr. Janet Mers immediately of the program termination, to provide the required narrative and financial reports, and to instruct Treasury Services to return the corpus and deficit amounts to the Endowment as soon as the closing program expenses are completed.

Although another note of sadness for the region, as this program had great potential to benefit some of our congregations and clergy, it was an unavoidable decision given Lilly's guidelines and current state. We owe Janet Mers an incredible thank you for all the hard and faithful work she did to establish the Thrive Grant teams, piece together an excellent program, and to assure the Lilly funds were precisely accounted for from her first day on the job. She is to be commended for her sacrificial gifts of time and talent to our regional church and I ask you hold her in prayer as she seeks discernment from God's Spirit as to the next opportunity for ministry. Also, we need to thank God for the Lilly Endowments gracious approach to this grant closure, as they are allowing us to take the final expenses, including to fulfill the terms of Janet's Letter of Call, from the Lilly funds.

Finally, to those congregations and clergy that were excited about the possibilities of this program, we are sorry for the disappoint this unavoidable decision has caused. Know that we are grateful for your willingness to participate.

### **Adjustment to the Camp Christian Loan**

President Rick Reisinger of Disciple Church Extension has suggested that the region approve a motion to, as of March 1, 2018, begin a short-term reduction of the loan against Camp Christian. This will effectively reduce our monthly outlay from \$3,647 to \$810 for the balance of 2018. On January 1, 2019 the loan payments will revert to the original agreement. At that time, we can assess with DCE our ability to fulfill the terms of the loan or if any further adjustments are required. The remaining balance on the loan as of Feb. 1, 2018 is \$211,232.99 and is projected to be completed in 2023. DCE has structured this adjustment in such a way that we will not have to extend the load completion past the terminus date barring further adjustments. This is yet another blessing from our General Church Partners.

On the recommendation of the Executive Committee, the Regional Church Council has accepted the terms offered by Disciple Church Extension to reduce the region's loan payments to an interest only arrangement of \$810 through December 31, 2018, deferring the principle payments for this period.

### **Year End Financial Statements** ([Linked here](#))

Please find attached to this update, the Treasury Services year-end financial reports for the region and Camp Christian. Again, please feel free to share these with all regional church partners. Pertaining to the Camp Christian report, we have been asked many times if the depreciation amount can somehow be removed from the balance sheet and appended at the close of the report. Treasury Services follows

General Accounting principles which call for the inclusion of depreciation. Please be aware that while this number may skew the bottom line to our thinking, it is a necessary part of good fiscal reporting.

**Review of Revised Regional and Camp Budgets** ([Linked here](#))

After six months as our accounting body, Treasury Services has now clarified regional income, expenses, and obligations. Thus, Vice-President John Goebel has submitted revised Regional Church and Camp Christian budgets for 2018. Both the Executive Committee and Regional Church Council have reviewed and approved these budgets for the remainder of 2018, understanding that the decisions discussed in this update will further affect some of these numbers.

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The Regional Search Committee has begun its work and will be meeting this Saturday, February 17<sup>th</sup> to train for the tasks ahead. Lift them in prayer as we live into these new realities.

Finally, I want to thank you for having taken the time to carefully read and reflect on these issues and outcomes. May I ask that you and your faith communities be as intentional to regularly pray for the future of the Christian Church in Ohio? It is by God's mercy and a renewed vision of what Christ calls us to be that we will discover a holy and missional future inspired and inhabited by the Holy Spirit. May your Lenten journey toward the cross and empty tomb leave you lost in wonder, and praise!

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