

*The Special Committee has circulated this Discussion Draft in the Diocese in order to invite comments on the entire Report and especially on the recommendations. The Special Committee will hold information sessions in the Mid-Hudson Region, Region II and New York City on September 12, 19 and 26, 2009, where comments will be invited. For details about the sessions please visit [www.diocesenyny.org](http://www.diocesenyny.org). Comments may also be submitted to Allen Barnett, Diocesan Chief of Finance and Operations, [abarnett@diocesenyny.org](mailto:abarnett@diocesenyny.org), not later than September 24, 2009. At the end of September, the Special Committee will meet to adopt a final Report making recommendations that would be submitted to a vote at Convention, November 21, 2009.*

## **Diocese of New York**

### **Special Committee on the Diocesan Budget Process and Assessment**

### **Report**

**September 2009**

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## **1. EXECUTIVE SUMMARY**

The Special Committee on the Diocesan Budget Process and Assessment was appointed by Bishop Sisk in January 2009 to examine the entire Diocesan budget and assessment process to determine what changes of a fundamental nature might be required in view of the present financial situation.

Based on questionnaires we received from parishes and visits with the leadership of parishes, we found that the Diocesan leadership is highly regarded, but we found a lack of understanding of what the Diocese does and how it spends money.

Many parishes are affected by significant declines in the market value of their endowments, and there is concern about future plate and pledge income. Some parishes have been forced to make significant reductions in staff, eliminate valued programs and reduce pay (either on a percentage basis or by mandated unpaid furloughs). There is concern that 2010 may be worse than 2009. We would describe the attitude of most parishes as “Positive, but concerned.”

We found a general feeling that the assessment formula imposes too large a burden on parishes and that the top bracket rate of 25% is too high, penalizing growth.

The Adjustment Board is authorized by the Canons to adjust a parish’s assessment. It operates under guidelines approved by the Trustees, which allow it to act on a year’s assessment only after the year has ended.

We also reviewed the Diocesan financial reports. In response to the economic crisis, the Diocese has significantly reduced its expenses. However, as of June 30, 2009, there were \$2.5 million of unpaid assessments relating to years prior to 2007, \$662,000 relating to 2007 and \$1.8 million relating to 2008, and parishes had paid only 67% of what was owed for the first two quarters of 2009. As of June 30, 2009, out of 148 parishes with assessments, 71 parishes (48%) have paid their full assessment installments through June 30, while another 34 (23%) have paid reduced amounts. All but one of the 51 CSP parishes are paying their contributions. This leaves 43 parishes that had not yet made any contribution to the 2009 Diocesan budget.

The Committee found a feeling of resentment towards those parishes that are not viewed as paying a fair share of the Diocesan budget.

Based on these findings and on the input of many parishes, after long discussion we make several inter-related recommendations.

- For immediate relief of parishes facing the current impact of the financial crisis, we recommend a 20% reduction in the 2009 assessment while asking that those parishes that can continue to pay the 2009 assessment at its current level do so on a voluntary basis. The Trustees of the Diocese accepted this recommendation on July 29, 2009.

- The changes in assessments that we recommend are possible for the Diocese only if every parish pays an assessment. This is also a matter of fairness to the parishes that are paying. In July we recommended changes in how the Adjustment Board works with parishes that are not paying the assessment currently in each quarterly installment – requiring parishes to work promptly with the Adjustment Board to discuss adjustments in their assessments, while making Diocesan entities and personnel available to help parishes develop and grow. On July 29, 2009, the Trustees adopted new guidelines for the Adjustment Board.
- To support the health of parishes over the medium and longer term, while promoting fairness among parishes and promoting the health of the Diocese, we recommend an amendment of Canon 18 that would
  - Reduce the assessment formula percentages and change the brackets, effective in 2010.
  - Adopt new consequences for a parish that is not current in assessments (as they may have been adjusted) *and* is not working with the Adjustment Board.

## **2. APPOINTMENT OF THE COMMITTEE BY THE BISHOP**

In his December 2008 letter Bishop Sisk announced his intention to form a Special Committee on the Diocesan Budget Process and Assessment, stating:

“This committee will consist of representatives from parishes throughout the Diocese as well as individuals with particular financial skills. The committee will have a wide mandate and be charged with *examining the entire Diocesan budget and assessment process to determine what changes of a fundamental nature may be required in view of the present financial situation.*” (emphasis added)

In his January 29, 2009 letter he added:

“The Special Committee on the Budget Process and Assessment (the “Committee”) has been formed with Wolcott (‘Dick’) Dunham and The Reverend Susan Harriss serving as co-chairs. The Committee consists of the co-chairs, five clergy and six lay members and is broadly representative of the Diocese.”

The assessment formula was last changed in 2002, when the Convention voted to amend Canon 18. The Convention acted on the recommendation of a task force that had been charged with reviewing the fairness of the formula; in its report the task force had sought revenue neutrality and simplicity.

Early in 2009, the Committee commenced its work by developing a questionnaire which it sent to all the parishes in the Diocese. The purpose of the questionnaire was to obtain from the parishes their opinions as to whether they consider the current Assessment

and Adjustment system to be fair and effective. In addition, the questionnaire had several questions concerning the impact of the financial crisis on the parishes' operating budget, endowments and pledging. The Committee also selected thirty-two parishes each to be visited by two members (one clergy and one lay). These visits were intended to give the parishes being visited the opportunity to respond in more detail to the issues raised in the questionnaire as well as to discuss any issues of particular concern.

As of the date of the publication of this report, the Committee has received completed questionnaires from 43 parishes. From these responses and the 28 visits that have been made, the Committee believes it has obtained a detailed and comprehensive view of the condition of the Diocese. These responses formed the basis for the Committee's findings and recommendations.

The Committee is deeply appreciative of the response that it has received. Reading the completed questionnaires and making the visits has been a very rewarding and inspiring experience for all the Committee members. We may well be facing a financial crisis, but we have a strong Diocese with many committed people.

### **3. COMMITTEE FINDINGS FROM VISITS AND QUESTIONNAIRES**

The following are the major findings of the Committee from the visits it made to parishes and from its review of the questionnaires it received.

#### **Attitude of Parishes Towards The Diocese**

The Committee found, as a general matter, that the leadership of the Diocese is highly regarded and there is an overall sense of thankfulness that the Diocese of New York has not experienced the turmoil that is so prevalent in many other dioceses.

The Committee also found that there is a general deep sense of community within the Diocese, a feeling that we are a community of diverse parishes, a feeling that we all have mutual obligations of support. That sense of community is viewed by many as perhaps something unique to the Diocese of New York. It is valued and considered worth nurturing and preserving.

However, in spite of this sense of community the Committee found a widespread lack of understanding among the parishes as to what the Diocese actually does on a day-to-day basis. Individual Diocesan staff members with whom parishes work are highly regarded, but the overall mission of the Diocese is not widely understood. Too many ask, "What does the Diocese do?"

The Diocesan budget in particular is not clear and people do not understand where the Diocese is spending its money. Some view the spending as largely wasteful or misdirected.

This lack of understanding of the mission of the Diocese and of how assessment money is spent is a serious problem as it creates discontent with some congregations and vestries who view the assessment essentially as a tax.

## **Financial Condition of Parishes**

The economic crisis is affecting the parishes in differing ways.

The most heartening finding is that many parishes are holding steady in plate and pledge contributions with the levels of 2007 and 2008. Some parishes have even seen their pledge levels increase.

The most significant financial problem that the Committee found was the serious decline that many parishes had suffered during 2008 in the value of their endowments. The Committee found that many parishes are dependent upon withdrawals from their endowment funds to meet operating expenses. Diocesan guidelines and sound practices dictate that the annual withdrawal from endowment funds should not normally exceed 5% of a rolling average market value of the funds. For several years, the annual withdrawals of many parishes within the Diocese have exceeded this percentage, but the rising value of the stock market until 2008 served to hide the problem. With the declines in the value of endowment funds, continued withdrawals of amounts in excess of the guidelines present a real danger of seriously depleting or even exhausting endowment funds.

Two additional significant problems were expressed: some parishes have experienced the loss of rental income from parish properties, and there is concern that traditional large pledgers, who often fund their pledges at year end from bonuses, may not be able in 2009 to commit to pledges at their past levels.

To meet the budget crisis, virtually all priests have foregone salary increases in 2009. Some parishes have been forced to make significant reductions in staff, eliminate valued programs and reduce pay (either on a percentage basis or by mandated unpaid furloughs).

The Committee found that in virtually all parishes building maintenance was a large drain on operating budgets or a deferred expense growing in size.

There is concern that 2010 may be worse than 2009. This concern is particularly prevalent in parishes that have a number of members who work in the financial industry.

In spite of these problems, the Committee found a remarkably positive attitude in the parishes. Indeed, we would describe the attitude of most as “Positive, but concerned.”

## **Congregational Support Plan**

The Congregational Support Plan (“CSP”), which constitutes the largest item in the Diocesan budget, drew many questions and comments. The Committee found general support for the view that this is an important mission of the Diocese. Specifically, there is widespread agreement that the Diocese should support parishes which have the possibility of becoming self sustaining parishes as well as ones which are located in strategically important locations.

Indeed for some parishes the CSP program is a compelling part of the Diocesan outreach. However, the Committee also found a widespread perception that the program is very expensive and that there are parishes that have been in the program for a long time but

have made little or no progress. Many parishes also expressed the view, not applicable only to CSP parishes, that there are too many small parishes in the Diocese, often near to, and drawing resources from, other parishes.

However, once again the Committee found the lack of a clear understanding of how the CSP program functions and what successes it has had. This lack of understanding has created a serious problem in that it undermines support for the program.

### **Views Toward Diocesan Assessments**

Not surprisingly, the subject of the Diocesan assessment received the focus of attention.

From an overall philosophical standpoint there are two distinct views. On the one hand, many parishes view the assessment as an essential part of belonging to the Diocese and The Episcopal Church and take great pride in paying it. On the other hand, some view it as essentially a tax and pay the assessment with whatever is left over after the other operating payments.

Virtually all discussed the problem of basing the current year's assessment on past years' income. The 2009 assessment is based on an average of a parish's 2006-2007 income. There was widespread agreement that this is now creating particular difficulty in view of the fact that current economic conditions are so radically different from those that existed in 2006 and 2007.

Some parishes suggested that adopting a June 30 fiscal year would be beneficial; their view was that year end payments tend to be a large portion of many parishes' income and splitting these payments into two years depending on whether the payments are made in December or January creates distortions.

There was a distinct view that the assessment is taking too much from parishes. This view was expressed by many with a real intensity of feeling, as if we were touching a raw nerve.

Many parishes stated that the assessment was preventing churches from undertaking programs that they wanted to do, particularly in the area of outreach. Parishes recognized the outreach component of the Diocesan assessment but expressed the view that this is "third party" outreach. They regard the ability to support their own outreach as an essential part of their own ministry.

There is widespread belief that the top assessment rate of 25% is too high. Many felt that it penalizes growth.

Many parishes expressed resentment and rising anger that other parishes are not paying their fair share and that there was no significant deterrent to those parishes that do not. Some cited conversations with fellow rectors who seemed to delight in the fact that their parishes are not paying assessments. The Committee found a general belief that this places an unfair and unsustainable burden on the paying parishes.

## **The Adjustment Process**

The Adjustment Board is a committee of the Trustees empowered to make adjustments to an individual parish's assessment. Under the present system the Adjustment Board operates under guidelines which permit it to adjust only closed year assessments. The Diocesan canons state that, if a parish has not paid all of its prior years' assessments, it may be "read out" at the Annual Convention and its lay delegates denied the vote.

Currently, the Adjustment Board has two basic remedies:

- To forgive all or part of the assessments for the years in question.
- To place the parish on a payment plan for the amount of the assessment.

Over the last ten years, the Adjustment Board has heard appeals from 40 parishes with assessments in arrears of approximately \$1.8 million. The Board has forgiven \$951,000 of this amount, placed another \$467,000 on payment plans and has the remainder pending on appeal.

There was general agreement that the present adjustment system has two problems.

First, a parish cannot seek an adjustment to the assessment for a year until the year closes. This gives parishes no legitimate way to seek a reduction in a current year's assessment. Second, the Adjustment Board cannot address future years. In many cases the reasons why a parish is seeking an adjustment for one year are likely to be present in subsequent years. Since the Adjustment Board can look at only closed years it cannot address problems on a current and prospective basis.

The Committee found cases of parishes that were paying no assessment because they felt that the amount of their current assessment was unrealistic. However, all these parishes stated that they would be willing to pay a lower amount.

## **The Budget Process**

The Bishop did not charge us with commenting on the size of the budget or how it should be allocated among the various categories of expenditure. Furthermore, we were not charged with examining the financial impact on the Diocese of reduced levels of Diocesan income. However, we were charged with examining the budget process.

The development of a Diocesan Budget is the responsibility of the Budget and Finance Committee, which consists of fifteen lay and clergy persons from around the Diocese appointed by the Bishop.

The budget process starts each year in February when the Controller sends out forms to all the Diocesan commissions and staff to obtain their requests (referred to as "askings") for the upcoming year. These askings are returned by the end of March and constitute the initial budgetary requests.

A committee member is assigned to meet with the person or commission who has submitted an asking to obtain a better understanding of the submission. This committee

member is then able to lead the discussion when that line item is being discussed in committee meetings.

At the same time, the Controller reviews the parochial reports which have been or are being submitted by the parishes to estimate the assessment for each parish for the upcoming year. A parish's assessment for a year is based on the average of its Normal Operating Income ("NOI") for the last two prior closed years. Thus, a parish's 2009 assessment (which was determined during 2008) was based on the average of its 2006 and 2007 NOI.

Parishes on the Congregational Support Plan ("CSP") make contributions as opposed to assessments. When a parish joins the CSP its initial contribution is 50% of its prior year Normal Operating Income ("NOI"). If its NOI increases, the parish's contribution increases by an amount determined, in essence, by applying the assessment formula to the amount of the NOI increase. In computing a CSP parish's NOI the amount for clergy compensation, which is paid by the Diocese, is excluded.

The Budget & Finance Committee meets in early June to develop a balanced budget. The Chairman of the Committee then submits the budget to the Council of the Diocese at the Council's June meeting.

Canon 18 stipulates that the Council must submit the budget to convention and since the Calendar of Business needs to contain all the resolutions to come before convention, the budget must be printed in the Calendar of Business. Canon 5 says that the Calendar of Business is to be mailed 30 days before convention. In order to meet those requirements the Budget must be ready for press by September 30 at the very latest.

This year, in view of the financial crisis, the commencement of the 2010 budget process was delayed until late May in order to give the Controller additional time to obtain a more accurate estimate of the 2010 assessment income. The Budget Committee has met twice to review the proposed 2010 budget and will meet in September to finalize it. The budget will be presented to the Council in September.

#### **4. COMMITTEE ANALYSIS OF DIOCESAN FINANCIAL REPORTS**

The Committee also reviewed various financial reports of the Diocese. The following are its principal findings from that review.

##### **Diocesan Expenses**

Attached as Exhibit A is a spreadsheet showing for 2008 the Budget approved at the November 2007 Convention and the actual 2008 financial results. For 2009 it shows three sets of numbers: the Budget approved at the November 2008 Convention; a revised budget with the reductions approved by the Trustees in January of this year; and the projected 2009 financial results.

It is not within the scope of this report to discuss the Diocesan Budget in detail. However, the Committee would like to emphasize several points:

During 2009, in response to the economic crisis, the Diocese has significantly reduced its operating expenses. In January, the Trustees directed that the reserves for doubtful receivables be strengthened by \$1.0 million and that operating expenses be reduced by the same amount.

On August 1, Bishop Sisk announced the action taken by the Trustees in response to one of the recommendations of this Committee (see page 13) that the 2009 assessments be reduced by 20%. This is the principal reason for the reduction in projected 2009 assessment revenue shown on Exhibit A. In addition the Diocese has continued to strengthen its reserves against doubtful receivables and estimates that the reserves during the year will be increased by a total of \$2.2 million. The combination of the 20% reduction in the assessment and the increase in the reserves will result in a decrease in diocesan revenue from the \$12.8 million budgeted at the Convention to the projected revenue of \$7.8 million.

The Diocese has continued to reduce expenses throughout the year and estimates that its operating expenses for 2009 will be \$10.9 million, approximately \$1.8 million less than were in the budget that was approved by the Convention. The expense reductions fall primarily in the following areas:

\$ 371,000	Reductions in payment to National Church based on application of assessment rates to projected 2009 income.
316,000	Reductions in CSP, Development Programs, and Property Support
451,000	Retirements of Archdeacon for Mission and Assistant Bishop and resignation of Columbia Chaplain
269,000	Reduction in Administrative personnel and costs
140,000	Savings from freezing salaries of Diocesan personnel

Finally, it needs to be noted that since the reserve strengthening is an accounting transaction and not a cash expenditure, that while the Diocese is projected to have an operating deficit of approximately \$3.1 million for 2009, it will have a cash deficit of less than \$1 million. This cash deficit will be covered from diocesan cash reserves.

The 2010 Budget has not yet been approved by the Council. However, it is envisioned that major expense reductions will take effect in that year. The 2010 Budget will be in balance with revenue and operating expenses projected at approximately \$10 million.

Exhibit A also shows the extent to which the Diocesan budget supports missions and programs beyond and within the diocese. As it indicates, in 2008, approximately 14% of the budget went to support the National Church and non-Diocesan programs and 53% of

the budget went to support missions and programs within the diocese including CSP, Development Programs and Property Support. The costs of these programs also include the personnel who support those programs as well as the canons who support the clergy throughout the Diocese.

The Episcopate Function represents approximately 10% of the budget while the Diocesan Administrative and the General Administrative expenses represent approximately 18%.

### **Parish Assessment Payments**

Exhibit B shows the recent payment history of all parishes subject to the Diocesan assessment (i.e., all parishes except those on the CSP).

- The column “Appeal Before Adjustment Board” shows those parishes that currently have appeals that are pending before the Adjustment Board with respect to at least one assessment year (“appeal pending”) as well as those parishes that are currently paying in accordance with a payment schedule approved by the Adjustment Board (“pmt plan”).
- The column “Outstanding Balances Prior to 2007” shows the amounts that remain unpaid with respect to the assessment for any year prior to 2007.
- The four columns under the heading “2007 Assessments” show the amount of the 2007 assessment; the amount that was paid during that year; the amount that has been paid after December 31, 2007; and the outstanding unpaid balance with respect to the 2007 assessment.
- The four columns under the heading “2008 Assessments” show the same information with respect to the 2008 assessment.
- The two columns under the heading “2009 Assessments” show the amount of the 2009 assessment (*before* the 20% reduction we recommended to the Trustees), the actual payments through June 30<sup>th</sup>, and the percentage of the first two quarterly installments that have been paid through June 30, 2009.

The following information from Exhibit B shows clearly the issues facing the Diocese and the parishes.

- Currently there is \$2.5 million of unpaid assessments relating to years prior to 2007.
- In 2007, the total assessment was \$9.3 million, and \$7.4 million (80%) was paid during that year. The outstanding unpaid balance with respect to that year is \$662,000, which represents 7% of the assessment. This amount is owed by twenty eight parishes.
- In 2008, the total assessment was \$9.9 million and \$7.7 million (78%) was paid during that year. However, only \$375,000 of 2008 payments have been

received to date during 2009 and the current outstanding balance of \$1.8 million represents 18% of the 2008 assessment. The outstanding balance is owed by thirty seven parishes.

- For 2009, the total assessment is \$10.5 million. As of June 30<sup>th</sup>, \$3.5 million has been received representing 67% of the total owed for the first two quarters.

### **Congregational Support Plan**

The Congregational Support Plan (“CSP”) was adopted by the Convention in 1994 as “a plan for mission” with the objective of providing an effective Church presence in poor communities and strengthening existing congregations. Initially, every congregation requesting admission to the CSP was accepted into the program. As the CSP parishes stabilized, the program evolved into one that facilitates the transformation process and measures the progress. The Congregational Support Plan Committee began to function as an oversight body.

The objective of the CSP Committee continues to be the development of vital, mission-oriented congregations that are financially self-sufficient whenever possible. However, the CSP Committee does not assume that the CSP can help, or is appropriate for, every parish. The CSP Committee now asks congregations in the program, and those seeking admission, what difference the CSP will make in the life of the congregation (and similar questions). It considers a congregation’s responses to these questions when deliberating whether to admit or retain a congregation in the program.

Since its founding a total of sixty four congregations have joined the CSP. As of December 31, 2008, twelve had left the program. Of these twelve, only one is no longer functioning as an effective congregation.

In March 2009, the CSP Committee advised twelve more parishes that as of December 31, 2009, their participation in the program would not be renewed. Since March, one additional parish has left the program. Thus, as of January 1, 2010, there will be thirty nine parishes in CSP.

The following table shows the amount of support provided by the Diocese to CSP parishes since 2005 (clergy compensation), the contributions paid to the Diocese by those parishes, and the net cost of the program to the Diocesan budget:

	<b>Number of CSP Parishes</b>	<b>Support Provided by Diocese</b>	<b>Contributions Paid by CSP Parishes</b>	<b>Net Cost to Diocese</b>
2005	57	\$3,291,759	\$1,531,653	\$1,760,106
2006	56	3,271,581	1,614,722	1,656,859
2007	55	3,127,498	1,635,709	1,491,789
2008	53	3,328,632	1,696,018	1,632,614
2009 Budget	52	3,618,268	1,748,828	1,869,440

	<b>Number of CSP Parishes</b>	<b>Support Provided by Diocese</b>	<b>Contributions Paid by CSP Parishes</b>	<b>Net Cost to Diocese</b>
2009 Projected	51	3,487,000	1,617,000	1,870,000
2010 Projected	39	2,700,000	1,175,000	1,525,000

The net cost to the Diocese has increased even as parishes have left the program because of increases in clergy minimum compensation as mandated by the Convention.

## **5. COMMITTEE CONCLUSIONS AND RECOMMENDATIONS**

This section presents our general findings and recommendations. In summary, there are three inter-related recommendations.

- For immediate relief of parishes facing the current impact of the financial crisis, we recommend a reduction in the 2009 assessment.
- To support growth and health of parishes over the medium and longer term, we recommend a reduction in the assessment formula and a change in the brackets, effective in 2010.
- The changes we recommend are possible for the Diocese only if every parish pays an assessment. This is also a matter of fairness to the parishes that are paying. We recommend changes in how the Adjustment Board works with parishes that are not paying the assessment currently – requiring parishes to work promptly with the Adjustment Board to discuss adjustments in their assessments, while making Diocesan entities and personnel available to help parishes develop and grow, and adopting new consequences for a parish that is not current in assessments *and* is not working with the Adjustment Board.
- To support the health of parishes over the medium and longer term, while promoting fairness among parishes and promoting the health of the Diocese, we recommend an amendment of Canon 18 that would
  - Reduce the assessment formula percentages and change the brackets, effective in 2010.
  - Adopt new consequences for a parish that is not current in assessments (as they may have been adjusted) *and* is not working with the Adjustment Board.

### **Understanding What the Diocese Does**

There is basic support for the Diocese among the parishes. However, the lack of a clear understanding of the workings of the Diocese is a major obstacle in building the support needed to address our collective problems.

*The Diocese needs to develop a comprehensive program of communication of financial matters: what the Diocese does, what the Diocesan budget pays for, and the role of assessments and CSP contributions in supporting the mission of the Diocese.*

## **Paying Assessments**

The assessment is taking too much from the parishes that are paying their assessments in full. The payment of the full assessment is hindering growth and development in many of these parishes. There is also increasing resentment towards those parishes that are not paying their full assessment.

*Reducing the level of the assessment must be a high priority.*

There are too many parishes that are not making assessment payments. Some of these parishes have limited resources and high fixed costs which severely limit their ability to pay the full assessment. Others have the means but have directed their priorities elsewhere. Two parishes do not pay as a protest against actions of The Episcopal Church.

*It needs to be recognized and accepted by all that an essential obligation of being a parish in union with the Diocese of New York is to contribute to its missions and programs by paying an assessment.*

## **Budget Timing and Basing the Assessment on Two Years' Normal Operating Income**

The present system of basing an assessment on the last two closed years creates problems and lacks flexibility. A budget must be based on a projection of Diocesan revenue, and the practice prior to 2009 of establishing budgets in the spring for the following year meant that the revenue forecast could not take into account subsequent changes in economic circumstances.

*After considering several alternatives, the Committee found no practical alternative to basing assessments on the Normal Operating Income of the last two years.*

*Under Canon 18, the assessment is based on actual Normal Operating Income, calculated in the same manner as that term is defined from time to time in the Instructions for the Episcopal Church Parochial Report as set forth in the Manual of Business Methods in Church Affairs of The Episcopal Church. The Committee believes that, to assure fairness for all parishes in the Diocese, the staff should continue to review parochial reports for consistency and appropriateness of the reporting of Normal Operating Income. Where there are questions about a parish's reported NOI (for example, where reported NOI is materially less than Normal Operating Expenses), the Committee believes that the staff should seek clarification from the parish. The Controller should calculate the assessment based on his or her determination of NOI, and any dispute should be reviewed immediately by the Adjustment Board.*

*We concluded that the decision to direct the Budget Committee to delay until May 2009 the commencement of the 2010 budget process and to submit the budget to the Diocesan Council in September is working well. We recommend that this practice be adopted for future budgets.*

### **Reduction for 2009**

The Committee notes that, although the payment of the current 2009 assessment is a burden to all parishes, some are able to bear this burden without undue difficulty, but most cannot.

*The Committee recommended that the Trustees approve a 20% discount of the 2009 assessment, while asking that those parishes that can continue to pay the 2009 assessment at its current level do so on a voluntary basis. On July 29, 2009, the Trustees adopted the recommended reduction.*

The impact of this reduction on each parish is set forth in Exhibit C. To date, three parishes have advised the Diocese that they will continue to pay the full 2009 assessment.

### **Reduced Formula for 2010 and Beyond**

A change is also necessary for 2010 and beyond:

*The Committee recommends that Diocesan Convention amend the Canons in November to implement the following revised assessment formula to take effect in 2010:*

Present rates and brackets:

- 5% on NOI from \$1 to \$50,000
- 12% on NOI from \$50,000 to \$100,000
- 15% on NOI from \$100,000 to \$200,000
- 18% on NOI from \$200,000 to \$300,000
- 20% on NOI from \$300,000 to \$500,000
- 25% on NOI in excess of \$500,000

Proposed rates and brackets:

- 4% on NOI from \$1 to \$50,000
- 10% on NOI from \$50,000 to \$200,000
- 15% on NOI from \$200,000 to \$500,000
- 20% on NOI in excess of \$500,00

These brackets would be in effect for 2010 and beyond. The Canon would authorize the Trustees to increase the dollar levels which mark the brackets (but not the percentages) to take into account inflation in the cost of the major items making up the budgets of parishes in the Diocese of New York.

The impact on each parish, and on the Diocese, of these reductions is set forth in Exhibit D. It should be noted that the 2010 assessments of a few parishes would not be reduced because the benefit they are receiving from the 12.5% cap on annual increases in assessments exceeds the benefit of the rate reductions.

## **Making it Possible to Change the Formula: Changing How the Adjustment Board Works with Parishes**

Reducing the assessments is needed. However, to a real extent it is an act of faith. To make the reductions possible, it is essential that all parishes contribute to the assessment budget. In 2009, out of 148 parishes with assessments, 71 parishes (48%) have paid their full assessment installments through June 30, while another 34 have paid reduced amounts. All but one of the 51 CSP parishes are paying their contributions. This leaves 43 parishes that have not yet made any contribution to the Diocesan budget.

This level of non payment is placing an unfair burden on those parishes that are paying. It cannot be sustained; it is placing the financial health of the Diocese at risk.

There are valid reasons why some parishes cannot pay their full assessment, but are able, indeed willing, to pay a lesser amount. There is a pressing need for the ability to allow for adjustments in such cases. At the present time the Adjustment Board, which is a Committee of the Trustees, has difficulty in adjusting current year assessments even where such adjustments may be appropriate.

*The Committee recommended that the Trustees reorganize the Adjustment Board and issue it guidelines which authorize the Adjustment Board to make adjustments to the assessments of parishes that it deems appropriate. On July 29, 2009, the Trustees adopted new guidelines.*

### **Every Parish Must Pay Something**

*The Committee believes that as a basic principle even parishes with serious financial, structural or other issues should pay an assessment set through the adjustment process.*

### **Diocesan Staff to Support Parishes to Grow in Strength**

There are some parishes that have such serious structural problems that the payment of any amount seems to these parishes to be virtually impossible. Some of these problems are so severe that if left unattended, over time, they can create serious legal exposure or even threaten the survival of the parish. Indeed, the habitual nonpayment of the assessment is often an early warning of a parish in such trouble.

There are staff and other resources at the Diocese that are capable of assisting in the development and strengthening of such parishes. However, at present there is no requirement that parishes use these resources and historically some of the parishes in most need have refused to accept them.

*The Committee believes that as a community we have an obligation to attempt to address such issues. Therefore, the Committee recommends that the Adjustment Board, as part of its guidelines, be given the authority to require parishes that have fundamental structural problems to participate in Diocesan programs that help parishes address such problems, as a condition of granting assessment relief.*

## Consequences of Neither Paying the Assessment Nor Working With the Adjustment Board

To repeat points made previously, it is critical for the long term financial health of the Diocese and the continuance of its programs that all parishes participate in the payment of assessments or CSP contributions. Because the only consequence of non-payment is denial of lay delegate voting and seating at Convention, the assessment program is essentially voluntary. It cannot long endure if the perception, or indeed reality, exists that some parishes are not contributing their fair share.

If indeed we are a community then all must be part of that community; all must be members in good standing, accepted by the others as doing their fair share.

*The Committee recommends that the 2009 Convention amend the Canons to require that all parishes in the Diocese of New York be “Parishes Current in Assessments”. To be a “Parish Current in Assessments” a parish must either:*

(1) *Be current, through the most recent quarterly installment, in the payment of its assessment, or*

(2) *Have a completed application pending with the Adjustment Board, be making payments on account of assessments in a minimum amount specified by the Adjustment Board for parishes that have applications pending, and be actively participating in the Adjustment Board process by meeting with its members and representatives of the Diocese as requested by the Adjustment Board, or*

(3) *If the Adjustment Board has made its decision and the parish has chosen to appeal the decision, have a completed appeal pending with the Trustees, or*

(4) *If the Adjustment Board has made its decision on the application that, after any appeal to the Trustees, is final and no longer subject to appeal, be current in its payment of all its assessments for all years as they may have been adjusted, and be in compliance with any conditions imposed by the Adjustment Board or the Trustees in approving any adjustment, which conditions may include participation in programs organized by the Diocese to help a parish address fundamental or structural problems in the parish.*

This definition is tied to being current in assessments (as they may be adjusted) *through the most recent quarterly installment..* This definition is different from the criterion for denial of lay delegates’ votes at the Diocesan Convention—failure to pay the full assessment for one or more *prior* years.

The Canons now contain only one consequence for failure to pay assessments. That consequence should be retained, but it is not sufficient. The current Canons provide: “Any congregation that has not paid its full apportioned share for one budget year shall be denied any lay vote in Convention and any congregation that has not paid its full apportioned share for two budget years (whether or not consecutive) shall thereby forfeit its connection with

the Convention and shall no longer have the right to send lay delegates to it, until its unpaid apportioned shares shall have been paid in full; provided, however, that the Convention may suspend the operation of this subsection (5), prospectively or retroactively, without amendment of this Canon.” The Convention has in the past, though not in recent years, voted to suspend the operation of this subsection, in order to allow the seating of lay delegates. We believe that the procedures we recommend should make it unnecessary and usually inappropriate to permit voting by lay delegates from parishes that are not paying their assessments. In approximately two-thirds of the dioceses in The Episcopal Church the canons provide that a parish that does not pay toward the support of the diocese can, through a multi-step process, be converted to mission or similar status with a priest appointed by the diocesan bishop; we note this approach but are not recommending it at this time.

*The Committee believes that the current remedy, though inadequate, should be retained and recommends amending Canon 18 to add a three-step procedure that would apply only to a parish that is not a Parish Current in Assessments. (It needs to be emphasized that a parish can be a Parish Current in Assessments simply by paying a minimum amount and working with the Adjustment Board as outlined above.)*

*First, the Adjustment Board would advise the Bishop from time to time that a parish is not a Parish Current in Assessments. The Bishop would then direct that the parish is ineligible to receive any payments from Diocesan programs or funds, including:*

*Property Support Grants or Loans  
Funds for churches in designated areas*

*Second, prior to each Annual Convention the Adjustment Board would notify the Bishop of any parish that is not a Parish Current in Assessments. With the concurrence of the Bishop and Standing Committee, and the Trustees of the Diocese, the Chancellor would formally inform the Annual Convention that the parish is not a Parish Current in Assessments.*

*Third, if two consecutive Annual Conventions have been formally informed that a parish is not a Parish Current in Assessments, and the parish is still not a Parish Current in Assessments, then upon the recommendation of the Adjustment Board and the concurrence of the Standing Committee and the Trustees of the Diocese, the Bishop could initiate a process toward possibly ending the priest’s tenure as rector. The process would begin with mediation and would include an opportunity for the priest to confer with the Standing Committee. The Bishop would confer with and receive the recommendation of the Standing Committee; thereafter the Bishop, as final arbiter and judge, would render a godly judgment.*

*If, at the end of the process, the Bishop terminates the priest’s pastoral relationship with the parish, then the priest would cease to be its rector, and the Bishop would appoint a vicar to serve in the parish at the pleasure of the Bishop. The vicar would seek to work with the vestry and the entire parish, and draw upon Diocesan entities and personnel to build up the parish, addressing structural issues, and work with the Adjustment Board. If the parish works with the Adjustment Board in this way and pays a minimum or adjusted assessment as outlined above, it would become a Parish Current in Assessments.*

*In a subsequent year, if and when the Bishop considers it appropriate in light of all the circumstances, the Bishop could advise the wardens and vestry that the parish is permitted to begin a process of calling a rector.*

## COMMITTEE MEMBERS

**James Barba**, Zion, Wappingers Falls; former Congregational Support Program Committee; Former Diocesan Trustee; Audit Committee

**The Rev. Bertram Bennett**, St. David's, The Bronx

**The Rev. James Burns**, Heavenly Rest, Manhattan; former Diocesan Trustee; Cathedral Trustee

**Wolcott B. Dunham, Jr. (Co-Chair)**, St. James', Manhattan; Church of the Regeneration, Pine Plains; Diocesan Canons Committee and Ecclesiastical Trial Court; Board Member, Episcopal Charities; former Congregational Support Program Implementation Committee

**Sister Faith Margaret, CHS (ex officio)**, Treasurer of the Diocese

**Gary Glynn**, St. Mary's, Tuxedo Park; St. Thomas, Manhattan; Diocesan Trustee; Board Member, Episcopal Charities

**The Rev. Canon Susan Harriss (Co-Chair)**, Christ's Church, Rye; Board Member, Episcopal Charities

**William Herrman**, Heavenly Rest, Manhattan; Diocesan Trustee and Chair of Investment Committee; Cathedral Trustee

**Cate Long**, Messiah, Rhinebeck; former Diocesan Council; former Chair, Congregational Development Commission

**The Rev. Lesley McCloghrie**, Holy Trinity, Pawling

**The Rev. Canon Andrew J.W. Mullins**, Epiphany, Manhattan; Chair, Adjustment Board

**The Rev. Michael Phillips**, Holy Trinity, Manhattan; Chair, Budget and Finance Committee; Campus Ministry Committee

**James Redpath**, Christ Church, Bronxville

**Thomas Van Wort**, Christ Church, Suffern

**George J. Wade (ex officio)**, Chancellor

### Staff

**Allen Barnett**, Chief of Finance and Operations

**EXHIBIT A  
THE DIOCESAN ASSESSMENT BUDGET**

	<b>2008 Convention Budget</b>	<b>2008 Actual Results</b>	<b>Percent of Total</b>	<b>2009 Convention Budget</b>	<b>2009 Revised Budget</b>	<b>2009 Projected Results</b>
<b>RECEIPTS</b>						
Assessments	9,798,733	9,910,107		10,494,000	10,494,000	7,575,000
CSP Income	1,643,030	1,696,018		1,748,828	1,748,828	1,500,000
Investment Funds	997,060	1,003,700		1,071,316	1,071,316	925,000
Increase in Reserve For Doubtful Receivables	(510,000)	(928,678)		(550,000)	(1,550,000)	(2,160,000)
<b>Total Receipts</b>	<b>11,928,823</b>	<b>11,681,147</b>		<b>12,764,144</b>	<b>11,764,144</b>	<b>7,840,000</b>
<b>DISBURSEMENTS</b>						
<b>MISSIONS &amp; PROGRAMS OUTSIDE DIOCESE</b>						
Support for National Church	1,525,000	1,525,000		1,698,691	1,578,691	1,328,000
Council of Churches	10,500	10,566		10,500	10,500	10,500
Provincial Synod Assessment	13,000	12,685		12,685	12,685	12,685
<b>Total National Church &amp; Province</b>	<b>1,548,500</b>	<b>1,548,251</b>		<b>1,721,876</b>	<b>1,601,876</b>	<b>1,351,185</b>
Social Concerns	50,000	49,564		53,000	53,000	53,000
Congregational Life and Missions	42,000	30,545		48,000	48,000	48,000
Christian Formation	21,000	14,608		19,750	19,750	19,750
Rural & Migrant Ministry	25,000	25,000		42,000	42,000	42,000
<b>Total Diocesan Programs</b>	<b>138,000</b>	<b>119,717</b>		<b>162,750</b>	<b>162,750</b>	<b>162,750</b>
<b>Total Mission &amp; Programs Beyond Diocese</b>	<b>1,686,500</b>	<b>1,667,968</b>	<b>14%</b>	<b>1,884,626</b>	<b>1,764,626</b>	<b>1,513,935</b>
<b>MISSIONS &amp; PROGRAMS WITHIN DIOCESE</b>						
<b>Property Support Grants</b>	461,500	461,500		505,345	455,345	400,000
<b>Episcopal Charities</b>	105,000	105,000		110,000	110,000	110,000
<b>CSP &amp; Development Programs</b>						
CSP Assistance	3,419,379	3,328,632		3,618,268	3,423,268	3,487,000
Mission Initiatives	100,000	100,730		75,000	75,000	84,000
First Step Grant				40,000	20,000	20,000
Next Step Grant				74,000	44,000	30,000
Hispanic Ministries	264,500	258,500		264,500	134,500	134,500
<b>Total CSP &amp; Development Programs</b>	<b>3,783,879</b>	<b>3,687,862</b>		<b>4,071,768</b>	<b>3,696,768</b>	<b>3,755,500</b>
<b>Compensation, Benefits, Office &amp; Expenses</b>						
<b>Diocesan Clergy Directly Supporting Parishes</b>						
CSP Coordinator	172,481	167,185		172,481	180,982	158,936
Congregation Development	277,263	241,229		263,763	258,142	243,142
Campus Ministry	289,738	297,645		297,288	238,732	196,830
Canon for Christian Formation	157,753	144,874		156,853	157,407	136,447
Archdeacon for Mission	191,554	141,409		194,054	40,000	34,581
	1,088,789	992,342		1,084,439	875,263	769,936
<b>Canons Supporting Diocesan Clergy</b>						
Canon for Deployment	179,615	168,310		177,865	178,419	167,679
Canon for Ministry	194,601	175,226		194,851	194,852	172,612
Canon for Pastoral Care	150,773	152,009		151,773	152,759	149,759
	524,989	495,545		524,489	526,030	490,050

	2008 Convention Budget	2008 Actual Results	Percent of Total	2009 Convention Budget	2009 Revised Budget	2009 Projected Results
<b>Other Direct Support</b>						
Mid Hudson	147,266	128,094		147,266	147,926	118,550
Region II	132,869	124,627		137,394	137,394	128,653
Property Support	149,097	147,597		140,855	141,409	138,495
	429,232	400,318		425,515	426,729	385,698
<b>Total Compensation, Benefits, Office &amp; Expenses</b>	<b>2,043,010</b>	<b>1,888,205</b>		<b>2,034,443</b>	<b>1,828,022</b>	<b>1,645,684</b>
<b>Total Missions &amp; Programs Within Diocese</b>	<b>6,393,389</b>	<b>6,142,567</b>	<b>53%</b>	<b>6,721,556</b>	<b>6,090,135</b>	<b>5,911,184</b>
<b>THE EPISCOPAL FUNCTION</b>						
<b>Episcopate</b>						
Bishop Sisk	254,878	254,878		254,878	256,232	255,934
Bishop Roskam	180,585	180,585		180,585	181,921	181,624
Bishop Taylor	179,430	179,430		179,430	126,000	136,000
Shared Travel	110,000	80,747		110,000	110,000	75,000
	724,893	695,640		724,893	674,153	648,558
<b>Episcopate Support (Compensation &amp; Office Expenses)</b>						
Office support	284,122	286,401		290,720	266,174	229,175
Canon to the Ordinary	165,986	161,331		165,986	167,323	167,823
	450,108	447,732		456,706	433,497	396,998
<b>Total Episcopal Function</b>	<b>1,175,001</b>	<b>1,143,372</b>	<b>10%</b>	<b>1,181,599</b>	<b>1,107,650</b>	<b>1,045,556</b>
<b>DIOCESAN ADMINISTRATION</b>						
Office Services (5)	291,855	275,525		290,355	280,219	267,604
Administration (6)	734,216	829,915		756,635	833,810	833,810
Manager of IT	125,502	125,502		125,500	126,486	126,486
Public Affairs (3)	412,292	397,472		345,789	397,880	229,003
Episcopal New Yorker	80,005	85,204		84,813	156,367	30,720
	1,643,870	1,713,618		1,603,092	1,794,762	1,487,623
<b>General Administration Expenses</b>						
IT Expenses	58,125	47,459		136,000	136,000	70,000
Overhead and Fixed Obligations	220,260	165,016		186,500	186,500	186,500
Web Management	10,000	-		10,000	10,000	30,000
Archives	26,500	19,577		20,000	5,000	3,000
Public Affairs Expenses	40,000	18,077		50,000	10,000	14,000
Episcopal New Yorker	62,000	91,029		88,000	70,000	70,000
Public Voice Initiative	40,000	18,077		40,000	15,000	3,000
	456,885	359,235		530,500	432,500	376,500
<b>Total Diocesan Administration</b>	<b>2,100,755</b>	<b>2,072,853</b>	<b>18%</b>	<b>2,133,592</b>	<b>2,227,262</b>	<b>1,864,123</b>
<b>Cathedral Cost Sharing</b>	<b>479,728</b>	<b>479,728</b>	<b>4%</b>	<b>494,271</b>	<b>494,271</b>	<b>494,271</b>
<b>CONVENTION &amp; MEETINGS</b>						
Delegates to Provincial Synod	2,000	2,000		2,500	2,500	2,500
Diocesan Convention	26,500	35,298		29,000	29,000	29,000
Doing Church	3,000	3,000		5,000		-
Council/Convention Meeting	9,500	7,523		10,000	10,000	10,000
Commissions of Convention	7,750	8,346		8,700	8,700	8,700
<b>Total Convention and Meetings</b>	<b>48,750</b>	<b>56,167</b>		<b>55,200</b>	<b>50,200</b>	<b>50,200</b>
Provision for Salaries Increases				246,300		
<b>Total Operating Expenses</b>	<b>11,884,123</b>	<b>11,562,655</b>	<b>100%</b>	<b>12,717,144</b>	<b>11,734,144</b>	<b>10,879,269</b>

	<b>2008 Convention Budget</b>	<b>2008 Actual Results</b>	<b>Percent of Total</b>	<b>2009 Convention Budget</b>	<b>2009 Revised Budget</b>	<b>2009 Projected Results</b>
<b>Transfers to Reserve Funds</b>						
Discretionary Fund-Hospitality	23,000	23,000		26,000	20,000	20,000
Deputies to General Convention	15,700	15,700		15,000	10,000	10,000
Reserve for Future Episcopal Elections	3,000	3,000		3,000		-
Reserve for Lambeth	3,000	3,000		3,000		-
Total Transfers to Reserves	44,700	44,700		47,000	30,000	30,000
<b>Total Disbursements</b>	<b>11,928,823</b>	<b>11,607,355</b>		<b>12,764,144</b>	<b>11,764,144</b>	<b>10,909,269</b>
<b>Surplus (Deficit)</b>	<b>-</b>	<b>73,792</b>		<b>-</b>	<b>-</b>	<b>(3,069,269)</b>

EXHIBIT B ASSESMENT HISTORY		Adjustment	Unpaid	2007 Assessments			
Parish	City	Board Status	Balances Prior to 2007	Total Assessment	Paid During 2007	Paid After 2007	Outstanding Unpaid Bal
<b>Totals</b>			<b>2,473,759</b>	<b>9,280,005</b>	<b>7,382,177</b>	<b>1,235,653</b>	<b>662,175</b>
1	Trinity Parish	Manhattan		1,890,465	1,890,465		-
2	St. James' Church	Manhattan		749,849	749,849		-
3	St. Bartholomew's Church	Manhattan		674,864	0	674,864	-
4	St. Thomas Church	Manhattan		507,907	507,907		-
5	Grace Church	Manhattan	appeal pending	599,951	490,942	368,207	122,736
6	Church of the Heavenly Rest	Manhattan		363,249	271,807	91,442	-
7	Church of St. Luke-in-the-Fields	Manhattan	pmt plan	124,750	249,096	249,096	-
8	St. Matthew's Church	Bedford		211,672	211,672		-
9	Church of the Ascension	Manhattan		196,864	196,864		-
10	Christ's Church	Rye		167,636	167,636		-
<b>Total top 10</b>			<b>724,701</b>	<b>5,502,543</b>	<b>4,613,502</b>	<b>889,041</b>	<b>-</b>
11	Calvary/St. George's Church	Manhattan	pmt plan	100,680	137,302	137,302	-
12	St. John's Church	Larchmont		131,105	98,329	32,776	-
13	St. Michael's Church	Manhattan		119,858	119,858		-
14	All Angels' Church	Manhattan		510,918	135,942		135,942
15	Holy Trinity Church	Manhattan		124,044	93,033	31,011	-
16	Christ Church	Bronxville		111,488	111,488		-
17	St. Luke's Church	Bronx	appeal pending	97,634	16,229	81,405	-
18	Church of St. James the Less	Scarsdale		103,300	103,300		-
19	Christ & St. Stephen's Church	Manhattan		90,956	90,956		-
20	Church of St. Mary the Virgin	Manhattan		77,734	77,734		-
<b>Total 11 - 20</b>			<b>611,598</b>	<b>1,129,364</b>	<b>848,230</b>	<b>145,192</b>	<b>135,942</b>
21	St. Philip's Church	Manhattan	appeal pending	122,587	76,561	2,500	4,000
22	Parish of Christ the Redeemer,	Pelham Manor		72,854	54,640	18,214	-
23	Grace Church	White Plains	appeal pending	34,321	82,847	34,520	48,327
24	St. Barnabas' Church	Irvington-on-Hudson		74,227	74,227		-
25	Church of the Incarnation	Manhattan		66,701	50,026	16,675	-
26	Grace Church	Nyack		57,092	57,092		-
27	Church of the Transfiguration	Manhattan		56,742	56,742		-
28	St. Mary's Church	Scarborough		64,209	32,105		32,105
29	St. Mary's Church	Tuxedo Park		55,763	41,822	13,941	0
30	St. John's Church (Getty Square)	Yonkers		93,280	53,643	10,941	4,000
<b>Total 21 - 30</b>			<b>250,188</b>	<b>660,640</b>	<b>414,614</b>	<b>56,830</b>	<b>189,196</b>

EXHIBIT B ASSESMENT HISTORY		Adjustment	Unpaid	2007 Assessments				
Parish	City	Board Status	Balances Prior to 2007	Total Assessment	Paid During 2007	Paid After 2007	Outstanding Unpaid Bal	
31	Grace Church	Millbrook		48,884	24,442	24,442	-	
32	St. Mark's Church	Mt.Kisco		54,067	54,067		-	
33	St. Thomas' Church	Mamaroneck		46,162	46,162		-	
34	Church of St. Matthew & St. Timothy	Manhattan		44,405	44,405		-	
35	Church of the Ascension	Mt. Vernon		43,282	43,282		-	
36	All Saints' Church	Manhattan		47,526	47,526		-	
37	Church of St. Ignatius	Manhattan		40,646	40,646		-	
38	St. Philip's Church in the Highlands	Garrison		39,457	39,457		-	
39	Zion Church	Wappingers Falls		40,915	40,915		-	
40	Christ Church	Poughkeepsie		39,128	35,862	3,266	-	
41	St. Mary's Church	Chappaqua		41,078	30,809	10,270	-	
42	St. Peter's Church	Peekskill		36,691	36,691		-	
43	Church of the Holy Apostles	Manhattan		35,591	35,591		-	
44	Christ Church, Riverdale	Bronx		31,867	31,867		-	
45	St. John's Church	South Salem		34,154	34,154		-	
46	St. Augustine's Church	Manhattan	appeal pending	29,904	14,952		14,952	
47	Church of the Resurrection	Manhattan		28,880	21,660	7,220	(0)	
48	St. John's in the Village	Manhattan		28,728	28,728		-	
49	St. Andrew's Church	Staten Island		27,397	13,699	13,699	(0)	
50	St. Mary's Church (Castleton)	Staten Island		28,992	26,576	2,416	-	
	<b>Total 31 - 50</b>			<b>767,753</b>	<b>691,490</b>	<b>61,312</b>	<b>14,951</b>	
51	St. Peter's Church	Bronx		25,949	25,949		-	
52	Church of the Good Shepherd	Bronx		25,930	25,930		-	
53	St. James' Church	North Salem		25,499	25,499		-	
54	Grace Church,	Middletown	22,206	25,981	25,981		-	
55	St. Peter's Church	Manhattan	appeal pending	24,982			24,982	
56	St. James' Church	Hyde Park	appeal pending	24,960			24,960	
57	Church of the Messiah	Rhinebeck		26,752	26,752		-	
58	Congregation of St. Saviour	Manhattan		24,889	24,889		-	
59	St. Luke's Church	Somers		26,695	20,021	6,674	-	
60	Church of the Crucifixion	Manhattan	pmt plan	54,162	23,125	11,563	11,563	
61	Church of St. Edward the Martyr	Manhattan		22,704	22,704		-	
62	Christ Church	Warwick		22,511	22,511		-	
63	St. John's Church	Cornwall		24,439	18,329	6,110	0	
64	St. Andrew's Church	Bronx		24,371	12,186	12,186	(0)	
65	Church of the Epiphany	Manhattan		21,175	21,175		-	
66	St. Peter's Church	Lithgow		21,085	21,085		-	
67	All Saints' Church	Briarcliff Manor		19,350	19,350		-	
68	Trinity Church	Fishkill		18,971	18,971		-	
69	St. James's Church	Goshen		20,643	10,322	10,322	-	
70	St. Stephen's Church	Pearl River		20,369	17,540	2,829	-	
71	St. Augustine's Church	Croton-on-Hudson		19,372	19,372		-	
72	St. Bartholomew's Church	White Plains	appeal pending	16,478	19,663		19,663	
73	Church of the Intercession	Manhattan	247,096	41,231	4,390		36,841	
74	Church of Our Savior	Manhattan		20,050	20,050		-	
75	Trinity/St. Paul's Church	New Rochelle	35,719	26,346			26,346	
76	All Saints' Church	Harrison		17,136	17,136		-	
77	Church of St. Simon the Cyrenian	New Rochelle	appeal pending	15,115	17,005	4,451	12,554	
78	St. Mary's Church	Mohegan Lake		16,886	16,886		-	
79	St. John's Church	Pleasantville	pmt plan	4,883	18,239	13,679	4,560	
80	St. Martin's Church	Manhattan	189,408	17,950			17,950	
81	Church of St. Paul's-on-the-Hill	Ossining	appeal pending		16,287		16,287	
82	Church of the Good Shepherd	Manhattan		17,705	17,705		-	
83	St. Joseph of Arimathea Church	Elmsford		15,146	15,146		-	
84	St. Andrew's Church	Manhattan	pmt plan	19,754	14,879		14,879	
85	Christ Church	Staten Island		20,087	20,087		-	
86	Church of the Ascension	Staten Island		15,876	15,876		-	
87	Church of the Mediator	Bronx		14,439	10,829		3,610	
88	St. Barnabas' Church	Ardasley	45,461	14,533			14,533	
89	St. John's Church	New City		16,152	16,152		-	
90	Church of Christ the King	Stone Ridge		15,597	15,597		-	

EXHIBIT B ASSESMENT HISTORY		Adjustment	Unpaid	2007 Assessments			
Parish	City	Board Status	Balances Prior to 2007	Total Assessment	Paid During 2007	Paid After 2007	Outstanding Unpaid Bal
91	Holy Cross Church	Kingston	appeal pending	7,548	15,096		15,096
92	Trinity Church	Ossining			15,763	15,763	-
93	St. Mark's Church	Yonkers			13,742	13,742	-
94	Eglise du St. Esprit	Manhattan			13,422	13,422	-
95	Church of the Divine Love	Montrose		41,645	14,846		14,846
96	Grace Church	Hastings-on-Hudson			13,773	13,773	-
97	St. Stephen's Church	Armonk			13,094	13,094	-
98	St. Alban's Church	Staten Island			13,050	13,050	-
99	St. Mary's Church (Manhattanville)	Manhattan		11,012	14,677		14,677
100	St. Luke's Church	Katonah			12,370	12,370	-
	<b>Total 51 - 100</b>			<b>710,487</b>	<b>984,791</b>	<b>661,763</b>	<b>66,795</b>
101	Christ Church	Tarrytown			12,259	12,259	-
102	Church of the Resurrection	Hopewell Junction			11,155	11,155	-
103	St. Andrew's Church	Hartsdale	appeal pending		15,583		15,583
104	Trinity Church	Bronx	appeal pending	49,516	10,706	1,000	9,706
105	St. John's Church	Kingston			9,914	9,914	-
106	St. Andrew's Church	Brewster		19,317	12,232		12,232
107	St. Ambrose' Church	Manhattan			9,497		9,497
108	Church of the Good Shepherd	Granite Springs	appeal pending		8,782	8,782	-
109	St. Paul's Church	Tivoli			10,117	10,117	-
110	St. John's Church (Tuckahoe)	Yonkers			7,734	7,734	-
111	St. Luke's Church	Eastchester			7,520	7,520	-
112	All Souls' Church,	Manhattan			7,467		1,000
113	St. Paul's Church	Bronx			7,460	7,460	-
114	St. Paul's Church	Pleasant Valley			7,237	7,237	-
115	St. Mark's Church-in-the-Bowery	Manhattan			5,967	1	5,966
116	All Saints' Church	Staten Island			8,837	8,837	-
117	St. Clement's Church	Manhattan		59,785	5,627	5,627	-
118	Zion Church	Dobbs Ferry			5,587	5,587	-
119	St. Paul's Church	Staten Island		14,454	5,997		5,997
120	Christ Church	Red Hook			5,231	5,231	-
121	St. Paul's Church	Yonkers			4,953	1,238	3,715
122	St. Mary's Church in the Highlands	Cold Springs			4,480	3,360	1,120
123	St. Luke's Chapel	Manhattan		24,617	4,054		4,054
124	Church of the Holy Innocents	Highland Falls			3,963	3,963	-
125	St. John's Church (Wilmot)	New Rochelle			3,912	3,912	-
126	St. Andrew's Church	Poughkeepsie			5,730	5,730	-
127	Holyrood Church	Manhattan			3,671	3,671	-
128	St. John's Church	Staten Island	pmt plan	9,096	3,316	1,000	2,316
129	St. Edmund's Church	Bronx			4,823	466	4,357
130	St. Stephen's Church	Bronx			2,483	2,483	-
131	Church of St. John the Evangelist	Barrytown			2,375	2,375	-
132	Church of St. Nicholas on-the- Hudson	New Hamburg			1,926	1,926	-
133	Holy Cross Church	Yonkers			2,219	2,219	-
134	St. Ann's Church for the Deaf	Manhattan			1,844	1,844	-
135	St. Simon's Church	Staten Island			1,600	1,600	-
136	Grace Church (City Island)	Bronx			1,524	1,524	-
137	Grace Church	Monroe			1,303	977	326
138	The Church of the Good Shepherd	Greenwood Lake			945	945	-
139	St. John's-in-the-Wilderness Church	Stony Point			1,594	1,594	-
140	St. Andrew's Chapel	Montgomery			790	790	-
141	St. Mark's Church	Chelsea			676	676	-
142	Christ Church	Patterson			991	991	-
143	St. Martha's Church	Bronx			529	529	-
144	St. John's Church	Arden			304	304	-
145	Mision San Pablo	Manhattan			-		-
146	Trinity Church	Saugerties		-			
147	St. Paul's Church	Chester		-			
148	St. Simeon's Church	Bronx					
	<b>Total 101- 145</b>			<b>176,785</b>	<b>234,914</b>	<b>152,579</b>	<b>16,484</b>
	<b>GRAND TOTAL</b>			<b>2,473,759</b>	<b>9,280,005</b>	<b>7,382,177</b>	<b>1,235,653</b>

EXHIBIT B ASSESMENT HISTORY			2008 Assessments				2009 Assessments		
Parish	City	Total Assessment	Paid During 2008	Paid After 2008	Outstanding Unpaid Bal	Total Assessment	Actual 2009 Pmts. @ 6/30/09	Percent on Schedule	
<b>Totals</b>		<b>9,889,168</b>	<b>7,682,116</b>	<b>374,863</b>	<b>1,832,188</b>	<b>10,538,883</b>	<b>3,523,974</b>	<b>67%</b>	
1	Trinity Parish	Manhattan	2,100,000	2,100,000	-	2,300,000	1,161,158	101%	
2	St. James' Church	Manhattan	767,606	767,606	-	863,557	298,964	69%	
3	St. Bartholomew's Church	Manhattan	759,222			822,101	-	0%	
4	St. Thomas Church	Manhattan	571,395	571,395	-	642,819	321,410	100%	
5	Grace Church	Manhattan	469,201	400,000	69,201	449,673	100,000	44%	
6	Church of the Heavenly Rest	Manhattan	397,477	298,108	99,369	424,905	212,452	100%	
7	Church of St. Luke-in-the-Fields	Manhattan	246,999	246,999	-	233,196	116,598	100%	
8	St. Matthew's Church	Bedford	219,900	219,900	-	227,143	113,572	100%	
9	Church of the Ascension	Manhattan	190,290	190,290	-	191,138	47,785	50%	
10	Christ's Church	Rye	159,912	159,912	-	164,648	82,324	100%	
	<b>Total top 10</b>		<b>5,882,002</b>	<b>4,954,210</b>	<b>99,369</b>	<b>6,319,180</b>	<b>2,454,263</b>	<b>39%</b>	
11	Calvary/St. George's Church	Manhattan	152,597	76,299		166,365	-	0%	
12	St. John's Church	Larchmont	140,435	140,435	-	143,670	35,918	50%	
13	St. Michael's Church	Manhattan	134,841	120,000		151,696	50,000	66%	
14	All Angels' Church	Manhattan	132,039			126,921	-	0%	
15	Holy Trinity Church	Manhattan	127,344	63,672	63,672	117,011	14,626	25%	
16	Christ Church	Bronxville	125,424	125,424	-	141,102	5,000	7%	
17	St. Luke's Church	Bronx	106,692		9,058	110,648	942	2%	
18	Church of St. James the Less	Scarsdale	106,525	106,525	-	118,988	59,494	100%	
19	Christ & St. Stephen's Church	Manhattan	91,175	91,175	-	97,606	48,804	100%	
20	Church of St. Mary the Virgin	Manhattan	87,451	43,726		98,382	-	0%	
	<b>Total 11 - 20</b>		<b>1,204,523</b>	<b>767,255</b>	<b>72,730</b>	<b>1,272,389</b>	<b>214,784</b>	<b>34%</b>	
21	St. Philip's Church	Manhattan	86,131	44,000		96,899	24,000	50%	
22	Parish of Christ the Redeemer,	Pelham Manor	81,961	61,470	20,490	92,206	20,000	43%	
23	Grace Church	White Plains	78,088			87,849	-	0%	
24	St. Barnabas' Church	Irvington-on-Hudson	77,546	38,773	38,773	79,224	-	0%	
25	Church of the Incarnation	Manhattan	75,039	56,279	18,760	76,946	19,237	50%	
26	Grace Church	Nyack	64,000	64,000	-	69,210	26,667	77%	
27	Church of the Transfiguration	Manhattan	63,835	63,835	-	71,815	35,908	100%	
28	St. Mary's Church	Scarborough	62,931			42,116	-	0%	
29	St. Mary's Church	Tuxedo Park	62,734	62,734	-	65,230	32,616	100%	
30	St. John's Church (Getty Square)	Yonkers	60,349	2,000		57,019	2,327	8%	
	<b>Total 21 - 30</b>		<b>712,613</b>	<b>393,092</b>	<b>78,023</b>	<b>738,514</b>	<b>160,755</b>	<b>44%</b>	

EXHIBIT B ASSESMENT HISTORY			2008 Assessments				2009 Assessments		
Parish	City	Total Assessment	Paid During 2008	Paid After 2008	Outstanding Unpaid Bal	Total Assessment	Actual 2009 Pmts. @ 6/30/09	Percent on Schedule	
31	Grace Church	Millbrook	54,994	27,497	27,497	(0)	61,868	13,949	45%
32	St. Mark's Church	Mt.Kisco	52,235	52,235		-	57,454	28,728	100%
33	St. Thomas' Church	Mamaroneck	51,933	51,933		-	58,424	29,212	100%
34	Church of St. Matthew & St. Timothy	Manhattan	49,956	49,956		-	50,169	25,084	100%
35	Church of the Ascension	Mt. Vernon	48,693	48,693		-	50,403	-	0%
36	All Saints' Church	Manhattan	47,494	47,494		-	53,431	26,716	100%
37	Church of St. Ignatius	Manhattan	45,095	45,095		-	46,413	19,339	83%
38	St. Philip's Church in the Highlands	Garrison	44,389			44,389	40,525	-	0%
39	Zion Church	Wappingers Falls	44,082	44,082		-	45,121	-	0%
40	Christ Church	Poughkeepsie	40,700	33,025	7,675	-	40,963	4,000	20%
41	St. Mary's Church	Chappaqua	40,234	40,234		-	41,802	20,901	100%
42	St. Peter's Church	Peekskill	39,473	19,737		19,737	40,527	-	0%
43	Church of the Holy Apostles	Manhattan	37,997	37,997		-	42,401	21,201	100%
44	Christ Church, Riverdale	Bronx	35,146	35,146		-	35,888	17,944	100%
45	St. John's Church	South Salem	35,113	35,113		-	38,138	19,069	100%
46	St. Augustine's Church	Manhattan	33,642	13,000		20,642	32,164	7,741	48%
47	Church of the Resurrection	Manhattan	32,489			32,489	36,551	-	0%
48	St. John's in the Village	Manhattan	32,319	32,319		-	36,359	18,180	100%
49	St. Andrew's Church	Staten Island	30,822	15,411	7,706	7,706	34,674	-	0%
50	St. Mary's Church (Castleton)	Staten Island	30,242	30,242		-	28,133	11,722	83%
	<b>Total 31 - 50</b>		<b>827,048</b>	<b>659,208</b>	<b>42,878</b>	<b>124,963</b>	<b>871,408</b>	<b>263,786</b>	<b>61%</b>
51	St. Peter's Church	Bronx	29,193	29,193		-	32,842	2,080	13%
52	Church of the Good Shepherd	Bronx	29,171	29,171		-	29,751	14,876	100%
53	St. James' Church	North Salem	28,686	28,686		-	29,342	-	0%
54	Grace Church,	Middletown	28,131	28,131		-	29,635	14,818	100%
55	St. Peter's Church	Manhattan	28,104		28,104	-	31,618	15,809	100%
56	St. James' Church	Hyde Park	28,080			28,080	27,538	-	0%
57	Church of the Messiah	Rhinebeck	27,993	27,993		-	28,819	14,410	100%
58	Congregation of St. Saviour	Manhattan	26,818	26,818		-	27,406	13,704	100%
59	St. Luke's Church	Somers	26,025	19,519	6,506	-	25,703	-	0%
60	Church of the Crucifixion	Manhattan	26,016			26,016	29,268	-	0%
61	Church of St. Edward the Martyr	Manhattan	25,542	25,542		-	28,735	14,368	100%
62	Christ Church	Warwick	25,325	25,325		-	28,490	14,246	100%
63	St. John's Church	Cornwall	25,176	25,176		-	23,949	5,987	50%
64	St. Andrew's Church	Bronx	24,789	24,789		-	24,212	12,106	100%
65	Church of the Epiphany	Manhattan	23,822	23,822		-	26,800	13,400	100%
66	St. Peter's Church	Lithgow	23,720	23,720		-	22,640	11,320	100%
67	All Saints' Church	Briarcliff Manor	21,769	21,769		-	24,490	12,246	100%
68	Trinity Church	Fishkill	21,342	21,342		-	24,010	12,005	100%
69	St. James's Church	Goshen	20,981	20,981		-	22,931	11,466	100%
70	St. Stephen's Church	Pearl River	20,343	20,343		-	19,824	8,260	83%
71	St. Augustine's Church	Croton-on-Hudson	20,096	20,096		-	21,877	10,939	100%
72	St. Bartholomew's Church	White Plains	20,095	4,000		16,095	22,607	-	0%
73	Church of the Intercession	Manhattan	19,672	4,437		15,235	22,131	-	0%
74	Church of Our Savior	Manhattan	19,475	19,475		-	21,909	10,955	100%
75	Trinity/St. Paul's Church	New Rochelle	19,334			19,334	12,279	-	0%
76	All Saints' Church	Harrison	19,182	19,182		-	20,985	10,493	100%
77	Church of St. Simon the Cyrenian	New Rochelle	19,130	11,488	7,642	-	20,363	5,091	50%
78	St. Mary's Church	Mohegan Lake	18,997	18,997		-	19,913	9,956	100%
79	St. John's Church	Pleasantville	18,052	18,052		-	20,309	10,154	100%
80	St. Martin's Church	Manhattan	17,950			17,950	17,950	-	0%
81	Church of St. Paul's-on-the-Hill	Ossining	17,924	4,481	13,443	-	17,274	-	0%
82	Church of the Good Shepherd	Manhattan	17,652	8,826	5,500	3,326	19,859	4,500	45%
83	St. Joseph of Arimathea Church	Elmsford	17,039	17,039		-	19,169	9,584	100%
84	St. Andrew's Church	Manhattan	16,739	5,121	11,619	-	18,831	1,637	17%
85	Christ Church	Staten Island	16,397	16,397		-	18,447	9,224	100%
86	Church of the Ascension	Staten Island	16,376	16,376		-	17,741	8,870	100%
87	Church of the Mediator	Bronx	16,244			16,244	18,274	-	0%
88	St. Barnabas' Church	Ardley	16,188			16,188	14,998	-	0%
89	St. John's Church	New City	16,090	16,090		-	14,225	7,112	100%
90	Church of Christ the King	Stone Ridge	16,069	16,069		-	16,610	8,305	100%

EXHIBIT B ASSESMENT HISTORY			2008 Assessments				2009 Assessments		
Parish	City	Total Assessment	Paid During 2008	Paid After 2008	Outstanding Unpaid Bal	Total Assessment	Actual 2009 Pmts. @ 6/30/09	Percent on Schedule	
91	Holy Cross Church	Kingston	15,997			15,997	14,105	-	0%
92	Trinity Church	Ossining	15,962	15,962		-	16,786	8,394	100%
93	St. Mark's Church	Yonkers	15,460	15,460		-	17,392	4,348	50%
94	Eglise du St. Esprit	Manhattan	15,099	15,099		-	16,987	8,494	100%
95	Church of the Divine Love	Montrose	14,846			14,846	14,846	-	0%
96	Grace Church	Hastings-on-Hudson	14,740	14,740		-	16,583	8,292	100%
97	St. Stephen's Church	Armonk	14,731	11,048	3,683	(0)	16,572	8,286	100%
98	St. Alban's Church	Staten Island	14,533	14,533		-	15,045	7,522	100%
99	St. Mary's Church (Manhattanville)	Manhattan	14,349			14,349	16,143	-	0%
100	St. Luke's Church	Katonah	13,916	13,916		-	15,134	7,567	100%
	<b>Total 51 - 100</b>		<b>1,019,361</b>	<b>739,204</b>	<b>76,497</b>	<b>203,660</b>	<b>1,073,347</b>	<b>350,824</b>	<b>65%</b>
101	Christ Church	Tarrytown	13,792	13,792		-	15,515	7,758	100%
102	Church of the Resurrection	Hopewell Junction	12,515	12,515		-	13,303	3,326	50%
103	St. Andrew's Church	Hartsdale	12,061			12,061	9,936	-	0%
104	Trinity Church	Bronx	12,030	3,000		9,030	12,456	3,500	56%
105	St. John's Church	Kingston	11,153	11,153		-	12,547	6,274	100%
106	St. Andrew's Church	Brewster	10,910			10,910	12,088	-	0%
107	St. Ambrose' Church	Manhattan	10,684			10,684	11,774	-	0%
108	Church of the Good Shepherd	Granite Springs	9,880	9,880		-	10,291	5,146	100%
109	St. Paul's Church	Tivoli	9,296	9,296		-	8,987	4,044	90%
110	St. John's Church (Tuckahoe)	Yonkers	8,701	8,701		-	9,788	2,447	50%
111	St. Luke's Church	Eastchester	8,460	8,460		-	8,785	4,393	100%
112	All Souls' Church,	Manhattan	8,400			8,400	9,450	-	0%
113	St. Paul's Church	Bronx	8,392	8,392		-	9,441	4,720	100%
114	St. Paul's Church	Pleasant Valley	7,621	7,621		-	8,020	4,010	100%
115	St. Mark's Church-in-the-Bowery	Manhattan	6,713	5,035	1,678	-	7,552	1,888	50%
116	All Saints' Church	Staten Island	6,701	6,701		-	7,095	3,548	100%
117	St. Clement's Church	Manhattan	6,331	6,331		-	7,122	-	0%
118	Zion Church	Dobbs Ferry	6,285	6,285		-	7,071	3,536	100%
119	St. Paul's Church	Staten Island	6,159			6,159	6,159	-	0%
120	Christ Church	Red Hook	5,634	5,634		-	6,221	3,110	100%
121	St. Paul's Church	Yonkers	5,572	4,179	1,393	(0)	-	-	
122	St. Mary's Church in the Highlands	Cold Springs	5,040	3,780	1,260	0	5,670	1,418	50%
123	St. Luke's Chapel	Manhattan	4,561			4,561	5,131	-	0%
124	Church of the Holy Innocents	Highland Falls	4,458	4,458		-	5,015	2,508	100%
125	St. John's Church (Wilmot)	New Rochelle	4,401	4,401		-	4,951	2,476	100%
126	St. Andrew's Church	Poughkeepsie	4,144	3,108	1,036	-	3,960	990	50%
127	Holyrood Church	Manhattan	4,130	4,130		-	4,647	2,324	100%
128	St. John's Church	Staten Island	3,730			3,730	4,196	-	0%
129	St. Edmund's Church	Bronx	3,615	43		3,572	4,067	-	0%
130	St. Stephen's Church	Bronx	2,794	2,794		-	3,143	1,572	100%
131	Church of St. John the Evangelist	Barrytown	2,672	2,672		-	3,006	1,504	100%
132	Church of St. Nicholas on-the- Hudson	New Hamburg	2,167	2,167		-	2,350	1,198	102%
133	Holy Cross Church	Yonkers	2,147	2,147		-	2,411	1,206	100%
134	St. Ann's Church for the Deaf	Manhattan	2,074	2,074		-	2,334	1,168	100%
135	St. Simon's Church	Staten Island	1,800	1,800		-	2,025	1,012	100%
136	Grace Church (City Island)	Bronx	1,715	1,715		-	1,929	964	100%
137	Grace Church	Monroe	1,466	1,466		-			
138	The Church of the Good Shepherd	Greenwood Lake	1,064	1,064		-	1,166	584	100%
139	St. John's-in-the-Wilderness Church	Stony Point	971	971		-	1,092	546	100%
140	St. Andrew's Chapel	Montgomery	790	790		-			
141	St. Mark's Church	Chelsea	761	761		-	856	428	100%
142	Christ Church	Patterson	698	698		-	320	160	100%
143	St. Martha's Church	Bronx	595	595		-	669	334	100%
144	St. John's Church	Arden	342	342		-	385	192	100%
145	Mision San Pablo	Manhattan	198	198		-	177	88	99%
146	Trinity Church	Saugerties					6,012	-	0%
147	St. Paul's Church	Chester					2,380	1,190	100%
148	St. Simeon's Church	Bronx					2,552	-	0%
	<b>Total 101- 145</b>		<b>243,621</b>	<b>169,147</b>	<b>5,367</b>	<b>69,107</b>	<b>264,045</b>	<b>79,562</b>	<b>60%</b>
	<b>GRAND TOTAL</b>		<b>9,889,168</b>	<b>7,682,116</b>	<b>374,863</b>	<b>1,832,188</b>	<b>10,538,883</b>	<b>3,523,974</b>	<b>67%</b>

<b>EXHIBIT C</b>		<b>The 2009</b>	<b>20% Discount</b>	
<b>Parish</b>	<b>City</b>	<b>Assessment</b>	<b>of 2009</b>	
			<b>Assessment</b>	
<b>TOTAL</b>		<b>10,532,871</b>	<b>9,026,351</b>	
1	Trinity Parish	Manhattan	2,300,000	2,300,000
2	St. James' Church	Manhattan	863,557	690,846
3	St. Bartholomew's Church	Manhattan	822,101	657,681
4	St. Thomas Church	Manhattan	642,819	642,819
5	Grace Church	Manhattan	449,673	359,738
6	Church of the Heavenly Rest	Manhattan	424,905	339,924
7	Church of St. Luke-in-the-Fields	Manhattan	233,196	186,557
8	St. Matthew's Church	Bedford	227,143	181,714
9	Church of the Ascension	Manhattan	191,138	152,910
10	Christ's Church	Rye	164,648	131,718
<b>Total Top 10</b>		<b>6,319,180</b>	<b>5,643,908</b>	
11	Calvary/St. George's Church	Manhattan	166,365	133,092
12	St. Michael's Church	Manhattan	151,696	121,357
13	Christ Church	Bronxville	141,102	112,882
14	St. John's Church	Larchmont	143,670	114,936
15	Church of St. James the Less	Scarsdale	118,988	95,190
16	All Angels' Church	Manhattan	126,921	101,537
17	Church of St. Mary the Virgin	Manhattan	98,382	78,706
18	St. Luke's Church	Bronx	110,648	88,518
19	St. Philip's Church	Manhattan	96,899	77,519
20	Christ & St. Stephen's Church	Manhattan	97,606	78,085
<b>Total 11-20</b>		<b>1,252,277</b>	<b>1,001,822</b>	
21	Holy Trinity Church	Manhattan	117,011	93,609
22	Parish of Christ the Redeemer,	Pelham Manor	92,206	73,765
23	Grace Church	White Plains	87,849	70,279
24	Church of the Incarnation	Manhattan	76,946	61,557
25	Church of the Transfiguration	Manhattan	71,815	57,452
26	St. Barnabas' Church	Irvington-on-Hudson	79,224	63,379
27	Grace Church	Nyack	69,210	55,368
28	St. Mary's Church	Tuxedo Park	65,230	52,184
29	St. Mark's Church	Mt.Kisco	57,454	57,454
30	Grace Church	Millbrook	61,868	49,494
<b>Total 21-30</b>		<b>778,813</b>	<b>634,541</b>	
31	All Saints' Church	Manhattan	53,431	42,745
32	St. Thomas' Church	Mamaroneck	58,424	46,739
33	Church of St. Ignatius	Manhattan	46,413	37,130
34	Church of the Ascension	Mt. Vernon	50,403	40,322
35	St. John's Church (Getty Square)	Yonkers	57,019	45,615
36	Church of the Holy Apostles	Manhattan	42,401	33,921
37	Zion Church	Wappingers Falls	45,121	36,097
38	Church of St. Matthew & St. Timothy	Manhattan	50,169	40,135
39	St. Mary's Church	Chappaqua	41,802	33,442
40	St. Philip's Church in the Highlands	Garrison	40,525	32,420
41	Church of the Resurrection	Manhattan	36,551	29,241
42	St. John's Church	South Salem	38,138	30,510
43	Christ Church	Poughkeepsie	40,963	32,770
44	St. Peter's Church	Peekskill	40,527	32,422
45	St. Andrew's Church	Staten Island	34,674	27,739
46	St. John's in the Village	Manhattan	36,359	29,087
47	St. Peter's Church	Bronx	32,842	26,274
48	St. Peter's Church	Manhattan	31,618	25,294
49	Christ Church, Riverdale	Bronx	35,888	28,710
50	Christ Church	Warwick	28,490	22,792
<b>Total 31-50</b>		<b>841,758</b>	<b>673,406</b>	

EXHIBIT C			The 2009	20% Discount
Parish	City		Assessment	of 2009
				Assessment
51	Church of the Messiah	Rhinebeck	28,819	23,055
52	Grace Church,	Middletown	29,635	23,708
53	St. Augustine's Church	Manhattan	32,164	25,731
54	Church of the Epiphany	Manhattan	26,800	21,440
55	Church of the Good Shepherd	Bronx	29,751	23,801
56	Church of the Crucifixion	Manhattan	29,268	23,414
57	Congregation of St. Saviour	Manhattan	27,406	21,925
58	All Saints' Church	Briarcliff Manor	24,490	19,592
59	Church of St. Edward the Martyr	Manhattan	28,735	22,988
60	St. Andrew's Church	Bronx	24,212	19,370
61	Trinity Church	Fishkill	24,010	19,208
62	St. Mary's Church (Castleton)	Staten Island	28,133	22,506
63	St. James' Church	Hyde Park	27,538	22,030
64	St. Luke's Church	Somers	25,703	20,562
65	St. Peter's Church	Lithgow	22,640	18,112
66	St. Bartholomew's Church	White Plains	22,607	18,086
67	Church of the Intercession	Manhattan	22,131	17,705
68	St. James's Church	Goshen	22,931	18,345
69	Church of Our Savior	Manhattan	21,909	17,527
70	St. Augustine's Church	Croton-on-Hudson	21,877	17,502
71	St. John's Church	Pleasantville	20,309	16,247
72	Church of St. Simon the Cyrenian	New Rochelle	20,363	16,290
73	St. John's Church	Cornwall	23,949	19,159
74	St. Joseph of Arimathea Church	Elmsford	19,169	15,335
75	St. Andrew's Church	Manhattan	18,831	15,065
76	St. Mary's Church	Scarborough	42,116	33,693
77	Christ Church	Staten Island	18,447	14,758
78	All Saints' Church	Harrison	20,985	16,788
79	Church of the Good Shepherd	Manhattan	19,859	15,887
80	St. Mary's Church	Mohegan Lake	19,913	15,930
81	St. Stephen's Church	Pearl River	19,824	15,859
82	St. Mark's Church	Yonkers	17,392	13,914
83	St. James' Church	North Salem	29,342	23,474
84	Eglise du St. Esprit	Manhattan	16,987	13,590
85	Grace Church	Hastings-on-Hudson	16,583	13,266
86	St. Stephen's Church	Armonk	16,572	13,258
87	Church of the Ascension	Staten Island	17,741	14,193
88	St. Mary's Church (Manhattanville)	Manhattan	16,143	12,914
89	St. Martin's Church	Manhattan	17,950	14,360
90	Christ Church	Tarrytown	15,515	12,412
91	Church of Christ the King	Stone Ridge	16,610	13,288
92	Church of the Mediator	Bronx	18,274	14,619
93	Church of St. Paul's-on-the-Hill	Ossining	17,274	13,819
94	Trinity Church	Ossining	16,786	13,429
95	St. Luke's Church	Katonah	15,134	12,107
96	St. Alban's Church	Staten Island	15,045	12,036
97	Church of the Resurrection	Hopewell Junction	13,303	10,642
98	Church of the Divine Love	Montrose	14,846	11,877
99	St. John's Church	New City	14,225	11,380
100	St. John's Church	Kingston	12,547	10,038
<b>Total 51-100</b>			<b>1,082,793</b>	<b>866,234</b>

**EXHIBIT C**

Parish	City	The 2009 Assessment	20% Discount of 2009 Assessment	
101	Trinity/St. Paul's Church	New Rochelle	12,279	9,823
102	St. Andrew's Church	Brewster	12,088	9,670
103	St. Barnabas' Church	Ardsley	14,998	11,998
104	Holy Cross Church	Kingston	14,105	11,284
105	St. John's Church (Tuckahoe)	Yonkers	9,788	7,830
106	Trinity Church	Bronx	12,456	9,965
107	All Souls' Church,	Manhattan	9,450	7,560
108	St. Paul's Church	Bronx	9,441	7,553
109	St. Andrew's Church	Hartsdale	9,936	7,949
110	St. Paul's Church	Tivoli	8,987	7,190
111	Church of the Good Shepherd	Granite Springs	10,291	8,233
112	St. Luke's Church	Eastchester	8,785	7,028
113	St. Paul's Church	Pleasant Valley	8,020	6,416
114	St. Ambrose' Church	Manhattan	11,774	9,419
115	St. Mark's Church-in-the-Bowery	Manhattan	7,552	6,042
116	St. Clement's Church	Manhattan	7,122	5,698
117	All Saints' Church	Staten Island	7,095	5,676
118	Zion Church	Dobbs Ferry	7,071	5,657
119	Christ Church	Red Hook	6,221	4,977
120	St. Mary's Church in the Highlands	Cold Springs	5,670	4,536
121	St. Paul's Church	Staten Island	6,159	4,927
122	St. Luke's Chapel	Manhattan	5,131	4,105
123	Church of the Holy Innocents	Highland Falls	5,015	4,012
124	St. John's Church (Wilmot)	New Rochelle	4,951	3,961
125	Holyrood Church	Manhattan	4,647	3,718
126	St. John's Church	Staten Island	4,196	3,357
127	St. Andrew's Church	Poughkeepsie	3,960	3,168
128	St. Edmund's Church	Bronx	4,067	3,254
129	St. Stephen's Church	Bronx	3,143	2,514
130	Church of St. John the Evangelist	Barrytown	3,006	2,405
131	Holy Cross Church	Yonkers	2,411	1,929
132	Church of St. Nicholas on-the- Hudson	New Hamburg	2,350	1,880
133	St. Ann's Church for the Deaf	Manhattan	2,334	1,867
134	St. Simeon's Church	Bronx	2,552	2,042
135	St. Paul's Church	Chester	2,380	1,904
136	St. Simon's Church	Staten Island	2,025	1,620
137	Grace Church (City Island)	Bronx	1,929	1,543
138	St. John's-in-the-Wilderness Church	Stony Point	1,092	874
139	The Church of the Good Shepherd	Greenwood Lake	1,166	933
140	St. Mark's Church	Chelsea	856	685
141	St. Martha's Church	Bronx	669	535
142	St. John's Church	Arden	385	308
143	Christ Church	Patterson	320	256
144	Mision San Pablo	Manhattan	177	142
<b>Over 100</b>		<b>258,050</b>	<b>206,440</b>	
<b>Total Assessment</b>		<b>10,532,871</b>	<b>9,026,351</b>	

<b>EXHIBIT D</b>			<b>2010</b>	<b>2010</b>
			<b>Assessment</b>	<b>Assessment</b>
<b>Parish</b>	<b>City</b>		<b>Current</b>	<b>Proposed</b>
			<b>Rates</b>	<b>Reduction</b>
<b>Total Assessments</b>			<b>11,029,310</b>	<b>9,316,445</b>
1	Trinity Parish	Manhattan	2,500,000	2,300,000
2	St. James' Church	Manhattan	943,830	751,731
3	St. Bartholomew's Church	Manhattan	737,423	586,738
4	St. Thomas Church	Manhattan	723,171	723,171
5	Grace Church	Manhattan	464,377	368,301
6	Church of the Heavenly Rest	Manhattan	420,525	333,076
7	Church of St. Luke-in-the-Fields	Manhattan	247,432	194,745
8	St. Matthew's Church	Bedford	225,540	177,232
9	Church of the Ascension	Manhattan	199,002	156,001
10	Christ's Church	Rye	180,746	141,397
<b>Total Top 10</b>			<b>6,642,046</b>	<b>5,732,392</b>
11	Calvary/St. George's Church	Manhattan	175,971	137,450
12	St. Michael's Church	Manhattan	170,658	170,658
13	Christ Church	Bronxville	158,740	127,393
14	St. John's Church	Larchmont	148,658	115,715
15	Church of St. James the Less	Scarsdale	132,434	102,747
16	All Angels' Church	Manhattan	118,608	91,686
17	Church of St. Mary the Virgin	Manhattan	110,680	96,852
18	St. Luke's Church	Bronx	109,717	84,573
19	St. Philip's Church	Manhattan	109,011	95,143
20	Christ & St. Stephen's Church	Manhattan	107,953	83,159
<b>Total 11-20</b>			<b>1,342,430</b>	<b>1,105,376</b>
21	Holy Trinity Church	Manhattan	105,511	81,209
22	Parish of Christ the Redeemer,	Pelham Manor	103,732	99,852
23	Grace Church	White Plains	98,830	82,303
24	Church of the Incarnation	Manhattan	86,564	73,997
25	Church of the Transfiguration	Manhattan	80,792	80,549
26	St. Barnabas' Church	Irvington-on-Hudson	74,198	56,523
27	Grace Church	Nyack	74,182	56,511
28	St. Mary's Church	Tuxedo Park	69,589	53,067
29	St. Mark's Church	Mt. Kisco	64,342	49,132
30	Grace Church	Millbrook	60,572	46,304
<b>Total 21-30</b>			<b>818,312</b>	<b>679,447</b>
31	All Saints' Church	Manhattan	60,110	60,110
32	St. Thomas' Church	Mamaroneck	54,908	42,056
33	Church of St. Ignatius	Manhattan	52,215	40,394
34	Church of the Ascension	Mt. Vernon	49,929	38,322
35	St. John's Church (Getty Square)	Yonkers	46,303	35,602
36	Church of the Holy Apostles	Manhattan	43,833	33,750
37	Zion Church	Wappingers Falls	42,614	32,836
38	Church of St. Matthew & St. Timothy	Manhattan	41,888	31,735
39	St. Mary's Church	Chappaqua	41,802	32,226
40	St. Philip's Church in the Highlands	Garrison	41,369	31,877
41	Church of the Resurrection	Manhattan	41,120	41,120
42	St. John's Church	South Salem	40,660	31,300
43	Christ Church	Poughkeepsie	40,406	31,088
44	St. Peter's Church	Peekskill	39,777	30,547
45	St. Andrew's Church	Staten Island	39,008	33,338
46	St. John's in the Village	Manhattan	38,507	29,506
47	St. Peter's Church	Bronx	36,947	36,468
48	St. Peter's Church	Manhattan	35,570	32,005
49	Christ Church, Riverdale	Bronx	34,629	26,274
50	Christ Church	Warwick	32,051	26,606
<b>Total 31-50</b>			<b>853,646</b>	<b>697,160</b>

<b>EXHIBIT D</b>			<b>2010</b>	<b>2010</b>
			<b>Assessment</b>	<b>Assessment</b>
			<b>Current</b>	<b>Proposed</b>
	<b>Parish</b>	<b>City</b>	<b>Rates</b>	<b>Reduction</b>
51	Church of the Messiah	Rhinebeck	31,453	23,627
52	Grace Church,	Middletown	30,982	23,235
53	St. Augustine's Church	Manhattan	30,544	22,870
54	Church of the Epiphany	Manhattan	30,150	30,150
55	Church of the Good Shepherd	Bronx	28,617	21,263
56	Church of the Crucifixion	Manhattan	28,576	21,230
57	Congregation of St. Saviour	Manhattan	27,881	20,651
58	All Saints' Church	Briarcliff Manor	27,551	23,951
59	Church of St. Edward the Martyr	Manhattan	27,530	20,358
60	St. Andrew's Church	Bronx	27,239	20,901
61	Trinity Church	Fishkill	26,694	19,661
62	St. Mary's Church (Castleton)	Staten Island	26,676	19,646
63	St. James' Church	Hyde Park	26,384	19,377
64	St. Luke's Church	Somers	26,238	19,281
65	St. Peter's Church	Lithgow	25,470	19,017
66	St. Bartholomew's Church	White Plains	25,433	22,784
67	Church of the Intercession	Manhattan	24,897	18,708
68	St. James's Church	Goshen	24,782	18,069
69	Church of Our Savior	Manhattan	24,648	20,797
70	St. Augustine's Church	Croton-on-Hudson	24,020	17,433
71	St. John's Church	Pleasantville	22,848	19,045
72	Church of St. Simon the Cyrenian	New Rochelle	22,472	16,315
73	St. John's Church	Cornwall	22,102	16,068
74	St. Joseph of Arimathea Church	Elmsford	21,565	19,373
75	St. Andrew's Church	Manhattan	21,185	16,248
76	St. Mary's Church	Scarborough	20,940	15,294
77	Christ Church	Staten Island	20,753	20,753
78	All Saints' Church	Harrison	20,666	15,101
79	Church of the Good Shepherd	Manhattan	20,423	14,949
80	St. Mary's Church	Mohegan Lake	20,222	14,815
81	St. Stephen's Church	Pearl River	19,582	14,388
82	St. Mark's Church	Yonkers	19,438	14,292
83	St. James' Church	North Salem	19,301	14,191
84	Eglise du St. Esprit	Manhattan	19,110	19,110
85	Grace Church	Hastings-on-Hudson	18,656	13,781
86	St. Stephen's Church	Armonk	18,644	14,411
87	Church of the Ascension	Staten Island	18,235	13,490
88	St. Mary's Church (Manhattanville)	Manhattan	18,161	16,601
89	St. Martin's Church	Manhattan	17,800	13,200
90	Christ Church	Tarrytown	17,454	14,973
91	Church of Christ the King	Stone Ridge	17,261	12,836
92	Church of the Mediator	Bronx	17,174	12,778
93	Church of St. Paul's-on-the-Hill	Ossining	16,802	12,535
94	Trinity Church	Ossining	16,609	12,406
95	St. Luke's Church	Katonah	15,852	11,901
96	St. Alban's Church	Staten Island	15,842	11,895
97	Church of the Resurrection	Hopewell Junction	14,966	11,472
98	Church of the Divine Love	Montrose	14,846	11,231
99	St. John's Church	New City	14,356	10,904
100	St. John's Church	Kingston	14,115	13,954
<b>Total 51-100</b>			<b>1,103,144</b>	<b>861,319</b>

<b>EXHIBIT D</b>		<b>2010</b>	<b>2010</b>	
<b>Parish</b>	<b>City</b>	<b>Assessment Current Rates</b>	<b>Assessment Proposed Reduction</b>	
101	Trinity/St. Paul's Church	New Rochelle	13,814	13,005
102	St. Andrew's Church	Brewster	13,266	10,177
103	St. Barnabas' Church	Ardsey	13,123	10,082
104	Holy Cross Church	Kingston	11,943	9,295
105	St. John's Church (Tuckahoe)	Yonkers	11,012	11,012
106	Trinity Church	Bronx	10,949	8,633
107	All Souls' Church,	Manhattan	10,631	9,336
108	St. Paul's Church	Bronx	10,621	10,621
109	St. Andrew's Church	Hartsdale	10,491	8,327
110	St. Paul's Church	Tivoli	10,110	8,264
111	Church of the Good Shepherd	Granite Springs	10,100	8,067
112	St. Luke's Church	Eastchester	9,640	7,760
113	St. Paul's Church	Pleasant Valley	9,023	7,464
114	St. Ambrose' Church	Manhattan	8,657	7,105
115	St. Mark's Church-in-the-Bowery	Manhattan	8,496	8,496
116	St. Clement's Church	Manhattan	8,012	8,012
117	All Saints' Church	Staten Island	7,982	6,982
118	Zion Church	Dobbs Ferry	7,955	7,955
119	Christ Church	Red Hook	6,641	5,451
120	St. Mary's Church in the Highlands	Cold Springs	6,379	6,379
121	St. Paul's Church	Staten Island	6,159	5,049
122	St. Luke's Chapel	Manhattan	5,772	5,772
123	Church of the Holy Innocents	Highland Falls	5,642	5,642
124	St. John's Church (Wilmot)	New Rochelle	5,570	5,570
125	Holyrood Church	Manhattan	5,228	5,228
126	St. John's Church	Staten Island	4,721	4,721
127	St. Andrew's Church	Poughkeepsie	4,455	4,260
128	St. Edmund's Church	Bronx	4,098	3,331
129	St. Stephen's Church	Bronx	3,536	3,536
130	Church of St. John the Evangelist	Barrytown	3,382	3,382
131	Holy Cross Church	Yonkers	2,712	2,712
132	Church of St. Nicholas on-the- Huds	New Hamburg	2,644	2,644
133	St. Ann's Church for the Deaf	Manhattan	2,626	2,457
134	St. Simeon's Church	Bronx	2,552	2,552
135	St. Paul's Church	Chester	2,380	2,380
136	St. Simon's Church	Staten Island	2,278	2,278
137	Grace Church (City Island)	Bronx	2,170	2,170
138	St. John's-in-the-Wilderness Church	Stony Point	1,229	1,229
139	The Church of the Good Shepherd	Greenwood Lake	1,148	918
140	St. Mark's Church	Chelsea	963	963
141	St. Martha's Church	Bronx	753	753
142	St. John's Church	Arden	433	433
143	Christ Church	Patterson	298	238
144	Mission San Pablo	Manhattan	139	111
<b>Over 100</b>		<b>269,731</b>	<b>240,750</b>	
<b>Total Assessment</b>		<b>11,029,310</b>	<b>9,316,445</b>	