

## 2020 PROPOSED BUDGET NARRATIVE

### **INCOME**

#### Page 3, Line 1a: Assessments

Assessment income is the amount levied by the Convention (as authorized by Article XII of the Constitution of the Diocese) on each congregation in the Diocese of Hawai'i to support the programs and expenses of the Diocese. The projected income shown in this budget is based on a 2020 assessment rate of 18% of each congregation's operating income, as shown on the 2018 parochial report on file.

#### Page 3, Line 1b: Investment Income

All projected investment income is net of investment fees, both managerial and custodial.

*Endowment Funds:* To estimate income from investments for 2020, the Diocese budgets and will draw 4% of each restricted and unrestricted endowment fund's average market value over the prior twelve quarters.

Endowment funds with 2020 distributions budgeted at 4% are:

- Portfolio (restricted) – Income from this fund is primarily from the Episcopate Endowment Fund, and distributions are limited to the expenses related to the “Episcopate” (the Bishop.)
- Portfolio (unrestricted); increase due to new endowment funds
- Von Holt Fund (unrestricted)
- Helen Hagemeyer Fund (restricted) – Income from this fund is restricted by the donor for support of mission churches.
- Ing Fund (unrestricted)

*Trust Funds:* There are four non-endowment funds of which the Diocese is the beneficiary of investment income but has no investment management oversight. The 2020 distribution from these funds is budgeted at 5%:

- Catton Fund – Income is restricted by the donor for retired church workers.
- Parke Trust Fund (Unrestricted)
- Prisanlee Fund (Unrestricted)
- Valvon Fund (Unrestricted)

#### Page 3, Line 1c: Rental Income - Cluett Apartments

Rental income comes from the five-six units in the Diocesan-owned Cluett Apartments on the mauka side of Queen Emma Square next to St. Peter's Church. Management and tenant oversight of the Cluett Apartments is currently outsourced. Five or six units are rented to tenants (one unit may be provided to the Chaplain of St. Andrew's Schools in lieu of a housing allowance). The hope is that the Cluett Apartments will be torn down in 2020 and replaced with parking.

Page 3, Line 1d: Parking

Parking income is from the rental of Diocesan parking spaces on Queen Emma Square which are rented to St. Andrew's Schools and four individuals.

Page 3, Line 1e: Restricted donation- Waiolaihui'ia

This represents a restricted donation received for Waiolaihui'ia. (The Local Diocesan Ordination Formation Program).

Page 3, Line 1f: Interest

This represents the interest earned on Diocesan cash accounts and Certificates of Deposits.

Page 3, Line 1g: Miscellaneous

Miscellaneous gifts and other income are included in this line item.

Page 3, Line 1h: Reserves from prior years

The amount budgeted in 2019 is used to balance the budget.

**EXPENSES**

Page 5, Line 2a: Native Hawaiian Ministry Committee

This line item is for travel for individuals to attend meetings of the Anglican Indigenous Network (AIN) and other local- and church-wide indigenous ministry events. This Committee maintains close contact with other indigenous peoples and their faith communities throughout the Worldwide Anglican Communion. The every 2 year meeting was held in Hawai'i in 2019.

Page 5, Line 2b: Pacific Islander Ministry Committee

This Committee has been disbanded for more focused work in Tongan ministry (see line 2d).

Page 5, Line 2c: Pacific Islander Missioner

This line item was eliminated from the budget in 2018.

Page 5, Line 2d: Tongan Ministry

This line item is for a Tongan-language ministry.

Page 5, Line 3a: Agreed Upon Procedures ("Audit" Expenses)– Missions

The Diocese includes in its budget the funds for missions to have an annual agreed upon procedures "audit" conducted. This is a national canonical requirement, coming from an action of the General Convention of the Episcopal Church. (Parishes also are canonically required to have an annual audit, but at their own expense.) Agreed upon procedures is work agreed upon between the diocese and the auditor to review control procedures over financial and other transactions.

Page 5, Line 3b: Calvary

The purpose of this financial support is to assist in re-establishing Calvary as a viable Episcopal Church in Kaneohe (see [www.calvarykaneohe.org](http://www.calvarykaneohe.org)). Their vicar since 2018 is 3/4-time, and their 2018 Average Sunday Attendance was 42.

Page 5, Line 3c: Grace, Moloka'i

This line item supports the ministry of Grace Church on Moloka'i. The Council has determined that this is an essential ministry of the Diocese of Hawai'i. Council encourages other churches in the Diocese to greater engagement with Grace Church, including urging support of their thrift shop and consciously visiting the congregation when possible. ([www.gracechurchmolokai.com](http://www.gracechurchmolokai.com)).

Page 5, Line 3d: St. James'/St. Columba's

This line item is no longer needed. St. James has integrated St. Columba's into its Parish and St. James now supports the congregation of St. Columba's.

Page 5, Line 3e: St. Jude's, Ocean View

This budget account allocation affirms the ministry of this isolated Hawai'i Island congregation. St. Jude's is a small Organized Mission with significant outreach to its community. For weekly sacramental ministry, the congregation employs a priest-in-residence model with visiting clergy.

Page 5, Line 3f: West O'ahu

This budget allocation supports the planting of a viable Episcopal congregation in the area of west O'ahu (part of the Ahupua'a of Hono'uliuli ) in the area between Iroquois Point and Ko Olina that includes Kapolei, Makakilo and Ewa Villages. The Episcopal Church in Hawai'i owns land near Kapolei Elementary School.

Page 5, Line 4a: Camp Mokulē'ia

Camp Mokulē'ia operates summer camps on behalf of the Diocese. These camps consist of a high school program, a middle school program, and a shorter elementary school (entering grades 4-6) program. In addition, there is funding for joint initiatives: (1) Camps on neighbor islands and sites on Oahu outside of the Camp, and (2) youth events. The 2020 budget includes an allocation of \$70,000 for those summer camps and youth ministry to help offset some of the expenses. Like A Cup of Cold Water and St. Andrew's Schools, Camp Mokulē'ia is a subsidiary of the Episcopal Church in Hawai'i. These funds help with programming in direct support of the mission of the Diocese. (See <https://www.campmokuleia.org>)

Page 5, Line 4b: Christian Formation

This line item allows the Diocese to encourage and aid congregations in the areas of adult and children's education. Christian formation is most effectively done on the congregational level, but this line item helps to support those efforts by funding diocesan membership fees for such programs as Education for Ministry (EfM) and Godly Play. The Christian Formation budget can provide additional resources for Diocesan-wide Christian education initiatives. Training for clergy and lay leaders is funded elsewhere in this budget (6a and 6b)

Page 5, Line 4c: Diversity Training

This funding is to assist in diversity training, communication, and resource development for congregations and individuals. The training was mandated by resolution of the General Convention. Based on the promises in our Baptismal Covenant to "seek and serve Christ in all persons, loving [our] neighbors as [ourselves]" and to "respect the dignity of every human

being,” we must seek to create dialogue on racism; to facilitate respect for diversity; and to promote healing, reconciliation, and transformation in our members and institutions. The Diocese continues to seek a contextually appropriate and volunteer-friendly means for such training on a broad level. This program is expected to begin this Fall or Spring with a local facilitator. The line item would cover transportation, and other meeting costs.

#### Page 5, Line 4d: EYE Travel Fund

Every three years, there is a nation-wide Episcopal Youth Event. The last one was July 10-14, 2017 on the campus of the University of Central Oklahoma in Edmond. The next one will be July 7-11, 2020, at Howard University, Washington, D.C. It is the Diocese's policy to fund one-third of the cost, while expecting parish and individual support to cover the balance. This amount will go into the reserve fund for the next EYE just as the Diocese reserves funds each year for General Convention.

#### Page 5, Line 4e: Planned Giving

This funding is to help congregations encourage members and friends to remember the Church in their wills or estate plans. The Diocese offers a program of education for congregations' leaders and direct support for congregations, and works with the Episcopal Church Foundation (ECF) on marketing, training, and gift planning. This line item also funds Ho'ike Ulu Legacy Society events that honor good stewards who have remembered their congregations, the Diocese, or another ministry in their wills or estate plans.

#### Page 5, Line 4f: Safe Church Trainings

This line item funds canonically required training. Since 2017, the Diocese has gone to individual online training for preventing sexual misconduct against both children and adults to promote a Safe Church environment. The online training is less costly than hiring local trainers, so the budget allocation has been reduced. This training is required by General Convention resolutions and by Diocesan policy. (See <https://www.episcopalhawaii.org/safe-church-trainings.html>)

#### Page 5, Line 4g: St. Andrew's Schools: Chaplain Support

To strengthen our Episcopal connection to the St. Andrew's Schools, and to ensure the Chaplain is compensated at the same rate as those serving at congregations, the Diocesan Council has decided to help St. Andrew's Schools with the Chaplain's compensation package. St. Andrew's Schools is a Diocesan school with the Diocesan Council electing the Board of Trustees. Because the primary campus is on land owned by the Episcopal Church in Hawai'i, it is essential that a qualified Episcopal Chaplain be in place to liaison with the Diocese and the Cathedral. The increase in the 2020 budget includes funds for a cash housing allowance. (See <http://www.standrewsschools.org>)

#### Page 5, Line 4h: Presiding Bishop Visit (2019)

The Presiding Bishop visited Hawai'i March 22-24, 2019. These funds were used to pay for the various events that were planned for his visit and our 50<sup>th</sup> anniversary as a Diocese.

Page 6, Line 5a: A Cup of Cold Water

A Cup of Cold Water (ACCW) is a community-based Care-Van outreach program on the island of Maui, formed by a group of committed Episcopalians from all Maui congregations. Like Camp Mokulē'ia and St. Andrew's Schools, ACCW is a subsidiary of the Episcopal Church in Hawai'i. The program uses the care-van to deliver essential food, hygiene and clothing items throughout the island. With a strong volunteer base from the Episcopal Churches on Maui, the program is growing and now includes other churches and other religious communities. (See [www.episcopalhawaii.org/a-cup-of-cold-water.html](http://www.episcopalhawaii.org/a-cup-of-cold-water.html))

Page 6, Line 5b: Ecumenical/Interfaith Relations

This line item supports efforts to build relationships with, and community among, other faiths through shared communication and participation in the areas of faith-based, spiritual, and social issues aligned with the mission of our Diocese. Institutional membership in The Interfaith Alliance Hawai'i (TIAH) and representation on the Board of Hawai'i Council of Churches Fund (HCCF) are part of this support. The budget also includes funds for Pacific Health Ministries and the Samaritan Counseling Center (which does the church canon required psychological testing for those in the ordination process).

Page 6, Line 5c: Prison Chaplaincy

This line item is to pay for a part-time chaplain for a prison ministry in the State of Hawai'i.

Page 6, Line 5d: Prison Ministry

This line item provides funds related to prison ministry expenses such as supplies needed for Makahiki, Baibala, and Bacpac programs, which seek to facilitate a fruitful reentry to society of the pa'ahao (prisoners) in Hawai'i's prisons. Diocesan Council views this as an important living out of the gospel, "...I was in prison and you visited me." (NRSV, Matthew 25: 36)

Page 6, Line 6a: Lay Leadership Development

This is for training and/or conferences for church administrative staff and other types of lay leadership such as wardens, vestry members, bishop's committee members, and treasurers. It also pays for interisland air travel for a preset number of neighbor island attendees.

Page 6, Line 6b: Clergy Leadership Development

This line item was called "Clergy Conference" in prior years, and funds the expenses, mostly airfare, for Clergy Education Days and provides a substantial subsidy for the annual clergy retreat. It also includes funding for annual membership dues in the Association of Episcopal Deacons (AED) plus attendance by a Deacon from the Diocese at an AED conference. This line item also can cover the airfare for clergy spouses to attend planned Clergy Spouse events, if any.

Page 6, Line 6c: Curacy Support

This account continues to fund the opportunity for newly graduated seminarians from the Diocese to return to Hawai'i after ordination. The intent is to make it possible for newly ordained seminary graduates from Hawai'i to serve at least two years under the mentorship of an experienced priest in the Diocese and to grow in ministry in our unique context. There are currently 3 curates serving in 'Iolani School, Holy Nativity and St Peter's. Another will be

placed in the Episcopal Church in Europe. The Diocese supports the curate's compensation package by paying \$60,000 per year per curate to the church at which the curate is serving.

Page 6, Line 6d: Commission on Ministry (COM)

In the 2017 budget this line item was called "Other" under the Ministry Development section. In 2018 it was renamed "Commission on Ministry" and includes expenses such as:

- Psychological testing and background checks for those in the ordination process (both of which are required by church canon) and background checks for candidates for positions as priests in mission congregations.
- Any costs associated with the training and licensing of laypersons to the licensed ministries spelled out in Title III of the Canons of The Episcopal Church.
- The cost of various books, periodicals, and other resources intended to promote leadership or ministry development and discernment throughout the Diocese.

Page 6, Line 6e: Support for those attending residential seminaries

Seminarian support in the amount of \$1,000 per semester to help cover tuition for anyone being sponsored for ordination by a congregation in the Diocese of Hawai'i and attending a seminary. Two seminarians graduated in mid-2019. There are no seminarians in 2020.

Page 6, Line 6f: Waiolaihui'ia, The Local Diocesan Ordination Formation Program

Waiolaihui'ia is the Hawai'i program for those being formed for ordination to the priesthood or vocational diaconate. The next 3 years will be significantly funded by a donor-restricted reserve fund. This program is intended to provide training and formation for mature persons, established in the local life of Hawai'i, for whom the disruption and cost of mainland seminary is not feasible. These individuals have the flexibility and stability to serve a congregation. Graduates of Waiolaihui'ia are expected to meet all canonical requirements for ordination. There is a one-year preparatory program followed by the three-year Waiolaihui'ia. There is currently 1 student and 3 in the preparatory program.

Page 6, Line 6g: Waiolaihui'ia Academic Dean

This represents the compensation and benefits paid to the Academic Dean who oversees the local training program for ordination noted in Line 6g.

Page 6, Line 7a: Diocesan Council Grants

The Diocesan Council Grants are provided under the oversight of the Diocesan Council. Grants are to support the work of including of Diocesan groups (parishes, organized missions, schools, shared ministries, and the Camp) as they seek to engage in activities that support the Five Marks of Mission, and are in alignment with the vision and goals of the Episcopal Church in Hawai'i. Funding is designated primarily in support of new projects with the intent to assist groups in getting projects on a sound and sustainable footing. Consideration will be given to existing projects that have shown continued growth and impact on their communities, but need an extra layer of support in order to meet long-term goals or expand ministries.

Page 6, Line 7b: Bishop's Emergency Grants

This is an emergency fund to aid congregations which is approved by Diocesan Council on the recommendation of the Bishop. These funds are used for unplanned emergencies that threaten the ministry of the congregation. These emergencies are often expensive to address (retaining walls, sewer systems, plumbing, electrical, etc.) and the Diocese usually can provide partial help.

Page 7, Line 8a: Bishop

This line item includes the compensation and benefits for the Diocesan Bishop.

Page 7, Line 8b: Bishop's General Convention Travel Fund

This line item provides the annual allocation to a reserve fund to be held in reserve over three years to support the travel and meeting costs for the Bishop and his spouse to attend the triennial General Convention of the Episcopal Church.

Page 7, Line 8c: Hospitality

This supports the Bishop's ministry of hospitality. As part of his episcopal responsibilities, he exhibits Hawai'i's aloha spirit and hosts individuals and groups, reciprocates hospitality, and develops partnerships. This also includes funding for the Bishop to support the fundraising activities of the entities on whose board of directors he serves by virtue of the office (St. Andrew's Schools, 'Iolani School, Seabury Hall, and Camp Mokulē'ia).

Page 7, Line 8d: Keyman insurance

This line item pays for the insurance premium for the Bishop's life insurance benefitting the Diocese in the event of the Bishop's death.

Page 7, Line 8e: Travel and Continuing Education

This covers the Bishop's and spouse's travel expenses (transportation, meals, lodging, etc.) for church visitations, meetings, conferences, etc.). It also covers the Bishop's continuing education.

Page 7, Line 8f: Lambeth Conference Travel Fund

This line item funds a reserve to pay for Bishop's and spouse's attendance at future Lambeth conferences. The amount in the reserve account (Lambeth Conference Travel Fund) as of June 2019 was approximately \$43,000. The next Lambeth Conference is scheduled for the summer of 2020. (see <https://www.lambethconference.org/en/>)

Page 7, Line 8g: Future Bishops' Transition Fund (formerly known as Election Process Fund)

This line item funds a reserve to cover the costs of transitions of future bishops. The amount in the reserve account (Election Process Fund) as of June 2019 was approximately \$214,000.

Page 7, Line 9a: Executive Assistant to the Bishop

In 2019, this line item was moved from the Episcopate section into the Diocesan Support Center Staff section. This line item includes the compensation and benefits for the Bishop's Executive Assistant. The Executive Assistant provides administrative support to the Bishop and the Diocese.

Page 7, Line 9b: Accountant

This line item represents the compensation and benefits for the accountant. The accountant performs general accounting duties, maintains computer records of financial transactions, keeps track of accounts, and verifies the accuracy of procedures used for recording financial transactions. This position was previously designated as “Bookkeeper,” but with increased responsibilities for oversight of the accounts and increased duties, it is now an “Accountant” position.

Page 7, Line 9c: Business Manager

This line represents the compensation and benefits for the Business Manager. This position is responsible for contracts, leases, licenses, some insurance and property tasks, and assisting the treasurer on business-related tasks. This position also coordinates Education Day and Annual Meeting.

Page 7, Line 9d: Canon for Congregational Life and Leadership

This line represents the compensation and benefits for the Canon for Congregation Life and Leadership. This staff position focuses on working with regions and congregations to equip leaders (lay and ordained) to engage in God’s mission in these islands. Particular focus is given to congregational development, stewardship and formation (especially as it strengthens lay and clergy leaders and advances the mission of the Church to make disciples.) This staff person will also encourage and help equip congregations to establish alternative Christian communities and reach new populations.

Page 7, Line 9e: Office Support (Part-time)

In 2019 the Diocesan Support Center operated with one part-time position instead of the budgeted full-time position, so the 2020 budget reflects that.

Page 7, Line 9f: Strategic Planning Manager (Part-time)

This position’s planned termination was ended March 2019, so it has been removed from the 2020 budget.

Page 7, Line 9g: Treasurer and Planned Giving Officer

This line represents the compensation and benefits for the Treasurer, who oversees investments, finances, accounting, real estate, insurance, and taxes. In addition to duties as the Treasurer, the person currently filling the position also coordinates the planned giving program of the Diocese.

Page 7, Line 10a: Advertising

In past years, this covered the cost of advertising in telephone books. Since telephone books are almost a thing of the past, there is no appropriation proposed.

Page 7, Line 10b: Archives

This line item covers the cost to maintain the archives for the Diocese of Hawai'i, including archival supplies, pest management, reproduction of images from other institutions, exhibits, and attendance by our volunteer Diocesan Historiographer at a professional development conference.



Page 7, Line 10c: Audit Expenses – Diocese

This line item covers the cost of contracting with a certified public accounting firm to conduct an audit of the diocesan financial records and to prepare a report as annually required by the Canons of the Episcopal Church.

Page 7, Line 10d: Chancellor's Expenses

This line item allows the Chancellor to participate in the Western Chancellors' Conference, and provides access to a computer research service and certain publications in support of the legal assistance that the Chancellor gives to the Diocese and its congregations and institutions.

Page 7, Line 10e: Church Internet/Website support

This line item provides for assistance with the costs of maintaining the websites for Churches. The budgeted amount is lowered to more closely match actual costs.

Page 7, Line 10f: Contract Communications Coordinator

This covers the contract for the Editor of the e-News/e-Chronicle and Webmaster of the Diocesan website. The additional funding for this position is to cover actual costs.

Page 7, Line 10g: Diocesan Convention

This line item covers the unreimbursed cost of holding the annual meeting of Diocesan Convention, including area meeting costs, convention meeting costs, supplies, materials, and postage. This cost is net of registration fees/meals. The budgeted amount for 2018 was significantly higher than 2017 (or 2019) because the 2018 Convention was held on Hawai'i Island.

Page 7, Line 10h: Directors & Officers Insurance

This provides for liability insurance to insure The Episcopal Church in Hawai'i from errors and omissions by its directors, officers and volunteers. The insurance premium is based on claims experiences and market conditions.

Page 7, Line 10i: General Convention Deputy Support Fund

This line item provides the annual allocation to a reserve fund to be held in reserve over three years to support the eight deputies (four clergy and four lay), the first alternate for clergy, and first alternate for lay) from our Diocese who attend the triennial General Convention of the Episcopal Church. The next one is scheduled for July 2021 in Baltimore, Maryland.

Page 7, Line 10j: Legal and Related Expenses

This represents legal, ethical, Disciplinary Board, and related costs incurred by the Diocese. The increase is mainly to pay for contract, lease, and license reviews which we now have to pay for. Unexpended legal expenses up to \$5,000 per year will be set aside as a reserve to cover potential future legal expenses.

Page 7, Line 10k: Meeting Costs: Other

This line item provides funds for incidental and travel costs for meetings that arise outside of regularly scheduled meetings. In 2020 this will be funded from other line items.

Page 7, Line 10l: Strategic Initiatives

This budget account is for expenses related to the completion of work to be done by the first set of Design Teams. The continued work is covered in other parts of the budget.

Page 7, Line 10m: Office Expenses

This line item includes telephone, copying costs, equipment maintenance, subscriptions, postage, equipment purchase, supplies, etc.

Page 7, Line 10n: Property - Cluett

The Diocese owns the Cluett apartments located on Queen Emma Square. Management of the apartments is contracted out to a property manager. This account covers the cost of water, repairs of the apartments, property and liability insurance, property management fees, general excise tax, etc. The hope is that the Cluett Apartments will be replaced with parking in 2020.

Page 7, Line 10o: Property - Diocese

This account covers expenses related to Queen Emma Square, such as general liability and umbrella insurance and the cost of maintenance of the trees on the Diocesan parking lot.

Page 7, Line 10p: Property Taxes – Cluett Apartments and Parking Lot

This line item pays the property taxes on the parking lot and the Cluett apartments rented for income by the Diocese.

Page 7, Line 10q: Province VIII Quota

This line item funds the voluntary assessment the Diocese pays to the Province. Hawai'i is part of Province VIII of the Episcopal Church, and this is the amount the Diocese pays to help with Provincial programs and administration. The Executive Committee of Province VIII, in accordance with Ordinance IX, Section 6 of the Ordinances of the Province, determined that the asking/assessment rate to support the activities of the Province for the 2019/2021 triennium will be 0.35% of net disposable income. This line item reflects that amount.

Page 7, Line 10r: Staff Continuing Education

This line item covers the cost of continuing education for the Diocesan Support Center staff.

Page 7, Line 10s: Temporary Staffing

This line item covers temporary staffing for special projects.

Page 7, Line 10t: Storage

This budget item covers the cost of storing records in a secure, off-site location due to space limitations in current office quarters.

Page 7, Line 10u: Technology Support

Included in this line item is the contract for outsourced IT support, software, computer upgrades and the purchase of needed technology.

Page 7, Line 10v: The Episcopal Church Quota (Assessment)

This funds the assessment the Diocese pays to The Episcopal Church nationally to contribute toward its work and ministry. The 2020 assessment is 15% of the 2018 Diocesan income, which includes parochial giving, unrestricted operating investment income, and restricted investment income used to pay operating expenses, minus a \$140,000 exemption. Prior to 2019, the exemption amount was \$150,000. The exemption amount of \$140,000 will be in effect 2019-2021. The Diocese of Hawai'i always pays the full ask amount of the General Convention.

Page 8, Line 11a: Memorial Building Capital Fund

This line item funds the Diocesan Capital Reserve to share costs of capital improvements of the Memorial Building (for example, the roof), where the Diocesan Support Center is housed.

Page 8, Line 11b: Diocesan Office Cleaning Expense

This budget item covers the cost for cleaning of the Diocesan Support Center.

Page 8, Line 11c: Security Shared with the Queen Emma Square

This is the Diocese's portion of the cost of maintaining security for Queen Emma Square. The other Episcopal entities on the Square also share in the cost of these services.

Page 8, Line 11d: Shared Cathedral Expenses

The Diocese pays a portion of the Cathedral's maintenance budget because of the presence of the Diocesan Support Center on the second floor of the Memorial Building. This is a non-assessable building use expense reimbursement.

Page 8, Line 12a: Governance Groups Travel

This line covers the cost of travel and online meeting costs for meetings of the governance groups of the Diocese, including Standing Committee, Diocesan Council, Compensation Review Committee, Commission on Ministry, and for clergy and warden meetings with the Bishop.

Page 8, 12b: Staff Travel

This line item supports the ministries of members of the Diocesan Support Center by funding travel for meetings, consultations, conferences, and church-related programs.

Page 8, Line 13a: Kapolei land

This budget line pays the property taxes and other expenses to maintain property in Kapolei for future construction of a church in this growing area of O'ahu. Until a church facility is built on the site, the Diocese must pay property taxes.

Page 8, Line 13b: Medigap Program

This line item provides a subsidy to eligible qualified retired clergy (and their spouses) and qualified lay employees to cover a portion of their Medigap insurance costs. The guidelines for eligibility are currently based on employment status in a compensated position and years of service in the Diocese (at least 10 years before the date of retirement or 20 years in the Diocese

even if retiring while serving in another Diocese). This benefit will be reviewed by Diocesan Council in 2020.