



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

MINUTES

Attendance (arranged by Deanery)

Rt. Rev. Charles Bennison

Brandywine: Martha Thomae, Rev. John Sorenson

Bucks: Rev. Ernest Curtin

Delaware: Janet Ross

Merion: George Vosburgh, Sarah Boote,

Montgomery: Elise Bowers, Joe Madison, Rev. Marek Zabriskie

Pennypack: Rev. Jon Clodfelter, Carole Baxter

Schuylkill: William Berry, Debora Brown

Southwark: Rev. Joy Segal, Jeanette Woehr, Paul Yaros

Valley Forge: Beverly Loftus, Barry Norris

Wissahickon: Victoria Sicks,

Guests: Mark Andonian, Lionel Broome, Rev. Ledlie Laughlin, Norman McClave

1. Opening of the meeting (*10 minutes*) Bishop Bennison
 - a. Prayer
The Diocesan Council meeting was opened at 9:01 am by Bishop Bennison with prayer and singing of Charles and John Wesley Hymn O for a thousand tongues to sing my dear Redeemer's praise.
 - b. Welcome and Introductions
Mark Andonian & Lionel Broome were welcomed
The Rev. Joy Segal welcomed us to Gloria Dei.
 - c. Adoption of the agenda
A motion was made by Rev. Ernest Curtin and seconded by Martha Thomae to adopt the agenda as presented. Motion passed
 - d. Recognition of Visitors
2. Minutes of the January 7, 2011 meeting of Diocesan Council (*5 minutes*) Ms. Jeanette Woehr, Secretary
A Motion was made by Rev. Ernest Curtin and seconded by George Vosburgh to accept the minutes of the January 7, 2011 Diocesan Council meeting. Motion passed.
3. Diocesan Healthcare Presentation - Changes & Impacts (*45 minutes*) Mr. Marc Andonian
Presentation on Clergy Compensation & Employee Benefits Serve as advocacy organization for clergy.
Annual Resolution assessment \$100,000 a year – financial assistance for clergy
4. Diocesan Healthcare Question & Answer (*15 minutes*) Mr. Marc Andonian
5. Small Group Break-Outs: Topic: Diocesan Mission & Visioning (*45 minutes*)
The Diocesan Council was divided into three groups do discuss and report on the following questions:
 1. How should council be responding to the news that we hear from our Bishop and others concerning the state of growth/decline of the diocesan congregations?
 2. Assuming that the diocese should be about the work of supporting our congregations in congregational



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

development, what does that congregational development work look like (mean) to you?

3. What is the single most important thing going on in your parish that promotes congregational health?
4. Assuming that you have become a member of council to make a difference in the life, mission and vision of the diocese – how are you currently helped or hindered in this endeavor?
 - Struggling congregations could be paired together with congregations who are prospering.
 - Events that are fun and the people want to attend to be publicized.
 - Have a purpose for why we are here.
 - Most of us are stretched thin.
 - Short ten minute Bible study held before the Council meeting is begun. It will set the tone for the day.
 - Bring in the un-churched
 - Get information out to the Diocese. Communicate to the congregations.
 - Develop spiritual discipline during the weekdays.
 - Share with others the spirit.
 - Share with your home parish what Council is doing.
 - Encourage people to focus on the mission of the Church and lay ministry.
 - We are focused more on structural than spiritual.

6. Bishop's Report (*20 minutes*)

Bishop Bennison

On February 7-8 at Wapiti Farm, the Deans of our deaneries determined from the 2010 parochial reports that, despite the spiritual vitality, unprecedented diversity, and remarkable outreach ministries of an increasing number of parishes, the Diocese is facing a serious financial crisis. The hard facts paint a daunting picture:

More than 60 of our 141 churches can no longer afford a full-time priest. Mandated salary compensation levels are being observed in the breach as clergy work full-time after their compensation is made part-time. Fourteen congregations are now paired and sharing a priest.

In 2010 more than 60 of our churches – 20 with a full-time priest, and 40 with a part-time priest – spent more than they received in pledge, plate, rental, investment, and other income. Many drew down their endowment principal to meet property, personnel, and program costs.

When a church spends down its endowment, it is almost always on a slippery slope toward failure. When it fails, the Diocese immediately begins spending \$50,000+/year for taxes, insurance, maintenance, and security. Today we have seven such closed properties: St. Peter's, Germantown; St. Philip's, Grays Ferry; All Saints', Darby; St. John's, Lansdowne; St Augustine Church of the Covenant; St. Mary's, Warwick (Historic and Contemporary).

With more than 300 religious buildings now vacant in our region, selling a church can take six or seven years. The legal and renovation costs to secularize a church to make it marketable are prohibitive.

Health care costs continue to be a concern. In the past five years the Diocese has spent \$83,040.71 of its operating funds to underwrite the cost of the Retiree Clergy Medical Insurance benefit program in excess of the RCMI assessments collected. This amount must be repaid to the Diocese, but how?



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

Our diocese is not alone in this crisis. One neighboring bishop told me last month that less than 50% of his churches will be extant in 20 years. Another said that his parishes will soon be able to afford only two priests in each county in his diocese.

Three causes underlie this crisis; we are:

- 1) Land poor because costly, aging, usually large, often historic properties, many of which are no longer appropriate for today's liturgy and ministry, are consuming financial resources for utilities and maintenance that otherwise would be available for personnel and program.
- 2) Overstaffed because we have too many clergy with increasingly unaffordable compensation packages, and a shrinking number of positions available for employment.
- 3) Underprepared for the challenge of securing our institution by passing on to those who come after us our "institutes" (or values) and for growing our membership and ministry.

So, the Deans concluded, if we were better prepared, we would not be as overstaffed, because more of us would successfully meet the challenges we face, and, were they met, fewer parishes would be shrinking and their buildings vacated.

To meet the challenges, we concluded, are clergy and laity who are:

- *Theologians* who love God, know God's love and his plan for the world, and have a passion for preaching and teaching the love of God
- *Entrepreneurs* who, without encouragement, direction, or support from others, are self-starters who can strategize the implementation of God's plan
- *Community Organizers* who can inspire others to work together to implement God's plan.

That three-fold list describes our forebears in the Episcopal Church who were tested in ways we have trouble imagining. I grew up in the Midwest where Philander Chase and Jackson Kemper were to Episcopalians what William White and Absalom Jones are to us in Pennsylvania. When Jackson Kemper left Christ Church, Philadelphia, where he was Bishop White's assistant, to take the Gospel out to Northwest Territory, he had no support system, and no predecessors in ministry, as he encountered the harsh conditions of the frontier. What he had going for himself were his gifts as a theologian, entrepreneur, and community organizer. They were gifts enough.

This message is a hard one for us all, but it is Lent, a season for facing reality, and God says, "whenever you hear a word from my mouth, you shall give them warning" (Ezekiel 3:17). The same God "brings to nothing things that are" (I Corinthians 1:28), and "calls into existence things that do not exist" (Romans 4:17). No wonder His church, whose we are, is in such transformation – such dying and rising. Clearly, we not the church we once were. But in countless ways we are more the church God wants us to be. And God is "about to do a new thing: now it springs forth, do you not perceive it?" (Isaiah 43:19).

Reports on Parishes and Missions

1. **All Saint's, Wynnewood:** Under Diocesan Canon 13.4, I have requested the Standing Committee's advice and consent to set a date certain by which either Rev. Rev. Edward Rix must sign, under Canon III.10.3(f), the Declaration of Faith and Conformity to the Episcopal Church, the Vestry must pay all



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

diocesan assessments for 2011, and the Rector, Wardens, and Vestry, under Canon III.12.3(a), must receive my visitation as Diocesan, or the parish will forfeit its property to the Diocese. The Vestry of All Saints' has been in violation of Canon III.9.6(c) for more than a decade. On my behalf, Bishop Michel met with the Rev. Edward Rix and Michael Yoh, Senior Warden, on January 31, 2012, in order to find out the state of the parish, and to ask them to meet the three conditions listed above. In response they said that they have been paying the CFA and RCMA assessments since 2001, would find a visitation by the Diocesan to be difficult, and didn't think Fr. Rix would be able to sign the Declaration of Consent in good conscience. They felt that these expectations were the same as those put forth in the 2006 meeting and that nothing has really changed. They indicated that they are prepared to leave the property if necessary and they were certain that a Jewish congregation would be keen to buy it and convert it to a synagogue. Fr. Rix also said that his bishop in Lusaka had work for him should he have to leave All Saints. The conversation ended with their desire to meet with members of the Standing Committee. The President of the Standing Committee will next meet with them.

2. **St. Mary's, Warwick:** Sean McCauley will place the property of the new church on the market for not less than \$550,000, its appraised value.
3. **Church of the Annunciation:** Canon 9.3.1.c states, "Any parish which is also unable to adequately maintain its property or support all other functions and services normally expected from a place of worship, shall by such fact be held to have applied to the Bishop to become an aided parish and shall subject itself to the requirements of Canon 9.3." Diocesan Council investigated the Church of the Annunciation pursuant to the canon, which it interpreted to mean that a parish had to pay bills on time, follow reasonable business practices, complete parochial reports and the canonical audit requirement, and have a clear and reasonable budget that does not include spending down all its endowment. Council established clear financial guidelines and expectations and gave the parish time to meet them. However the parish did not meet the deadline. As a result, Council recommended to the Ecclesiastical Authority, which at the time was the Standing Committee, that Annunciation be made a mission. This action has never been taken. Failing my present efforts to resolve satisfactorily issues in the parish, I intend to take use Canon 9.3.1 to assume responsibility for it.
4. **St. James, Downingtown:** One of only 269, or less than 4%, of the more than 7200 parishes in the Episcopal Church that have grown 25% or more over the past five years, the parish has been asked to participate in a study being carried out by the Diocese of Upper South Carolina on the key strategies behind such growth.
5. **The Church of the Good Shepherd, Rosemont:** Archbishop Charles Chaput had declined to give David Moyer his votum (his desire, his promise) at this time for David to proceed toward ordination in the Catholic Church. A complete audit is underway.
6. **St. Peter's, Germantown:** On February 10, the Historical Commission granted us permission to remove the forty stained glass windows, clearing the way for the sale of the property to the Waldorf School for \$400,000.
7. **St. James the Less:** On February 1, we received \$764,487.25 for the St. James the Less Benefactor Trust, and on February 9, \$547,863.64 for the St. James the Less Cemetery Fund. Both balances are in our Designated Cash account at TD Bank. Once the Chancellor determines the percentage that should come from the Cemetery Fund and the Benefactor Fund to reimburse the Property Fund receivables for



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

St. James the Less, Rob Rogers will re-fund what is owed to the Property Fund for the \$182,195.18. in bills the Diocese has paid from 2008 to last December.

8. DCMM: Average weekly attendance		Pledged to church	Number of pledges
St. Mary's Chapel, Philadelphia	26	26,600	20
All Souls Church for Deaf	19	4,830	19
Free Church of St. John	53	13,250	14
St. Gabriel's	44	40,000	33
Church of the Advocate	30	No 2012 budget prepared	
Cristo y San Ambrosio	150	No stewardship program in place	
St. Dismas 15			

Reports on Other Matters

9. **Diocesan Finances:** Since January 1, we have collected more than \$44,000 for 2011 pledges and assessments, and more will probably come in. For 2012, we have received \$500,000 in pledges with 57% of the parishes responding. Our budget goal is \$700,000. I have informed the Diocesan Council Executive Committee that Rob Rogers anticipates we may receive pledges for \$600,000, requiring you, the Council to make \$100,000 in reductions in the Program Budget.
10. **Assistant Treasurer:** Under Diocesan Canon 3.3.3, I request and received Standing Committee consent for my appointment of John (Jack) Donnelly as Assistant Treasurer. He joins Norman McClave as Treasurer. Together with Rob Rogers and his staff at Church House, we have an outstanding team overseeing our diocesan finances.
11. **Minority Aspirant Recruitment:** On February 13-14 at Wapiti Farm, seven minority clergy joined Archdeacon Ley and me to discuss the impact of our financial crisis on the goals set forth in the 2006 "Report of the Black Aspirants Recruitment Consultation (BARC)," led by the Rev. Renee McKenzie-Hayward. We came to see in the present de-institutionalization of the Episcopal Church an opportunity for us to become free from our historic institutional racism. It is hoped that all who are committed to this work – minorities and non-minorities – will join us at Wapiti on April 23-24 for a Minority Aspirants Recruitment Consultation (MARC) to implement our plans to:
- Propose a diocesan canon requiring certification of diocesan anti-racism training for any nominee for elective office in the Diocese and Episcopal Nominating Committees.
 - Restore our practice of permitting aspirants to be tested by minority psychologists.
 - Put on the diocesan website a list of minority clergy with whom aspirants can speak.
 - Insure that our 100 clergy and members of the Standing Committee, Diocesan Council, Cathedral Chapter, Committee on Finance and Property, and Diocesan and Cathedral staffs who have not yet taken anti-racism training do so.
 - Hold two "Am I Called?" conferences at Wapiti – one led by the Rev. Randy Callender for those who are 14-18 years old this June 19-21, and a second for those 18-30 next during the Christmas Break next December.
 - Work with our Servant Year and campus ministries, Church Farm School, Episcopal Academy, St. James' School, and others to identify minority aspirants.
 - Publish a revision of the 2006 Report at the next Diocesan Convention.
12. **Conference on Rites for Blessing Same—Gender Relationships:** At the Cathedral on February 21 about 100 clergy participated in this offering by the Diocesan Liturgical Commission at the Cathedral to



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

prepare for the likely adoption at this summer's General Convention of rites proposed by the Standing Commission on Liturgy and Music in response to Resolution C-056 at the 2009 General Convention. The Rev. Dr. Patrick Malloy, Associate Dean and Professor of Liturgics, The General Theological Seminary, and Chair of the SCLM Task Force that has gathered the materials for the proposed rites, was the keynote speaker. Other speakers included the Rev. Dr. Storm Swain, the Rev. Dr. Adam Kradel, the Rt. Rev. Rodney Michel, Dr. Nora Johnson, Robert Mikrut and Kenneth Garner.

- 13. Wapiti Farm:** On January 27, the Wapiti Land Company refinanced the remaining \$1.5M mortgage with a new 20-year loan from TD Bank, which can be paid off without a pre-payment penalty with the proceeds from the eventual sales of St. John's, Lansdowne (anticipated to be \$950,000), and St. Peter's, Germantown (anticipated to be \$400,000).

On February 24, Brad Jones, a senior at the General Theological Seminary (who hopes to graduate this May, be ordained, and head an Episcopal Church camp) visited the property, met with Andrew Kellner, Alan Lindsay, John Tinklepaugh, and me and shared his knowledge of how to operate economically a camp for young people. We discussed the possibility that he might join the staff to oversee use of the property for our children's benefit until such time as it is sold.

Selling it may take time. The owner from whom we purchased the property had it on the market for seven years. Because of the commitment of Cecil County officials to see the property preserved as open space (although it is zoned for 10-acre home lots), many developers are not interested, and the likely buyers will be parties planning to maintain the property as it is, people looking to own and operate an outdoor camp, or conservationists.

- 14. Diocesan Mission Planning Commission:** I hear great thing about the Transforming Congregations program from those participating in it:

- St. Alban's Newtown Square
- Calvary Rockdale
- St. James Aston
- St. Jude and the Nativity
- Christ Church Pottstown
- St. Christopher's Oxford
- Trinity Gulph Mills
- Trinity Ambler
- Epiphany Royersford
- Gloria Dei
- Emmanuel Resurrection, Holmesburg
- Emmanuel Quakertown
- Calvary St. Augustine
- All Saints and St. Augustine of Hippo Norristown

- 15. Retired Clergy Medical Insurance:** The RCMI Study Committee, chaired by the Rev. Daniell Hamby, is reviewing the existing level of clergy and lay retiree benefits and makes recommendations to the Commission on Clergy Compensation and Employee Benefits about future levels of coverage. As we lose parishes to closure, we increase the burden on the remaining parishes for their proportional share of assessments. The Fair Share support motion at the 2005 Diocesan Convention was voted down without a lot of discussion, but the whole idea of assessment and pledge support for the Diocese is drawn into focus by the RCMI issue.



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

The Diocese ended the year 2011 with a deficit of \$34,111.71, and a five year cumulative deficit of \$83,040.71. This amount has been taken from general diocesan operating funds in order to fund the cost of the retiree benefit program in excess of the RCMI assessments collected and must be repaid to the Diocese. Standing Committee, Diocesan Council and the Committee on Finance and Property have to consider how we will handle a potential deficit in RCMI in 2012.

One obvious solution to this shortage of assessments collected is to importune the parishes which have not paid, but that is not a productive exercise in most cases. Another solution is to increase the 2013 RCMI assessment to recover DIOPA operating funds that have been advanced over the year. The RCMI assessment for 2011 was \$619,720, and is nearing the Episcopate Fund assessment in size. Our studies indicate that increases in assessments result in decreases in support for the Program Budget. The third solution is to reduce the cost of retiree coverage through more co-payment, reduction in range of benefits (dental, etc.), single vs. family and dependent coverage, etc. DIOPA is one of a handful of domestic dioceses in TEC that provides additional coverage over and above that provided by CPG, and our level of coverage ranks us as one of the most generous. We are living beyond our means in the benefits area, and if changes are to come to bring our benefit expense in line with our resources, we will certainly have some disaffected recipients.

As a partial solution to this problem I am seeking ways to coordinate and consolidate the administration of the various financial assistance funds within the Diocese – the Christmas Fund, the Clergy Financial Assistance, the Wellness Fund, and other grant sources available to deal with the most serious cases if there are changes in coverage.

Upcoming Events to Promote in the Diocese

- 16. Maundy Thursday Renewal of Ordination Vows April 5:** The Annual Renewal of Ordination Vows will take place at the Cathedral at 10:30 on Maundy Thursday, to be followed by an early lunch so that clergy can get back to their congregations for their own liturgies. In order that our renewal of our vows can take place in the context of the baptismal community, I have asked our clergy to bring members of their laity. The other bishops and I bless holy oils at the time of our visitations to your congregations, not on Maundy Thursday. In addition, I will bless holy oils during the Easter Vigil at the Cathedral.
- 17. Good Friday Offering April 6:** As we have for the past 90 years, we are again asking parishes to direct their Good Friday Offering to the Episcopal Church in Jerusalem and the Middle East, to support opening schools, orphanages, and hospitals, benefiting all people of the region.
- 18. Easter Vigil at the Cathedral April 8:** The Easter Vigil will be held on Easter Day at 5:00 – 7:00 a.m. Breakfast will be offered immediately following for those who are able to stay.
- 19. Anti-Racism Training on April 24, 25, 26:** Join others from around the Diocese in a professional and personal development training session that will go beyond traditional diversity or sensitivity training that remain politically correct and leave difficult and essential reflection untouched.

This training, conducted by Crossroads Antiracism Organizing & Training group, focuses on the systems of institutionalized racism that underpin the context of our daily existence, the way we live and move and have our being. The Antiracism Commission of the Diocese offers this training to help equip us with the ability to recognize and address subversive forms of racism that exist both intentionally out in the



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

open and unconsciously under the radar and out of the public spotlight of our institutions, including churches, schools, and workplaces.

This workshop provides the tools to better understand the causes of institutional abuse of power, and to better address the abuses in every organization in which you participate.

Congregations and diocesan committees are encouraged to send two or more members, preferably mixed-race groups (one person of color and one white person) when possible.

Registrants are expected to attend all three days.

When: Tues, April 24 4:00 - 5:15pm Check-in, registration

5:30 - 6:15pm Dinner

6:30 - 9pm Program

Wed., April 25 8:30am - 6pm Program (includes breakfast, lunch, dinner)

Thurs., April 26 8:30am - 5pm Program (includes breakfast and lunch)

Where: St. Raphaela Retreat Center, 616 Coopertown Rd., Haverford, PA 19041,

<http://straphaelacenter.org/>

Everyone is encouraged to remain at the retreat house for the entire duration of the training. Sleeping arrangements are 2 people to a room.

Cost: \$75 for Diocese of Pennsylvania laity and clergy (Scholarships are available via

<http://www.diopa.org/assets/downloads/Application-for-Cont-Ed-Grant-2011.pdf>)

\$250 for all others who desire to attend

Registration: Deadline is Sunday, April 15

Online: <https://diopa.wufoo.com/forms/antiracism-training/>

Telephone: JD Lafrance (215-627-6434, ext. 151)

- 20. Conference on Children in the Liturgy May 5:** *"You Must Be as a Child: Children in the Word"*, a conversation organized by the Diocesan Liturgical Commission on how to incorporate children into the Body of Christ through liturgy, will be led by Bill Gordh, a renowned biblical educator, storyteller and musician, the conference will be experiential and creative. While children work with local artisans to prepare for the liturgy at the close of the conference, clergy and adult lay leaders will explore concrete ideas that contribute usefully to the worship lives of our children.
- 21. Ascension Day at the Cathedral May 17:** Names of candidates for baptism, confirmation, and reception to be presented on Ascension Day at 7:00 p.m. should go to the Dean by May 10.
- 22. Clergy Day at the Franklin Institute May 22:** Mirroring the format of our successful day together at the Philadelphia Museum of Art last October, I have invited our clergy to be my guests at an exhibition of one of the largest collections of the 2,000-year-old Dead Sea Scrolls ever displayed in North America. The Rev. Dr. Wil Gafney, a priest of our diocese and Professor of Hebrew and Old Testament at the Lutheran Theological Seminary at Philadelphia, and Professor James H. Charlesworth, the George L. Collord Professor of New Testament Language and Literature and Director of the Dead Sea Scrolls Project at Princeton Theological Seminary, will lecture on the impact of the scrolls on biblical theology and our understanding of Jesus and the emergence of early Christianity.
- 23. Celebration of the Diocesan History:** The Diocesan Historical Commission invites all of us to a celebration on Sunday, October 7, 2012, of the publication by Penn State Press of the 384-page hardback



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

volume *THIS FAR BY FAITH: TRADITION AND CHANGE IN THE EPISCOPAL DIOCESE OF PENNSYLVANIA*.

AGENDA

3:00 p.m. - Symposium with the ten chapter authors in the Dell Auditorium of the National Museum of American Jewish History, 101 South Independence Mall, Philadelphia, PA.

5:00 p.m. - Evensong according to the rite originally used by Pennsylvania Episcopalians, the Rt. Rev. R. William Franklin, preaching, at Christ Church, Philadelphia, followed by a Gala Reception.

The Diocese is in crisis mode. We cannot keep parishes with part-time clergy. Only 60 parishes can afford to pay a full time priest. 20 parishes can afford a part-time clergy. 40 parishes pay their part-time clergy from their endowment principles. Five or six parishes may close by summer. Recently a parish has closed every 18 months. From 1900-2000 there were 60 parishes closed. There are 141 churches in the Diocese today. There are a number of parishes with 200 people a week who can't afford their bills. Pledging is no longer part of our culture. There are too many buildings and clergy. Congregational development will look different. We can grow financially. We are growing in our neighborhoods, and racial and generational areas. There may be more home churches in the future. We should look at models in Canada and United Kingdom. The community could build if it focused on mission. Churches are not in big buildings any more. It is important to get communications of spiritually out. Today's society is using various forms of electronic communication. If we make God first in our lives it will start to transform people. Have a passion for Jesus. Community is made in many different ways. Social networking is important now. We need tools on how to do it. Social networking is free. Bishop Bennison should tell his story of his spiritual life, scripturally, and prayer life. How is your spiritual life? Do not assume things today.

St. James the Less balance will be used there. Their money is held in trust with the income to maintain the property.

Item 13 Wapiti - It took under three years to sell but Bishop Bennison turned down the sale. We cannot afford to keep Wapiti.

Parishes should be asked to prioritize by importance the various items of the Program Budget 1,2, 3.

7. Executive Committee report (*10 minutes*)

Mr. Paul Yaros

a. Modification to Standing Rules of council

A motion was made by Paul Yaros and seconded by Sarah Boote to approve the modification to the Standing Rules of Council

Item b – Each committee liaison is expected to submit a written report regarding their committee's work to the Secretary at least 3 times a year.

Item c – All written reports to be presented at Council are expected to be submitted to the Secretary at least one week prior to the Council meeting so that they can be distributed electronically along with the meeting agenda. Motion passed.

Business is more efficient when we receive reports prior to the meeting.

b. Motion for statement to warmly welcome Jack Donnelly as the new Assistant Treasurer of the Diocese
A motion to welcome Jack Donnelly as the new Assistant Treasurer of the Diocese was made by Paul Yaros and seconded by Martha Thomae. Motion carried.



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

Any changes to committees should be submitted to Victoria Sicks. Stewardship and Spiritual Growth committees are not active at this time. These two committees are very important and there is no one to lead these committees. These committees are key to any Diocese. Submit names and ideas to the Executive Committee.

8. Standing Committee Report (*5 minutes*) The Rev. Ledlie Laughlin
The Standing Committee gave consent to the appointment of the Assistant Treasurer.
Consent was given for a Suffragan Bishop in Texas.
A one day retreat was held to welcome new members and clarify focus on the forward mission of the Diocese.
There is a common theme in Diocese groups .

9. Finance and Property Committee (*5 minutes*) The Rev. Kirk Berlenbach, Chair

Since Council last met the Committee for Finance and Property has met twice. We would like to highlight the following:

We agreed that The Rev. Dr. Renee Mackenzie-Hayward should serve out the unexpired term (up at the 2012 Convention) vacated by The Rev. Koshy Mathews. We ask Council to endorse this decision and appoint her to the post.

Our congregational services sub-committee will be participating in the Vestry Symposium sponsored by the Leadership Institute. Presenters for the March 17 session will speak about parish finances and property issues as well as other topics. We anticipate high turnout given that more than 100 attended last year.

Finally, we are concerned about the pledge shortfall for 2012 not so much as an issue for this year since a \$75-100K shortfall can be dealt with, but rather as a symptom of a deepening problem. In the past decade pledged support for the Diocesan Program Budget has dropped by almost 50%. While we recognize that political realities have exacerbated this problem, it is primarily reflective of broader cultural trends. F&P will continue to discuss this matter, along with several other large and term financial issues that are facing our Diocese in the hopes that we can agree on a course of action that might help remedy the problem and allow us to regain a more solvent position.

Respectfully Submitted,
The Reverend Kirk T. Berlenbach, Chair

10. Financial Management Mr. Norman McClave III, Treasurer
a. Treasurer's Report (*10 minutes*)

Diocese of Pennsylvania
Treasurer's Report
For the Period Ended January 31, 2012

1. Cash Collections: Assessments and Pledges

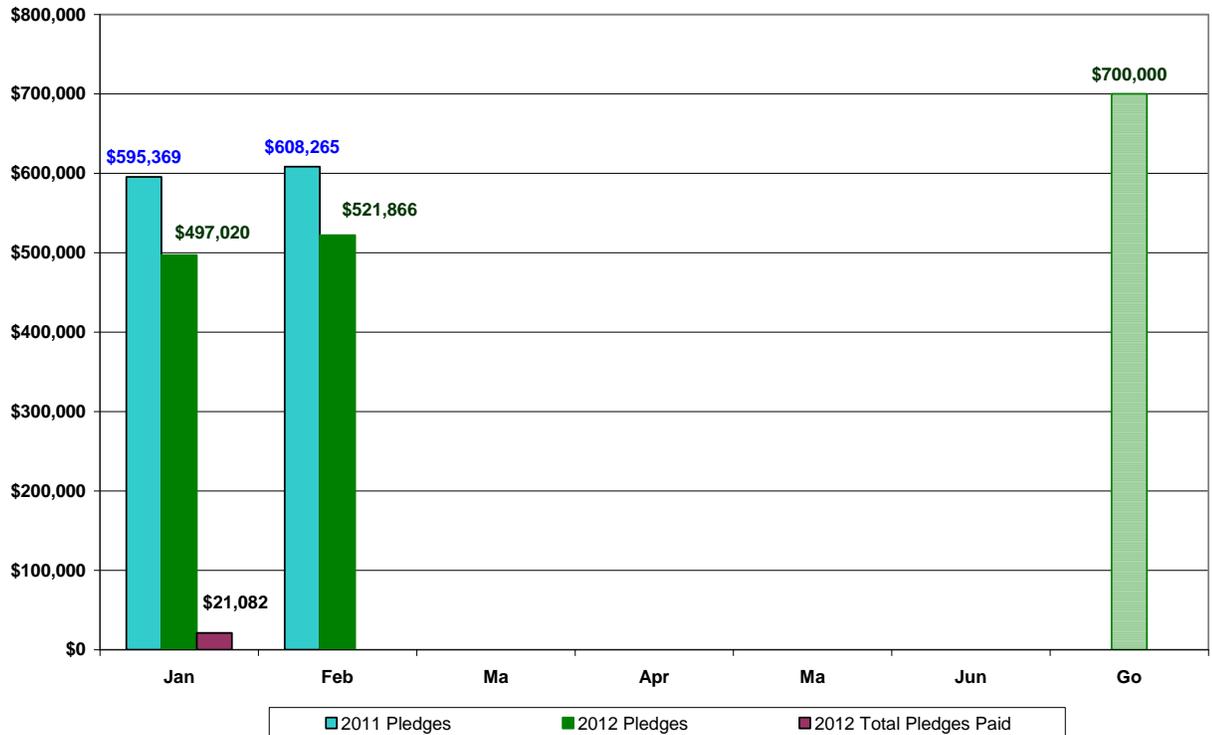
For the month of January, we collected approximately \$87,000 against total Assessments and Pledges of about \$2,104,000, or 4%. The amount collected was well below what was collected in 2011, when collections ran \$152,000 or 7% of pledges.



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

In addition, total Assessments and Pledges for 2012 are running about \$60,000 less than in 2011, or about 3%. The shortfall is concentrated in the Pledges, which, at \$497,000, are running almost \$100,000 or 17% behind last year's Pledges of \$595,000 from the same parishes. We are significantly behind our Pledge goal of \$700,000.

Pledges Made and Paid, Year to Date



As of late February, we had received pledge forms from only 59% of the Diocese's parishes. Pledges had increased during the month by about \$25,000 to a total of about \$524,000, still \$90,000 behind last year's pledges. With many churches approving their budgets in January, I would hope that many more pledge forms would be delivered in the next few weeks.

In sum, Pledges are running well behind last year's, and collections of Assessments are coming in much more slowly than last year. Based on my projections, Pledges for 2012 may end in a range of \$600,000 to \$650,000, or significantly below budget. If significant additional pledges do not come in, we may have to adjust spending in the Program budget.

Action Needed: The Deanery leadership has been asked to contact parishes which have not yet pledged to encourage them to do so promptly.

2. Performance against Budget: the Episcopate Budget

Episcopate revenue was sharply below Budget and 2011 Actual due to Assessment Income lower than budgeted, at \$42,000 vs. a budgeted \$87,000. Expenses were slightly below plan at \$98,000,



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

with the only overage of note being Ordination expense at \$9,000 vs. a budgeted \$3,000.

Accordingly, the Episcopate showed a net surplus of \$35,000 vs. a budgeted surplus of \$70,000.

3. Performance against Budget: the Program Budget

Program revenue was \$263,000, or about \$30,000 under budget. However, Program spending was \$145,000, or about \$24,000 under budget, with the result that the net surplus of \$118,000 was only slightly less than the budgeted surplus of \$122,000.

Significant underages contributing to spending less than budgeted were largely in the Ministry for Youth.

4. Issues and Concerns:

a. Retired Clergy Medical Assistance

This fund, supporting healthcare expenses of retired clergy, is now operating at a deficit and the trends are negative. Since 2008, Assessment Income and Endowment Income together have fallen by about \$25,000, while Expenses have risen by \$75,000, resulting in the Net Revenue falling by \$100,000 from a net surplus in 2008 of over \$66,000 to a net deficit of about \$11,000 in 2010 and \$34,000 in 2011. (See graph following.)

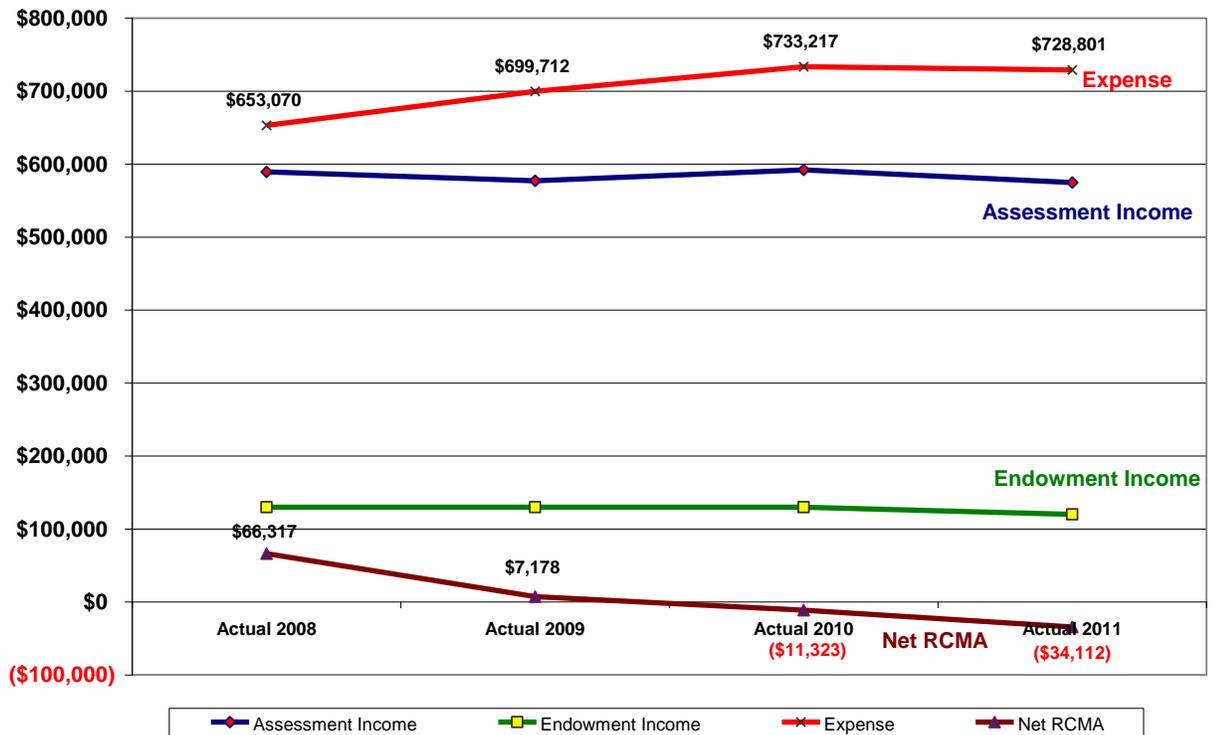
The annual trend shown above has continued in 2012: for the month of January alone, the deficit in the fund exceeded \$22,000. Based on preliminary results for February, this month may be more or less breakeven. Nonetheless, the overall trend is very clear.

Given the above trends, we await recommendations from the committee headed by the Rev. Hamby which is reviewing the existing levels of benefits and shall make recommendations about future levels of coverage.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia**

RCMA Fund 2008 - 2011



In the meantime, though, the expenses have been paid from Operating Income to protect the medical insurance of our retired clergy. I have recommended to the Bishop that he, together with the Standing Committee and the Diocesan Council, formally approve these unbudgeted expenditures.

Together with the Canon for Finance and Administration, I shall track this fund closely during 2012 to project whether it is likely to have a deficit for the year, and advise you accordingly.

Revenue side is negative at this time. \$87,000 was collected in January, which is below last year. There are some improvements in February. Pledges are \$90,000 short of last year. It is anticipated to receive between \$600,000 and \$650,000 instead of \$700,000. Expenses are \$22,000 over revenue. The endowment income is flat. Revisions will have to be made. It may be necessary to raise the assessments or to cut expenses. May meeting will have recommendations to cuts to the budget.

- b. Program Budget Committee Report (5 minutes) Ms. Debora Brown & The Rev. Michael Knight
 1. Our mission is to bring a Budget for 2013 to Council for final approval at our 6 June Council meeting.
 2. The Program Budget Committee has begun its work preparing the Budget for 2013.
 - a. The committee is formed and has begun meeting. A schedule of subsequent meetings is in place.
 - b. We have a timeline of tasks and responsibilities to be addressed.
 - c. The application process has been finalized with an updated questionnaire and cover letter.



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

- d. Liaisons with other committees have been established.
 - e. The deadline for applications to be received is set for Friday, 13 April 2012.
 - f. This work will take place in conversation with our Bishop and appropriate staff persons.
3. As required by canon, we will present the proposed budget with prior coordination with the Standing Committee and Finance and Property

The next meeting will be March 20. Sarah Boote and Joe Madison were thanked for joining the committee.

Committee Liaison Reports (*0 minutes*)

(A brief report should be submitted in writing prior to each meeting, discussion as time permits or as requested)

c. Anti-Racism Commission

Ms. Victoria Sicks

Co-Chairs are Rev. Renée MacKenzie-Hayward and Ann Booth-Barbarin

Members: Rev. Randy Callender, Rev. Sandra Elamad, Deborah Gaye, Mary Herring, Rev. Albert Holland, Rev. Harriet Kollin, Rev. Jim Littrell, Jill Mathis, Avyane Osborne, Donna Marie Peters, Victoria Sicks, Martha Thomae

The work of the Anti-Racism Commission was reaffirmed at the November, 2011 Convention of the Diocese of Pennsylvania. The ARC meets the second Tuesday of each month at St. Peter's Church, beginning at 6:00 pm. At its February meeting, the committee continued to plan for the two Crossroads training sessions in 2012.

April 24-26, 2.5 Day Training, St. Raphaela's Retreat Center, see attached flyer.

May 5-8, Team Expansion Training, Pendle Hill. The initial 2.5 training is a pre-requisite for this advanced training.

The 2012 budget was reviewed and revised. The Commission continues to encourage all diocesan committees and commissions to balance appropriately the number of people of color and white people who serve as members.

Other goals for the year include:

1. Opportunities to show Traces of the Trade as a vehicle for conversation about institutional racism.
2. Reunion meetings for past workshop attendees.

d. Companion Diocese Committee

Ms. Martha Thomae

Feb. 27, 2012

by Martha Thomae

St. Martin-in-the-Field 7:30 – 9 p.m.

Topics discussed:

1. Status of Wellness and Water for Life

project with the Quiche community of Chucalibal in the Western Highlands. The Rev. Frank Toia is presently in Guatemala and is supposed to have met with the Rev. Dr. Roberto Armas yesterday or today. Questions we have are: Is training in the use and care of the EcoFiltros proceeding in the village? Have households been identified who will receive the filters? Are families being trained in the need to have separate containers for the pure filtered water and for the contaminated water from their water source? Has a new water source been



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

identified? Do they need funding for piping and pumps to bring the water to the community? Is there a community committee to train and monitor the use of the filters?

Martha Thomae will travel to Guatemala in late March and try to arrange to meet with Padre Dr. Armas and members of the community. Terry Clattenburg will be going to Guatemala in late June and will follow up on the progress of the community.

2. Future of this companion relationship

All present agreed they did not wish to end their companion relationships and also spoke for others in the diocese involved in a companion relationship.

The Rev. David Rivers, co-chair of the committee, will discuss the future of the relationship with both bishops.

Bishop Guerra of Guatemala and Bishop Bennison of our diocese. Present agreement ends Dec. 31, 2013.

- | | |
|---|---------------------------------------|
| e. Campus Ministry / LECM Advisory Council
No report | Dr. Carole Baxter / Rev. Jane Cornman |
| f. Cathedral Chapter
No report | The Rev. Ernest Curtain |
| g. Convention Committee
No report | Mrs. Jeanette Woehr |
| h. Diocesan Consultation Team | The Rev. Joy Segal & Patrick Connelly |

Report for March 3, 2012 Diocesan Council Meeting from the Diocesan Consultation Team

Current parishes and situations in which the DCT has been and continues to be involved:

Wissahickon Deanery Collaborative Ministry – a number of parishes in the Wissahickon Deanery are struggling. When they were brought to the DCT for review it was decided to invite in the Dean of the Wissahickon Deanery, The Rev. Cliff Culter, to discuss ways in which the deanery might come together to address the situation. This has occurred and it has been reported to the DCT that four parishes are, at this time, meeting to consider ways in which they might communicate better with each other and begin to share ministries, resources, programs. The DCT is not currently working with these parishes but continues to monitor the situation.

St. Augustine of Hippo, Norristown – at this time St. Augustine of Hippo and All Saints, Norristown have sent a joint team to the diocesan Transforming Congregations seminar. There is consideration of a possible yoking of these two churches in the future. The Valley Forge Deanery is also supporting the churches in Norristown (there are three, including St. John's) in helping them to consider how the Episcopal Church can do ministry effectively in Norristown.

St. Simon the Cyrenian – barely hanging on, financially, and considering merger options. Cannot afford a full time priest, cannot afford to maintain the aging building or pay assessments. Closure will leave a large part of the city without an Episcopal presence.

Emmanuel, Quakertown – priest has taken a pay cut, moved to part time. DCT team to schedule time to meet with leadership.

St. James, Bristol – can't afford a priest. Plan to use supply priests. No plan yet for next steps.

Good news



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

Last year's work with Washington memorial Chapel has born fruit. 500 people attended four services on Christmas Eve. Roy Almquist continues to be Interim rector. New energy in the parish.

New Assignments

The DCT had formed a team to visit and confer with the Rev. Frank Wallner on issues at St. John's, Lower Merion and St. David's, Manayunk. A first meeting with the leadership at St. John's has occurred and there is renewed enthusiasm there and some good ideas about how to move forward. No meeting yet with St. David's yet but reports concerning structural issues of the parish house have been received.

Report submitted by The Rev. Joy Segal, Co-Chair of the DCT.

i. Diocesan Mission Planning Commission

The Rev. John Sorenson

Our Vision: The Lay Persons, Bishop, Priests and Deacons of the Episcopal Diocese of Pennsylvania are "A Community of Communities ... Committed to Christ."

March 2, 2012 from John Sorensen, rector@saintjohnsconcord.com, 610-389-9278

Diocesan Mission Planning Commission (DMPC) report to Diocesan Council

I. Initiatives of DMPC from Nov, 2011 Convention, from \$25,000 budget for 2012: **DMPC Priority Statement: Congregational Development:** Our goal as a Diocese is to develop and provide resources and expertise for leaders and promote best practices, so that our congregational communities will thrive according to their unique size and character.

a. The Mission Insite demographic tool is in use in the diocese and is available for use by any parish or deanery that wants to explore their context for growth. The annual cost is \$5,500.

b. The Transforming Congregations initiative has had its second of six Sunday afternoon meetings with 16 congregations and 90-100 participants. A report from Nora Adelman, coordinator:

Eric Law, Bill Cruse, and Lucky Lynch from the Kaleidoscope Institute are facilitating the six-session series for the Diocese of Pennsylvania. Sixteen teams of around six people each represent seventeen parishes, located from Quakertown to Oxford to Philadelphia (east and west) to Aston. The focus is on leadership in a diverse changing world and being missional and sustainable to connect with today's world.

Monthly sessions focus on Bible Study and respectful communication, being holy and wholly listeners. Engaging the emerging generation and fresh expressions of our churches are among the topics of our dialogues, along with external and internal cultures and our own patterns and myths. We have focused on being authentic, what the church is/is not, what being a Christian is/is not, and the currencies for sustainable ministry (including time/place and relationship). Our emphasis in the third session will be on internal and external networks of connections.

There is energy and enthusiasm and quite a variety of parishes and perspectives represented. In addition to learning from the facilitators, there is a lot of sharing among and between the participating parishes, building bridges for collaborative work and ministries for the future.

The 16 participating parishes are:

All Saints and St. Augustine of Hippo Norristown (2 parishes as one team)

Calvary St. Augustine Philadelphia

Calvary Rockdale

Christ Church Pottstown

Church of the Holy Nativity Wrightstown

Emmanuel Quakertown



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

Emmanuel Resurrection Holmesburg (Philadelphia)
Epiphany Royersford
Free Church of St. John Philadelphia
Gloria Dei Philadelphia
St. Alban's Newtown Square
St. Christopher's Oxford
St. James Aston
St. Jude and the Nativity Lafayette Hill
Trinity Ambler
Trinity Gulph Mills

Reconciliation: Our goal as a Diocese is to be united in the peace of Christ as a Community of Communities. Through the ministry of reconciliation, we will be free to move together with trust so that we all may be one.

c. **Urban and Imperiled congregations:** while the commission has a passion for providing tools for helping congregations thrive, there are also a number of congregations that are not capable of self-support at their current level, are receiving diocesan support, or anticipating the bishop or diocese closing them; when these congregations are minority, poor and urban, a layer of complexity and mistrust is added when discussing their future. We have begun conversations regarding matters of race, diocesan history and the questions of how to facilitate conversations within congregations that are wary of outside forces reconfiguring them, while also knowing that they cannot survive the way they are.

We have in mind our charge from the first convention to the DMPC, **RESOLVED:** That the core work of the Commission will include:

2. Continuing the process of evaluating current missions and ministries and congregations, with appropriate recommendations for affirmation, reconfiguration, or redevelopment;
3. Examining demographic, financial, and cultural trends and their potential impact on future congregational mission and sustainability, mindful of our commitment to eradicate all racist structures, practices, and policies;
4. Envisioning creatively what new structures and ministry models Christ might lead us to in the future, including the establishing of new ministries, missions and congregations;
 - d. We believe that continuing a conversation about reconfiguration for some congregations will lead to the congregation itself developing a sense of autonomy and ability to help solve their own problems, taking responsibility for themselves, rather than having problems solved for them;
 - e. **Fear:** We find that the Holy Currencies model in the Eric Law's *Transforming congregations* provides some tools for understanding the complexity of multiple congregations recombining their lives in new ways, using their currencies in new configurations and being hopeful for a new future. We wish to facilitate these conversations in more congregations.

II. Items added or suggested to the DMPC by the bishop and other bodies.

- a. We are working on adding the apostolic emphasis to the definition of the congregation, so that we are emphasizing more than just sustainability but that we exist for the world that needs Christ and that growth is an imperative.
- b. We plan to continue the exploration and identification of thriving churches and what best practices they are employing that make them thrive and grow, including the work of the clergy and other leadership. We can learn from each other.
- c. We note that the bishop and deans identified three qualifications for clergy:
 - i. Theologians
 - ii. Entrepreneurs



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

- iii. Community organizers
- d. We note that Kaleidoscope Institute identifies three qualifications for clergy:
 - i. Authentic
 - ii. Power Sharing
 - iii. Relational
- e. We note that the DMPC defined a congregation as having three characteristics of sustainability:
 - i. A regular, faithful worship life in a community that spiritually nurtures its members
 - ii. An intentional mission or ministry to the world beyond the church
 - iii. The ability to maintain its facilities and sustain its ministries
- f. With these three sets of threes, there must some truth here.

III. We welcome others to our work.

- j. Financial Review Commission Mr. Douglas Fonte / Mr. George Vosburgh

At this point the FRC has analyzed the financial functions within the Diocese, discerned the points of friction and confusion within current canons and practices, and reviewed a variety of financial management models used in other dioceses.

The direction the Committee has now taken is to focus on revision of the existing canons rather than adopting an incorporation model. Revisions will propose a new Finance Committee that will replace Finance & Property and draw authority from several existing sources. Consequently, there will be some modification of the responsibilities of various governing bodies.

Most recently there has been considerable discussion of where the Diocese will be in 5+ years with both leadership and financial changes. The goal is to have any revision of the Canons position the governing bodies for the future.

- k. Liturgy Committee Mr. Barry Norris
No report
- l. Middle East Study Committee Ms. Elise Bowers
No report
- m. Diocesan Council Nominations Committee Ms. Martha Thomae & The Rev. Earnest Curtin
No report
- n. Retired Clergy Medical Insurance Working Group Ms. Elise Bowers / Rev. Elliot Waters
No report
- o. Spiritual Growth The Rev. Marek Zabriskie
No report
- p. Stewardship Committee TBD
No report



THE EPISCOPAL DIOCESE OF PENNSYLVANIA
DIOCESAN COUNCIL
Saturday, March 3, 2012
Gloria Dei (Old Swedes') Church, Philadelphia

- q. Wapiti Sale Committee Ms. Patricia Smith & The Rev. George Master II
Report of Wapiti Sales Team Meeting

Meeting was held Wed., February 29 at 11 a.m. at St. David's Church, Radnor. In attendance were Jack Henn, Rev. Frank Allen, Peter Wilmerding, Pat Smith, Alan Lindsay, JoAnn Jones (by telephone), and Dick Smoot (by telephone). Reviewed authorizing resolutions, Guiding Principles Usage, Mortgage refinance, Tax Assessment and interested parties who have made overtures to the committee or WLC. We are contacting Realtors and will determine asking price once we choose Realtor and can confer with them for current activities in MD. We will meet in two weeks to finalize choice of Realtor and asking price moving forward.

- r. Wapiti Wilderness Retreat Board Ms. Patricia Smith
Report of Meeting for Wapiti Wilderness Retreat Committee

The February meeting was canceled due to Bishop Bennison having a conflict on his schedule. A meeting luncheon was offered by Bishop Bennison. February 24th, extended to the committee members to meet with Seminarian Brad Jones about potential working on camping at the site. I was not able to attend, however, no business was to be transacted at this meeting and those who did attend were Bishop Bennison, Alan Lindsay Andrew Keller, and Jim Tinklepaugh. No further decisions have been made on the use of the property other than short term use, i.e. meetings, retreats, etc.

- s. Youth Advisory Board The Rev. Jane Cornman
No report

- t. Old business
No old business

11. New business
No old business

12. Schedule of upcoming meeting Mrs. Jeanette Woehr
(May 12, 2012 – St. Luke's Church, Newtown PA 18940)

13. Reflections (5 minutes)

Sarah Boote - Loved break out session. Talk to people we don't usually talk to. Go to lunch next time.
Elise Bowers - Building fellowship Find common things problem solving
Marek Zabriskie - Begin with Bible study.
Joe Madison - Meet at 8:30 for bible study
Joy Segal - Great to have reports ahead of time.

The Executive committee will set aside time in the beginning of the meeting for Bible Study.

14. Closing Prayer Bishop Bennison
The meeting was closed at 11:50 am with prayer.

15. Adjournment Bishop Bennison