

FINANCE COMMITTEE
MINUTES
September 19, 2016

The Finance Committee conducted its September 2016 meeting at The Church of The Redeemer, Bryn Mawr at 6:30 PM on Monday, September 19, 2016.

Present: Eric Rabe, Rev. Charles Flood, John Loftus, Dana Hall, James Pope, Rev. Mike Rau, Rev. Deidre Whitfield, Norman McClave, Rob Rogers, Ann Booth-Barbarin, Doug Sisk, Cannon Sean Wamsley, Rev. Adam Kradel

Guest: Kirk Muller, Andrew Kuhn

Absent: Bishop Daniel Gutierrez, Pat Smith, George Masters

1. The meeting opened with prayer offered by Canon Wamsley
2. **Opening Comments:** In the absence of Eric, the Reverend Adam Kradel began the meeting, welcoming the Canon and welcoming all back from the summer break.
3. **Consent Agenda:** The minutes of the June 2016 meeting of the Finance Committee were unanimously approved with two minor changes to names.

The members of the Finance Committee acknowledged the following actions taken by unanimous consent since the meeting in June

- Report of Finance Committee electronic approval of **St. John's Huntington Valley** request to sell the "New Church" property. The Committee on Aug. 11, 2016, by electronic vote, unanimously approved the resolution as follows:
RESOLVED: The Finance Committee recommends that St. Johns, Huntington Valley, be permitted to sell the portion of its property known as the "New Church" for a minimum price of \$800,000 in accordance with the attached document describing the sale and background and provided by the Church Senior Warden.
- On June 21, Finance Committee voting electronically recommended the sale of the rectory associated with **St. Faith's Church, Havertown.**

RESOLVED: The Finance Committee recommends the sale of the property known as the St. Faith's Church Rectory, in Havertown, PA, for not less than \$305,000 in accordance with an offer received for the property.

At its June 28, 2016 meeting, Standing Committee concurred.

4. **For Action:** Rob Rogers explained the proposed amounts for certain housing allowances for consideration. After discussion, motion made and seconded, it was unanimously

RESOLVED: The Finance Committee approves and recommends Standing Committee approve housing allowances as follows:

Bishop Daniel Gutierrez \$58,500

Canon Sean Wamsley \$39,000.

5. **Special Report from Youth Program.** Next Andrew Kuhn was welcomed to report on the Youth Programs. Andrew Kuhn of Youth and Family Services discussed the details of the changes in Servant Year for the 2016-2017 year and how changes will alter 2016 results and the 2017 budget. He explained that there were some system issues requiring reflection and review of the program and as a result there was a decision to take a one year hiatus to analyze and redesign the program consistent with strategy and mission of diocese and learning from the analysis. He also noted that the plan was to restart the program in 2017. Andrew distributed a report and reviewed the decrease to the budgeted amount for Servant Year and the effect of the hiatus to minimize losses. He then reported that City Camp was working hard to drive down the expenses. The largest expense is personnel and they are evaluating to see whether there is any opportunity to integrate any portion into churches. The Committee thanked Andrew for the presentation.
6. **Discussion and Action:** Adam reviewed changes to the proposed 2017 Diocese budget. He tied the proposed changes to the report on Servant Year as reviewed by Andrew Kuhn. He reviewed changes to the budget to keep certain expenses for 2017 static with 2016. Adam provided a quick overview of the budget for new members. In response to questions, Rob Rogers explained Parker Bulmer and ECS. After motion made and seconded, it was unanimously

RESOLVED: The Finance Committee approves changes in the proposed 2017 Diocese Budget and recommends approval of the Final Proposed Budget attached to the minutes of this meeting by Diocese Convention meeting in November 2016.

7. **Discussion:** Parochial Subcommittee Rev Loftus provided a review of the status of the parochial consultation project, a proposed survey and the distributed written report. Reviewed the volunteer process and how to use the volunteers. Other uses will be determined once survey is completed. Survey was reviewed in detail. Suggestions were made for some changes which were accepted and will be included in final. This will be sent to all churches with message that diocese is there to help. The plan should include results to all participants and to the diocese at-large.

8. **Discussion:** Property & Casualty Insurance: Rob Rogers explained the status of Insurance noting that the Diocese uses group that provides insurance to the Episcopal Church and some others. There is a master policy. While insurance company prefer a claims ratios to be around 50% actual claims ratio within the diocese is normally higher. Nearly 85% of parishes are covered under the master policy. June 15 is anniversary date to renew for an additional year so before that date the Finance Committee discussed the suggestion to open for bids to see if other companies could be more efficient and effective. James Pope added that some larger churches have moved away from being covered under the master policy to the detriment of the small parishes. There is an ad hoc group reviewing the insurance opportunities to frame the nature of a required master policy and prepare the request for bids. The group wants to have this process progressed by early next year to determine what to do within the diocese and there will be a report back to the Finance Committee at that time

9. Discussion of Reports

- a. Financial Statements – Rob Rogers – Canon for Finance. Statements distributed and reviewed. Called attention to the cost of search for the new bishop. The mood of the diocese is good and from a budget standpoint we are in a good position. Rob will be leaving and Earl will stay on through audit cycle in 2017. Rob expressed his gratitude for being able to do his job over the years. Eric added that we wanted to officially recognize all of Rob’s contribution. James Pope then moved to recognize Rob’s outstanding contributions during his tenure which was seconded and unanimously approved with applause.
- b. Treasurer’s Report – James Pope, Treasurer. Nothing significant to add. James Pope asked about Norristown. Rob explained that the church had started to have monthly services with small attendance and there are lots of possibilities. It needs congregational development.
- c. Standing Committee Report – Deirdre Whitfield explained that there will be one standing committee member at each pre-convention meeting to talk about the process and consideration of incorporation of the diocese. There was nothing else to report
- d. Subcommittees
 - i. Budget - items not covered above – Adam Kradel. Series of meetings one was cancelled. The Bishop has proposed the consideration and possibility of having one pre-convention meeting through technology next year instead of multiple meetings.
 - ii. Investment – Dana Hall explained that the Investments subcommittee brings in outside experts to advise the Foundation and Investments subcommittee. The Foundation typically makes presentation to the Finance Committee which will occur next month. Anything that Finance Committee wants to be covered at the presentation needs to

be noted for Dana who will circulate an advance questionnaire. She noted that investment positions are now good.

- iii. Parochial Relations – John Loftus, Charles Flood See above
- iv. Property - items not covered above – Eric Rabe stepped in for George Masters. Request for an extension of a lease at Gloria Dei. Property committee met to discuss those things finance committee had approved and it is moving ahead. Discussion on process for selling property and many churches do not read the requirements set out in Canons as a result Sean McCauly is preparing a proposed checklist.

10. Other business. Question was raised about Deacon Fund. Rob explained how the Deacon fund is administered. Comes from Foundation income and is for the development and training of deaconate. Support of transitional deacons in six month process in transition to the priesthood.

11. Closing prayer. There being no further business, and after a closing prayer by Rev Charles Flood, the meeting was adjourned at 8:15 PM.

Go forth. Next Meeting Monday October 17, 2016 at 6:30 p.m. Church of the Redeemer.