



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, November 21, 2009
The Philadelphia Cathedral**

MINUTES

Attendance (arranged by Deanery)

Brandywine: Jeffrey Moretzsohn

Bucks: Douglas Sherwood, Emily Wolf

Conestoga:

Delaware: George Whitfield

Merion: Rev. Bill Duffey, Harriett Ball

Montgomery: Elise Bowers, Rev. Marek Zabriskie

Pennypack: Diane DeMar, Rev. Jon Clodfelter

Schuylkill: Debora Brown, Rev. Isaac Bonney

Southwark: Greg Clark, Jeanette Woehr

Valley Forge: Rev. Kathryn Andonian, Barry Norris, Candace Woessner

Wissahickon: Victoria Sicks, Patricia Smith

Rt. Rev. Rodney Michel, Michael Rehill, Peter Wilmerding

Guests: Lionel Broome, Joe Madison, Richard Woehr, William Barry

1. Opening prayer

Bishop Michel

Bishop Michel opened the meeting at 9:09 am with prayer.

2. Welcome and introductions

Bishop Michel

Council members were introduced and new members welcomed.

3. Adoption of the agenda

Bishop Michel

A motion was made by George Whitfield and seconded by the Rev. Bill Duffey to adopt the agenda. Motion carried.

4. Diocesan Council "101"

a. The Leadership Structure of the Diocese of Pennsylvania

(Bishop Michel)

The leadership structure of the Diocese of Pennsylvania begins with the Diocesan Bishop; followed by the Standing Committee, who provides advice to the Bishop; followed by the Diocesan Council, which consists of three representatives from each Deanery and carries out the wishes of convention; and then Committees and Commissions. The Bishop works with the Standing Committee sharing the duties of the Diocese. Legal matters, endowments and trusts are handled by the Standing Committee. The Standing Committee acted as the Bishop until an Acting Bishop was obtained. The Standing Committee works together and has good relationship with committees and commissions. Diocesan Council represents convention during the year. The Bishop grants licenses and retirements. The duties of the Standing Committees are canonical with national canons. They give permission for churches to sell property or take on loans and confirm elections of Bishops of Dioceses. The majority of Standing Committees and sitting Bishops have to approve the consecration of a Bishop. Finances of the Diocese are overseen by the Standing Committee.

b. What is the Diocesan Council, Anyway? Canonical roles and responsibilities, relationships to other leadership bodies, leadership structure of the Diocesan Council. (Bishop Michel and the Rev. William Duffey)

The Diocese began in 1784 with Bishop William White, rector of Christ Church. The Church would be a democratic institution with canon law and an elected convention. In the beginning Bishops were not permitted to attend convention. Bishops preserve the apostolic function to ordain and confirm. Standing Committees are

only in America churches. The Standing Committee provides checks and balances and is the ecclestical authority when a bishop is inhibited. Diocesan Council is a canonical creation that sets policy and raises money. The convention only meets one or two days a year. Diocesan Council carries out the wishes of the convention during the year. Convention gave Diocesan Council duties to present the program budget for the diocese. Diocesan Council is responsible for what convention wants done and be faithful to that charge and propose the budget which reflects policy decision.

c. Responsibilities and Expectations of Diocesan Council members (The Rev. Kathy Andonian)

Council members must attend meetings. If a member cannot attend meetings, they should not be on Council. Council members must serve on one or more committees. Some are elected members of Diocesan committees such as Finance and Property or Clergy and Pensions. Other are appointed members of committees or commissions. Some are the liaison from Council to committees and commissions being the bearer of communications between the two groups and Deanery meetings. Diocesan Council members are active with the Deanery taking information back and forth. Council members bring desires, questions and concerns of Deanery to Council building a sense of one community. If a member cannot attend and is a liaison, arrange to have another person present the report. Open emails and read them and read materials sent. Be ready to respond to materials sent.

d. Program Budget responsibilities (Ms. Patricia Smith)

Information regarding budget items is obtained from parishes and programs of parishes wanting support. The Program Budget committee reviews requests and awards money to parishes who have been good stewards of money in the past. The committee, working through out the year, prepares a transparent balanced budget that is responsible and accurate. The Program Budget is presented at convention to be reviewed and accepted. Concerns regarding a balanced budget is brought to Council.

e. Diocesan Committee participation and responsibilities (Mr. Jeff Moretzsohn)

Committees carry out Church work and the work of the Church such as administrative and financial duties that make the Church happen. Committee's responsibilities are to inform Diocesan Council of the work of Committees and communicate what is occurring. The Executive Committee plans the Council meetings. Four people are elected by the Council and work with the Bishop to develop an agenda. All committees and commissions are to be represented by Council members. Each Council member is to identify three committees they are willing to serve on and submit their selections to the Rev. Kathy Andonian. Committees are to submit written report to the secretary prior to meeting. Report will be incorporated into the minutes. Some committees are appointed by the Bishop. Some committees meet monthly some only quarterly.

f. Diocesan Financial Statements (Mr. Joe Suprenek, Treasurer)

At the next meeting the Diocesan Financial Statements will be presented.

g. Committee on Finance and Property (Mr. Peter Wilmerding)

Canons were changed in 2005 and 2006 regarding the election of Finance and Property members. Finance and Property duties are Section 6.3 of the Canons. The committee, no longer part of Council, consists of nine lay members and six clergy members serving three year terms. Finance and Property advise and support Diocesan Council and deal with the financial affairs of the Diocese. Finance and Property project assessment receipts which assists program budget discern pledging figures for the upcoming year. Finance and Property has five sub-committees. Two properties Wapiti and 3717-19 Chestnut Street are a drain on Diocesan finances. Many congregations are spending their endowments. Finance and Property advise and direct these congregations in finding other solutions. Closed Church fund is used for loans. Churches can take out a loan and repay it. Loan program is being rewritten. Loans could be up to \$25,000 but generally are \$15,000. The criteria for applying for a loan has changed. Loans will be given to congregations who are able to repay the loan.

- h. Communications (Ms. Jeanette Woehr, Secretary of Diocesan Council)
The Diocesan Council secretary sends notices of meetings and other communications regarding Council meetings. Committee reports are submitted to the secretary in writing prior to the Council meeting. Deans submit names, addresses, telephone numbers and email address of Council members in their Deanery. Any changes in this information should be submitted to the secretary. Inform the secretary if you are unable to attend a meeting.

Chancellor – Michael Rehill has knowledge of the Canons of Church. His legal advice guides us through the Canons. Mr. Rehill has served for two years. The Chancellor is an invaluable resource to the Bishop and the Standing Committee.

5. Coffee Break

6. Minutes of the September 17, 2009 meeting of Diocesan Council Ms. Jeanette Woehr, Secretary
A motion was made by The Rev. Bill Duffey and seconded by George Whitfield to approve the September 17, 2009 minutes as amended. Motion carried.

7. Executive Committee report Rev. Kathy Andonian, Vice-Chair
- a. Plenary Meetings Discussion
Meetings were poorly attended this year due to there being no controversy. Six meetings versus eleven were held. Transportation was a problem. There was not much discussion regarding the resolutions at the six meetings. It is difficult for presenters to attend eleven meetings. The shorten meetings version is better. The meetings this year were borderline boring. There should be a wider gap to having the first meetings. Information should be distributed earlier. Having meeting during the day was good.
- b. Resolution on Diocesan Reconciliation and Planning: next steps
Bishop Michel will appoint the committee to begin this work. If interested in serving on this commission contact the Bishop. The Committee will be appointed at the beginning of the year.

8. Bishop's Report The Rt. Rev. Rodney Michel
- a. Diocesan Convention
839 people attended the convention. Good comments were received regarding the very well attended convention. The preliminary report of the evaluations is being studied. Convention cost was a question. Figures will be available at the next Diocesan Council meeting. Commitment from Standing Committee to use some Nunns Fund assisted with the cost.
- b. 2010 Convention Committee
Rev. Tom Cook is chair on Committee of Arrangements. If the same venue is to be used, reservations will have to be made quickly.

9. Recognition of Visitors

10. Financial Management

- a. Treasurer's Report
2009 income remains the same as 2008. Pledges from parishes are a concern. Spending is on track with the budget. Episcopate is in accord with the expenses. All obligations to the National Church have been met.
- b. Finance and Property Committee Mr. Peter Wilmerding, Chair
3717-19 Chestnut Street – This building was to be part of the Cathedral project but that fell aside. The building is costing us a considerable amount of money. Where is the Cathedral Chapter in the development of this property? A motion was made by George Whitfield and seconded by Rev. Bill Duffey for Church Foundation and Cathedral Chapter to put the property on the market. The Diocese is not in the business of being landlords. More information regarding this situation will be presented. An amendment was made to the motion creating a task force to gather and assess what is best for the property with information being given back to Council. Finance and Property could assume this responsibility.

A motion was made by George Whitfield and seconded by Rev. Bill Duffey to direct or ask Finance and Property to investigate the possibility of selling the property reporting the information to the Executive Committee. Finance and Property, Cathedral Chapter, and Church Foundation are involved with this property. Church Foundation holds a second mortgage on the property. A task force will be formed of all canonical bodies responsible to make a decision with the property. Diocesan Council request the task force be formed reporting back to Council or Convention. Finance and Property makes recommendations to the Standing Committee regarding these matters. Resolution has been withdrawn. Finance and Property will look into this matter. The Treasurer and Assistant Treasurer should be present at all Diocesan Council meetings.

- c. Program Budget Committee Report
No report

11. Wapiti Property: History and Proposed Agreement to Sell

Peter Wilmerding and Michael Rehill

Finance and Property give recommendation to Standing Committee and Diocesan Council. Realtors have completed a feasibility study. The initial price of the property was valued at \$15 million and the appraised value \$10 million. Offers were received of \$3 million, \$4 million, \$7 million, \$8 million and \$9 million. Last two offers were revised to \$8.3 million. Blair Group offer appears to close in 14 months after signing Agreement of Sale. Deposits will be made of \$200,000 over twelve months. \$50,000 will be paid at time of contract December 15, 2009. \$50,000 to be paid 90 days later with perk tests of the property. \$100,000 will be paid a year after signing agreement. Buyer agreed to pick up 90% of the net sales fee totaling \$33,200. \$8,266,800 net after seller's fee. Loan balance is \$2,821,000. Interest charges between now and 2011 are \$133,778. 4% rate operating expense and taxes \$150,000. Utilities to be paid and other expenses. Total loan, interest and expenses \$3,105,001. Net after loan payment, interest and expenses is \$5,161,799.

Diocesan Investment in the Wapiti property as carried on DIOPA balance sheet is \$10,024,506. Original purchase price was \$3,000,000 with a loan of \$2,767,815. Phase 1 construction was \$3,700,309, Pre-Phase 1 Capitalized Cost was \$380,182, and other fixed assets 2005-2007 was \$176,200. Annual Expenses \$250,000. With the real estate market down by 30% over the last year it is not the best time to sell a property. Finance and Property recommends Diocesan Council to fulfill our responsibility by recommending this offer. Blair had a plan for developing the property that had the best success. Standing Committee passed this recommendation. Blair has a buyer for a large part of the property. There are no other buyers with a reasonable offer. This property is costing us \$250,000 a year.

A motion was made by Rev. Bill Duffey and seconded by Victoria Sicks to join Standing Committee in approving the Letter of Intent. Blair's design at top of property is where most of the development will be. Lost to the Diocese would be \$1.8 million. Doug Sherwood opposed this recommendation and wants us to wait several years before selling the property. Favor of motion 11 Opposed 6 Abstain 1 Motion carries.

Next step – Contract will be drafted.

12. Committee Liaison Reports

- a. Mission Strategy Committee

Rev. Liz Colton and Rev. John Sorenson

This week the committee was reorganized but continues to work with at risk congregations. Work will continue with this committee and will not be part of the new group.

- b. Camp Committee
No report

Rev. Alexander Graham

- c. Youth Council

Mr. Barry Norris

Nine youth attended convention. The night before convention the youth had a lock in at the Cathedral. Andrew Kellner is doing a great job with the youth. More youth representation at Church and Deanery levels is encouraged.

- d. Campus Ministry
No report

TBA

- e. Convention Committee

TBA

The Convention Committee will be formed

f. Diocesan Stewardship Commission Mr. Jeffrey Moretzsohn

g. Cathedral Chapter

The Cathedral Chapter has appointed a sub-committee to begin the search process for a new Dean. The congregation is in the process of creating their profile. It is hoped to have new Dean by 2010. Bishop Michel is collecting names for the position.

h. Anti-Racism Commission Rev. Isaac Bonney

i. Black Aspirant Recruitment Consultative Task Force Rev. Isaac Bonney
No report

13. Old business

None

14. New business

None

15. Schedule of upcoming meetings

Mark dates – Next meeting Saturday, January 23, 2010 at Christ Church, Media.

16. Reflections

Barry Norris thanked Bishop for his leadership at convention and here to keep us on focus.

Jeff Moretzsohn saddened that discussion had to be suspended because people had to leave and there would be no quorum for voting.

George Whitfield meeting went well as council meetings go. New members should print a copy of the canons from the Diocese website.

Journal has not been printed for years. It will be available by the end of the year. Revised copy of canons will be available.

Marek Zabriskie meeting went well. We were forced to make a decision. Talk one month vote next month. Know all the information prior to meeting.

Debora Brown good meeting Don't go back to way we used to be. Need to be held accountable. Determines decisions we make. We should take time to make decisions.

Kathy Andonian members of council don't bother to show up. Tell fellow deanery members to be sure to attend meetings. Barely have a quorum.

Marek Zabriskie – Have a timed agenda.

Bishop Michel – Motion could have been tabled.

Jon Clodfelter – Felt welcomed as a new member.

Joe Madison – Credit to committees who have labored with Wapiti.

Lionel Broome – Anxious to see a completion of Wapiti.

17. Closing Prayer and Adjournment

The meeting was adjourned with prayer at 12:10 pm.

Bp. Michel