



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

**MINUTES**

Attendance (arranged by Deanery)

Brandywine: Patrick Connelly

Bucks:

Delaware: Rev. Greg Wilson, Janet Ross, Ken Mobley

Merion: Rev. Jane Cornman, George Vosburgh, Richard Bauer

Montgomery: Elise Bowers, Joe Madison

Pennypack: Carole Baxter, Peter Datos

Schuylkill: Rev. George Master, William Berry

Southwark: Paul Yaros, Rev. Joy Segal, Dave Hammond

Valley Forge: Beverly Loftus

Wissahickon: Patricia Smith, Victoria Sicks

Guests: Norman McClave, Jeanette Woehr, Rev. Frank Allen

1. Call to Order Mr. Paul Yaros  
The meeting was called to order at 9:05 am by Paul Yaros
2. Scripture Reflection (*5 minutes*) The Very Rev. Judith Sullivan  
The Rev. Judith Sullivan reflected on the reading of I Samuel 1:4-20.
3. Opening of the meeting (*10 minutes*) Mr. Paul Yaros
  - a. Prayer
  - b. Welcome and Introductions  
The members of the Diocesan Council were introduced.
  - c. Adoption of the agenda  
A motion was made by George Vosburgh and seconded by Pat Connelly to adopt the agenda.  
Motion carried.
  - d. Recognition of Visitors
4. Diocesan Council “101” (*1 hour*)
  - a. What is the Diocesan Council, Anyway? Canonical roles and responsibilities, relationships to other leadership bodies, leadership structure of the Diocesan Council. (Mary Kohart, Esq., Chancellor of the Diocese)  
Diocesan Council meetings are chaired by the Bishop Diocesan. There are thirty elected delegates one clergy and two lay from each deanery. Ex-Officio members are the Treasurer and Secretary of Convention. The Executive Committee consists of four members of Council. The Executive Committee provides administrative and Council organization, coordinates the agenda, and attends the gathering of leaders meetings. Diocesan Council meets six times a year. Diocesan Council is most like the board of directors of an organization.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

- b. Responsibilities and Expectations of Diocesan Council members (Mr. Paul Yaros)  
Each member is expected to serve on committees or commissions, to attend Council meetings, elect other members of commissions, review reports of committees and commissions. Unified budget is the responsibility of the Finance Committee made up of elected members and members from Diocesan Council and Standing Committee. The new Finance committee will be responsible to formulate episcopate and program budgets. Unified budgets go to convention for approval. Give support of creating a budget and how to grow a church. DCT could only act when asked to respond. New team will have the ability to help. Program budget will be able to be changed now with the new committee. Standing Rules and Rules of Council were reviewed. Council members are elected by their deaneries and it is important to take back to deanery meetings and parishes the work of Council and what is going on in the Diocese.
- c. Program Budget responsibilities (Ms. Debora Brown and the Rev. Michael Knight)
- d. Diocesan Council Committee participation and responsibilities (Ms. Victoria Sicks)  
It is the job of Council members to make clear what the Council does. Every Council member needs to join a committee/commission and is responsible to submit a report to Council from the committee/commission on the committee/commission activities.
- e. Diocesan Financial Statements and Reports (Mr. Norman McClave III, Treasurer)  
The Diocese is audited on a regular basis. A clean audit was received and had no management letter. The consolidated statement of activities was reviewed. Diocese has had significant losses over the last several years. The Endowments loss two million dollars. Deconsecrated congregations total \$1,302,654 in real property added to balance sheet of the Diocese which is not a welcome gift. There is maintenance on each church of \$50,000 a year or more which is very expensive. It takes a long time to sell churches. Loss on real estate held for sale totaled \$2,186,267.  
There are three separate assessments - Episcopate \$868,660, Retired Clergy Medical Assistance \$619,720, Clergy Financial Assistance \$118,280.  
Unpaid assessments for 2012 total \$505,281      Unpaid assessments for 2011 total \$478,234.  
Assessments 2012 total \$2,271,220      Assessments 2011 total \$2,349,376  
Program Budget Statement of activities year to date October total revenue total \$1,744,036.01  
Expenses total \$1,721,407.01  
Youth ministries short changed out of budget.  
2012 Pledges made and paid each month were less than last year. Participation in pledges is very weak. In October received \$415,384. Many churches do not pledge. 2013 Pledges are due by December 15. \$700,000 in pledges is the goal for 2013. New Finance committee can cut budget if pledges are not received. 2002 pledges were \$1.6 mil. Parishes are disconnected with the Diocese and its role. Parishes have to get involved.
- f. Committee on Finance and Property (The Rev. Kirk Berlenbach, Chair)  
Process of Diocese is very fragmented. Ability to change budget was very limited and did not get done. Budget was created in June and submitted for review in September/October. Budget was done six to nine months before and used estimates. Finance committee formed to take over budgetary



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

functions to do this on a unified basis. We have a lot less money to deal with than a decade ago. Health care costs are overwhelming the budget. The new Finance Committee will consist of two members from Standing Committee one clergy and one lay, two members from Diocesan Council one clergy and one lay, general convention will elect three clergy and three lay and the treasurer. Church foundation sits with no voice. It is a unified budget process. Assessments will continue. Committee has ability to change the budget during the year as things develop. First meeting must be held 30 days from convention. Three year term will rotate with two people elected each year for a three year term. Only 23% of churches pledge. Eleven churches provide 50% of the Program Budget.

g. Communications (Ms. Jeanette Woehr, Secretary of Diocesan Council)

If you are unable to attend a meeting, contact the secretary. Contact the secretary with any changes in address, email address or telephone number. Submit your reports to the Secretary a week prior to Council meetings.

5. Minutes of the September 08, 2012 meeting of Diocesan Council (*5 minutes*) Ms. Jeanette Woehr, Secretary  
A motion was made by Elise Bowers and seconded by Pat Connelly to accept the minutes of the September 8, 2012 meeting of the Diocesan council. Motion carried.

6. Bishop's Report (*5 minutes*)

Mr. Paul Yaros

Commemoration of Samuel Seabury, First American Bishop, 1784  
November 14, 2012

Dear Members of Diocesan Council,

Inasmuch as this Diocesan Council Meeting will be my last during my tenure, from the bottom of my heart I thank you for the privilege of serving as your Bishop these past fifteen years.

Sometimes the work has been difficult, but it has always been spiritually-strengthening, life-giving, incredibly interesting, and a source of ineffable joy to me.

If in any way I have failed or hurt any one of you, I ask for your forgiveness. I can honestly say that even amidst our occasional disagreements, I have always felt supported by your love and prayers for our great diocese and me. I am profoundly grateful.

As you gather this coming Saturday, in lieu of my usual "Report to Diocesan Council," please let me iterate my sense of all we have accomplished together.

**Congregational Development**

In the month after I succeeded Bishop Bartlett as Diocesan in 1998, 100 clergy and 330 laity, responding to an open invitation, met over four weeks to map out a strategic plan for the Diocese focused on the development of congregations, the Cathedral, a camp, and campus ministry.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

Congregations are where most of the Church's ministry takes place. Bishops, therefore, make a difference to their dioceses mainly through those they ordain and place in congregations.

Thanks to the wonderfully-effective work of Canon Jill Mathis, her staff, and the Commission on Ministry and its successive chairs during my tenure – Timothy Safford, Rodger Broadley, Thomas Eoyang – and with God's blessing, a steady stream of talented and dedicated new clergy has been ordained in our Cathedral. It has been my honor to lay hands on seventy-three among you. Today we have nine postulants or candidates, and five aspirants, for the priesthood. We are stronger from our seminarians now studying at seven different seminaries, and not just a few.

Thanks to Bishop Michel, Archdeacon Jim Ley, and Deacon Pamela Nesbitt, we will also soon witness the ordinations as many as nine new vocational deacons.

At a time when American Protestantism is in steep decline, and when many congregations are struggling, the Diocese of Pennsylvania continues to attract to our parishes and missions clergy who are gifted theologians, enterprising entrepreneurs, skilled community organizers, and, above all, prayerful persons of deep personal faith in our Savior Jesus Christ.

To be sure, the Philadelphia region is an attractive place to live. And the benefits made possible by the Commission on Clergy Compensation and Employees Benefits and the Diocesan Health and Welfare Benefit Trust are a plus. But the main reason great clergy come to us more and more is that our vestries seek out those who truly love God and faithfully serve people without discrimination based on race, color, ethnic origin, national origin, sex, marital status, sexual orientation, disability or age.

The result is that most of our churches are evidencing notable, and in some cases, unprecedented, growth and vitality due to the creative leadership of their priest, wardens, and vestry, even though since 1998 the number of our congregations has gone from 160 to 140, and of the 140, sixty are today hard-pressed financially.

The most obvious change in congregations is in the mission churches now independent from diocesan financial support. Holy Nativity, Wrightstown, Holy Spirit, Harleysville, St. George St. Barnabas, West Philadelphia, St. Augustine's, Norristown, St. Mary's and the Church of the Crucifixion, on Bainbridge Street, Trinity, Coatesville, Trinity, Boothwyn, and many others are now self-sufficient through increasing their giving, reducing expenses by sharing a priest or merging with another congregation, or becoming a parochial mission of a better-funded parish.

Consequently, the 2013 Program Budget wholly funds the salaries for only three mission vicars on the Bishop's Staff. They are serving some of the poorest neighborhoods, and doing some of the most difficult work in the Diocese; the Very Rev. Nancy Deming, Vicar of St. Gabriel's, the Rev. Dr. Renee McKenzie-Hayward, Vicar of the Church of the Advocate, and the Rev. Jose Diaz Martinez, Vicar of La Iglesia de Cristo y San Ambrosio, are among our strongest clergy serving today.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

The Rev. Jose Diaz Martinez is also Diocesan Hispanic Missioner and Chair of the new Hispanic/ Latino Task Force for which work our Companion Diocesan Relationship with the Diocese of Guatemala, begun in 1996, has effectively equipped us.

While during my tenure we have not started new congregations, we have successfully retained eight of the ten whose priests sought to take them out of the Diocese and the wider Church.

In addition, fifteen years ago there were a number of other priests ready to join those ten had not the Standing Committee and I taken the position that, while people are free to leave their church, they cannot take its property, which is held in trust for the mission of the Episcopal Church.

The unity of the Church is a bishop's main task, and I am profoundly grateful to the members of our Standing Committee and our Chancellors during my tenure – William Bullitt, Frank Helminski, Stephen Chawaga, and now Mary Kohart – for all they have given of their time and talent to keep these congregations within the Diocese.

Only one of the alienated parishes – Atonement, Morton –closed. Seven others – Good Shepherd, Rosemont, Redemption, Southampton, St. Clement's, Philadelphia, St. John's, Huntingdon Valley, St. John's, Norristown, St. Luke's, Newtown, and St. Paul's, Chester – are today active parishes in communion with us and doing wonderful ministry. Thanks to the leadership of the Rev. Sean Mullen, and through the support of many of you, St. James-the-Less, East Falls, is now a school for fourth to eighth graders. With the support of the Standing Committee, before I leave office I hope to resolve the eleven-year impasse at All Saints', Wynnewood, and see my successor recognized as the Bishop by that congregation, as well.

As I prepare to leave office, I have four concerns regarding congregational development:

First, as the oldest and largest African-American diocese in the Episcopal Church, we must do much more to recruit persons of African descent to our ordained leadership. By December 31, we will have seven predominantly Black congregations without an incumbent. If we are serious about our anti-racism work, clergy of color are also needed in predominantly White congregations. I urge you to increase our commitment to anti-racism training and the work of the Minority Aspirants Recruitment Consultation Task Force.

Second, despite the obvious advances we have made in overcoming historic discrimination, there still remains a thick glass ceiling for women clergy, clergy of color, and gay and lesbian clergy when it comes to being called to positions where they can exercise the gifts God has given them.

Third, keep in mind that Jesus commissioned us, not to buy land, build buildings, and plant more churches (that's what led to our surfeit of vacant buildings today), but to make disciples of all nations. Relative to its population, Atlanta has half our number of churches, but is one of our fastest-growing dioceses. With fewer but better-equipped clergy, in whose educations and training we have concentrated more resources, leading fewer but larger congregations, our diocese, too, can grow.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

Finally, we must have a fair share assessment for our operating budget if we are to have the resources to continue our ministry in our poorer neighborhoods and sustain that diversity – urban-suburban, Black-White, High Church-Low Church, Progressive-Traditional, elitist-populist, and rich-poor – which has always been the hallmark and the glory of our diocese.

### **The Cathedral**

Wayland Melton, the Dean of the Cathedral, died unexpectedly the month I became Diocesan in May, 1998, leaving an institution in need of both basic organization and a liturgical space appropriate for diocesan liturgies. In 2000, Richard Giles succeeded Dean Melton, and soon the renovation that we see today was underway. Under his successor, Dean Judith Sullivan, we have seen tremendous growth in the Cathedral's worshipping congregation and its outreach ministries, as well as exciting plans for the development of an income-generating, 25-story graduate student apartment building which will include space for the Cathedral's offices and ministries.

Last September the Standing Committee consented to my request that the Diocese sign a letter of intent to rent space in the new building for the Bishop's Office and Diocesan Staff. Doing so would mean that Church House would be marketed for sale. Do not underestimate the enormity of this achievement by the Cathedral Chapter under the strong, grace-filled, effective, determined, and persevering leadership of Dean Sullivan. What will soon eventuate on the Cathedral campus will be the forward-looking symbol of, and a cornerstone for, our future as a Diocese.

### **Campus and Young Adult Ministry**

In 2002, Bishop Edward Lee began his great work coordinating our Servant Year Program, a full-time chaplaincy at Temple University, and parish-based campus ministries from Redeemer, Bryn Mawr, St. Mary's, Hamilton Village, and Trinity, Swarthmore. A year ago the ministry at Temple was relocated to the Church of the Advocate.

With Bishop Lee's retirement from this work, I have put Andrew Kellner in charge and changed his title to Canon for Family and Young Adult Ministry – descriptive of his expanded duties.

The Delaware Valley is the largest "college town" in America, and our aim now is to encourage and support many more of our parishes in reaching out to undergraduate and graduate students and young adults. To that end, Canon Kellner and I are inviting all interested clergy and laity to a luncheon at 12:00 – 2:00 p.m. on Thursday November 29, at Redeemer, Bryn Mawr, to organize a Campus and Young Adult Ministry Consultation.

At Convention you will meet five young people from this year's Servant Year Program. They live in community at Calvary, Germantown, and work in various social service agencies throughout the region. In order to streamline, expand, and enhance Servant Year, Matt Myers, our Servant Year Director, now serves directly under the Bishop on the Diocesan Staff, and we have enrolled Servant Year in the Episcopal Youth Service Corps.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

### **Camping Ministry**

In 1997, a team organized to locate a suitable property for the then three-year-old diocesan youth summer camping program showed me 90-acre site near Pottstown and asked me as the new Bishop if I could raise the money needed to develop it. When I decided I could not, I promised to work with the team to find another site.

Surveys in the Diocese showed that people wanted a large wilderness property, on water, away from city lights, within two hours' drive of every church in the diocese, and, in addition to a camp, a retreat center. Wapiti fit the bill and in 2003 was bought on behalf of the Diocese by the not-for-profit Conservation Fund – the Diocese paying \$3,000,000, and the Conservation Fund, \$3,000,000 – on the premise that once Federal Forest Legacy monies arrived to pay back the Conservation Fund, the property would be ours.

The Iraq War broke out, the Forest Legacy monies became unavailable, and the Diocese had to pay \$3,000,000 to the Conservation Fund. Convention voted in 2008 to sell the property, and in 2011 adopted a canon change negating my canonical authority to keep it off the market. Last August an exclusive one-year listing agreement was signed with a broker to sell the property for not less than \$7,500,000.

As of today the debt on the property has been reduced from \$3,000,000 to \$475,000 and will be retired completely by next March. We are fairly confident that the new Cecil County, Maryland, County Council will give us tax relief on the property. Debt-free and tax-free, Wapiti's costs will be reduced to \$125,000 a year.

Canon Kellner envisions a comprehensive, four-part camping ministry to which Wapiti is integral. City Camp will provide an urban experience primarily for youth from suburban, town-and-country, and rural backgrounds. Campers at City Camp will assist at Camp St. James, Camp Get-Along, and other day-camps for younger children from urban neighborhoods. Farm Camp, for which Wapiti is ideally suited, will provide a multi-week rural, outdoor experience primarily for youth from urban backgrounds, but also short overnights for City Camp and day-camp campers.

As I leave office, I hope that the Diocese will retain the property and develop this exciting vision. I also hope that serious consideration will be given to naming the property The Absalom Jones Camp and Retreat Center, in honor of the most important figure in our diocesan history and one whose story embodies more than any other our values and identity as a diocese.

Finally, there are recent changes in the staff about which I want you to know:

**Jakki Wallace**, Executive Assistant to Bishops Michel, Lee, and Turner, celebrated her fiftieth year of work for the Diocese on August 28, and retired at Convention. To succeed Jakki, Linda Hollingsworth, my Executive Assistant, will hire an Assistant for Clergy Services to handle Episcopal visitations, licenses, permissions to solemnize the marriages of those previously-married, and the like.

**Glenn Colliver**, Diocesan Archivist, also retired at Convention. With the unanimous approval of the Committee on Diocesan History, **Peter Moak** will succeed Glenn, working twenty hours a week. Peter is a graduate of the University of Pittsburgh and now a second year student at the Drexel University School of Law. He was baptized, confirmed, and raised at St. Paul's, Chestnut Hill.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

**Sarah Hanson** began on October 22 as Assistant to Canon Jill Mathis. Sarah is a 2012 graduate of Furman University. She was baptized, confirmed, and raised at Holy Trinity Episcopal Church, Auburn, Alabama. At Convention, the Rt. Rev. **Edward Lee** retired from coordinating Campus and Young Adult Ministry. Canon **Andrew Kellner** has assumed the added responsibility for that work under the new title of Canon for Family and Young Adult Ministry – indicating a shift to more adequately assist young people and those who care for them in nurturing faith and religious commitment from birth to young adulthood. Assisting Canon Kellner are three others. **Matt Myers**, formerly Director of the Servant Year Program, has a new, expanded role under Canon Kellner as Associate for Young Adult Ministries. Matt is responsible not only for Servant Year and its new relationship with the Episcopal Youth Service Corps and its Intern Formation Program, but also Campus Ministry, an annual retreat for those parishes doing campus ministry, and quarterly campus ministry training.

In addition, Canon Kellner will hire an Associate for Youth and Camping Ministries to lead senior and junior high retreats, the youth participation at Diocesan Convention, the Nightwatch Program, St. James' Camp, Camp Get-Along, City Camp, and a projected Farm Camp. He will also hire a young person as a Ministry Intern, both to assist his two Associates and him, to stay current with fresh ideas, and to emphasize vocational discernment by young people. The Rt. Rev. **Rodney Michel** has generously served as Assisting Bishop at my invitation, and therefore has tendered his resignation to coincide with my own on December 31, 2012. Similarly, the Rt. Rev. **Allen L. Bartlett** has graciously served at my invitation as a volunteer chairing the Diocesan Consultation Team and will also resign on December 31, 2012. Our three mission vicars – the Rev. **Jose Diaz Martinez**, Vicar, La Iglesia de Cristo y San Ambrosio, and Diocesan Hispanic Missioner, the Very Rev. **Nancy Deming**, Vicar, St. Gabriel's and Dean of the Pennypack deanery, and the Rev. **Renee McKenzie-Hayward**, Ph.D., Vicar, Church of the Advocate and Chaplain to Temple University – now report directly to me, and after my resignation will report to the Provisional Bishop, as members of the Diocesan Staff.

### **Conclusion**

The essayist Wendell Berry compares the goal of community life to that of a farmer who works his land for years and years, not to make it perfect, but surely to make it better. It has been the greatest satisfaction of my life to work with all of you for the sake of God's mission and Christ's church in ours, the mother diocese of the Episcopal Church. Together we have made things better.

Leading the way have been the members of all of our governance bodies which throughout my tenure have become consistently stronger, wiser, better organized, and more strategic. That is particularly true of Diocesan Council under the leadership of Paul Yaros and you who have served with him on the Executive Committee. They and I have been supported by the best Diocesan Staff any bishop could ever dream of having.

I shall always remember you in my prayer that with God's power working in you, you will do infinitely more than you can ask or imagine.

Motion to receive bishop's report joy George master



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

7. St. Marks, Frankford Sub-Committee Report (20 minutes) Rev. Joy Segal  
Bishop requested Diocesan Council to determine if St. Mark's, Frankford should be deemed a mission Church. St. Mark's Frankford had a habit of being 6 months or more in arrears of pension payments. They are now current with their pension payments. They are unable to maintain the property which has serious property issues. They are spending down their endowment. Three times reached out to the rector for help and was turned down. Recommended to have a full audit and a full property audit. There are ways the Diocese is able to help them. Their plan of deferred maintenance is unrealistic. St. Mark's has a deficit of \$85,000. They are in a critical condition.

A motion was made by Paul Yaros and seconded by George Master to receive the report as conclusion to St. Mark's Frankford issue. Motion carried.

Recommendation report will be sent to the new Provisional Bishop and DCT to reach out to St. Mark's. Rev. Clodfelter will be contacted by Rev. Joy Segal.

8. Treasurer's Report (15 minutes) Mr. Norman McClave III, Treasurer

**Diocese of Pennsylvania**  
**Treasurer's Report**  
**For the Period Ended October 2012**

**1. Cash Collections: Assessments and Pledges**

For the year 2012 through the end of October, we collected approximately \$1,766,000 against total Assessments and Pledges of about \$2,271,000, or 78%. For the first ten months of 2012, we are about \$105,000 behind 2011 in terms of cash, when we had collected \$1,871,000. And, at collections of 78% of Assessments and Pledges, we are slightly behind last year, when we had collected 80% of (larger) 2011 Assessments and Pledges.

Total Assessments and Pledges for 2012 continue to run less than those for 2011: about \$78,000 less, or about 3%. The shortfall is in the Pledges, which, at \$665,000, are running \$78,000 or 10% behind last year's Pledges of \$743,000 from the same parishes. *23% of the churches in the Diocese have not pledged.* The pledge from St. Mary's has been reversed, causing a reduction in pledges of \$18,700. At this point, final pledges are likely to be around \$647,000, well short of the goal of \$700,000 for the Program Budget.

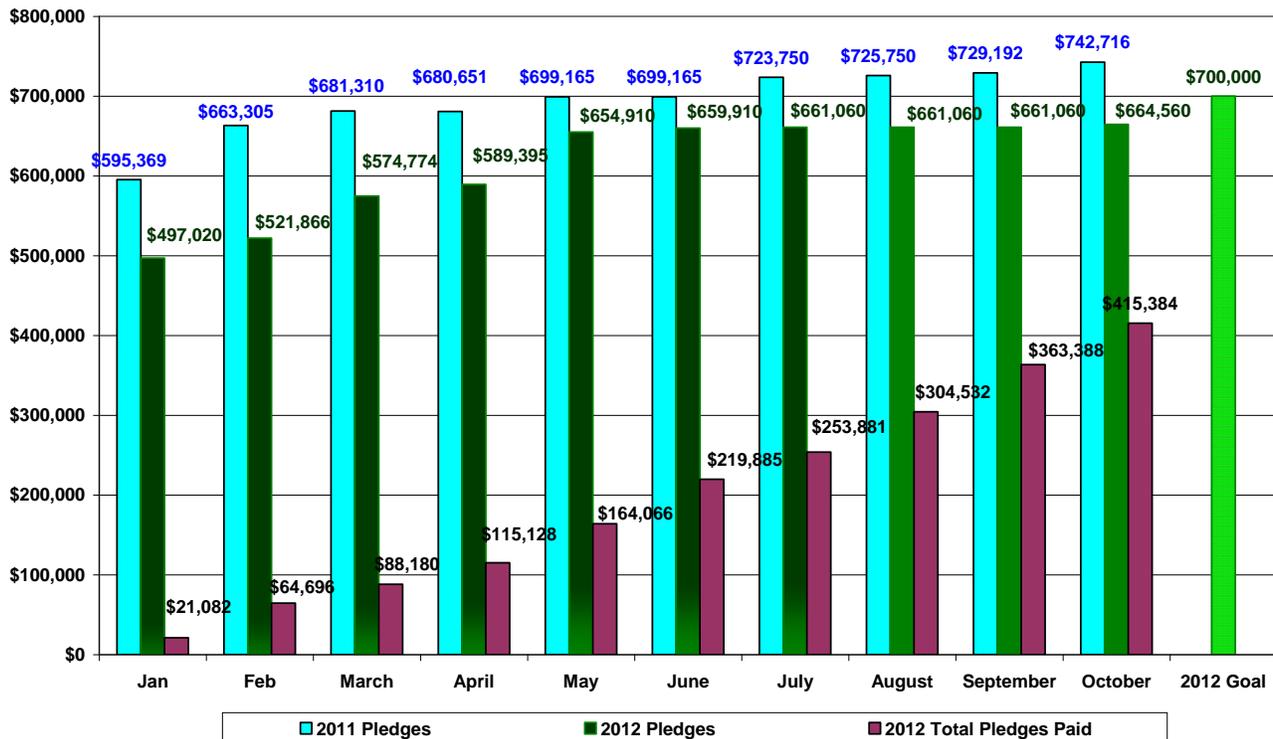
Even more importantly, cash collections of Pledges continue to lag behind last year: with \$415,000



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA  
DIOCESAN COUNCIL  
Saturday, November 17, 2012  
Philadelphia Cathedral**

collected through October, we are running about \$103,000 behind last year.

**Pledges Made and Paid, 2012 Year to Date**



**Performance against Budget: the Episcopate Budget**

Episcopate revenue for October of \$129,000 was over budget due to slightly greater than expected collection of assessments. Expenses at \$115,000 were over budget, by \$14,000 but well below September 2011.

For the year to date, the Episcopate is showing a surplus of \$116,000 vs. a budgeted surplus of \$86,000. Again, Assessment Income shortfalls of about \$44,000 are offset by expense reductions of about \$63,000 and Other Income of \$9,000. Year to date, the Episcopate is running well under budget in Bishops' Salaries and Benefits, and Lay Retiree Expense, partially offset by increases in Travel/Office Expense, Legal Expenses, and Staff Salaries and Benefits.

Cash collections of the Episcopate Assessment improved in October: through October the cash collections are running about \$4,000 ahead of last year.

**2. Performance against Budget: the Program Budget**

Program revenue in October was \$322,000, or about \$66,000 under budget. Program spending was \$141,000, or a significant \$28,000 under budget. Underspends for the month were in Youth Ministry,



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

Campus Ministry, Finance/Administration, and Conventions.

We continued to pay unexpected and unbudgeted bills for the Church of the Advocate. In October, an additional \$4,000 was paid, bringing the total for the year to \$27,000.

As a result the net surplus for the Program Budget for October was \$181,000, vs. an expected surplus of \$220,000.

Year to date, the Program Budget shows a net surplus of \$9,000 vs. a budgeted surplus of \$104,000, an decrease of about \$96,000, and is also below last year's surplus. **Congregational Giving continues to come in well below Budget by about \$110,000**, and Department Income (Servant Year and gifts) is well below its budgeted revenue amounts by about \$78,000. Expenses of \$1,589,000 are below the budget of \$1,695,000, with major underspends in Ministry for Congregations (other than for Advocate), Ministry for Youth, Conventions, and Campus Ministry, offset slightly by overspends in Finance and Administration.

**3. Issues and Concerns: Program Budget Deficits**

With the reversal of the pledge from St. Mary's, we shall fall well short of our \$700,000 goal in pledges for the Program Budget this year.

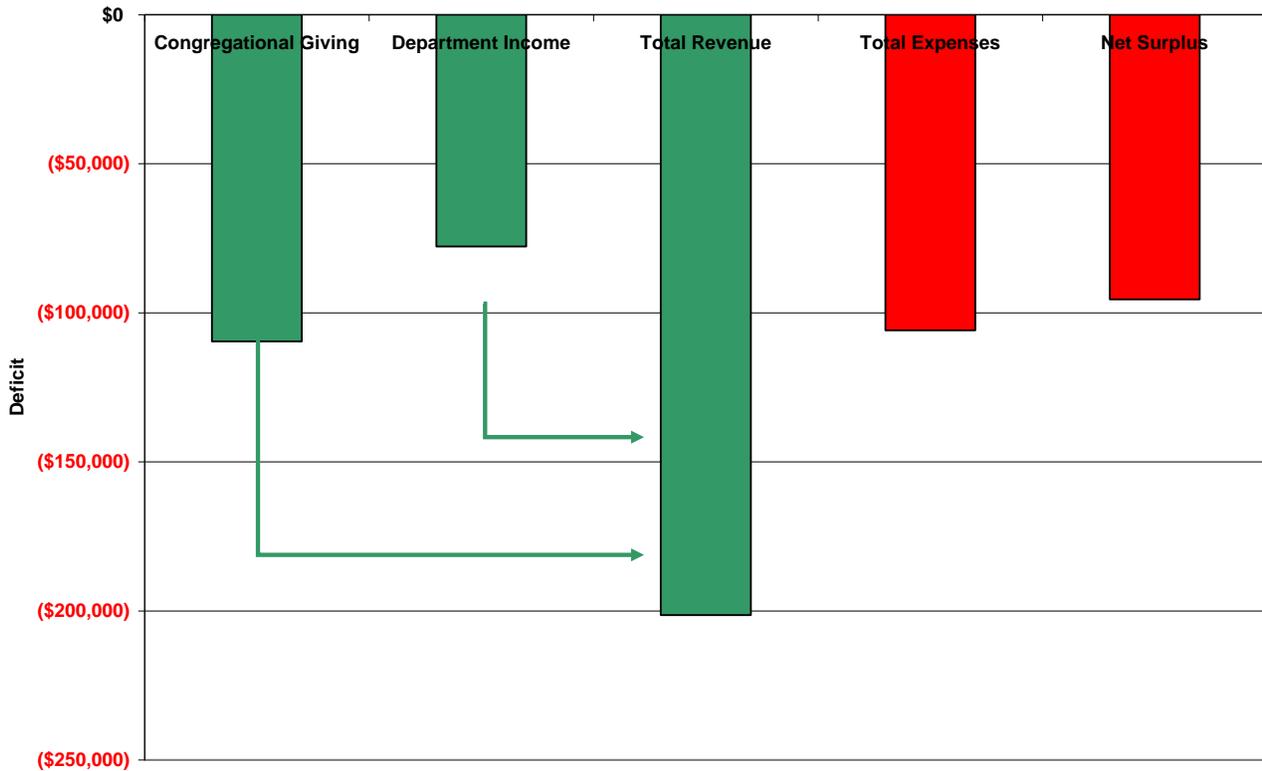
In addition, cash collections are running well behind last year in terms of dollars (\$103,000 behind 2011)



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
 Saturday, November 17, 2012  
 Philadelphia Cathedral

and in terms of percent collected (63% this year vs. 70% last year).

**Program Budget Variance: October 2012**



**4. Issues and Concerns: Retired Clergy Medical Assistance**

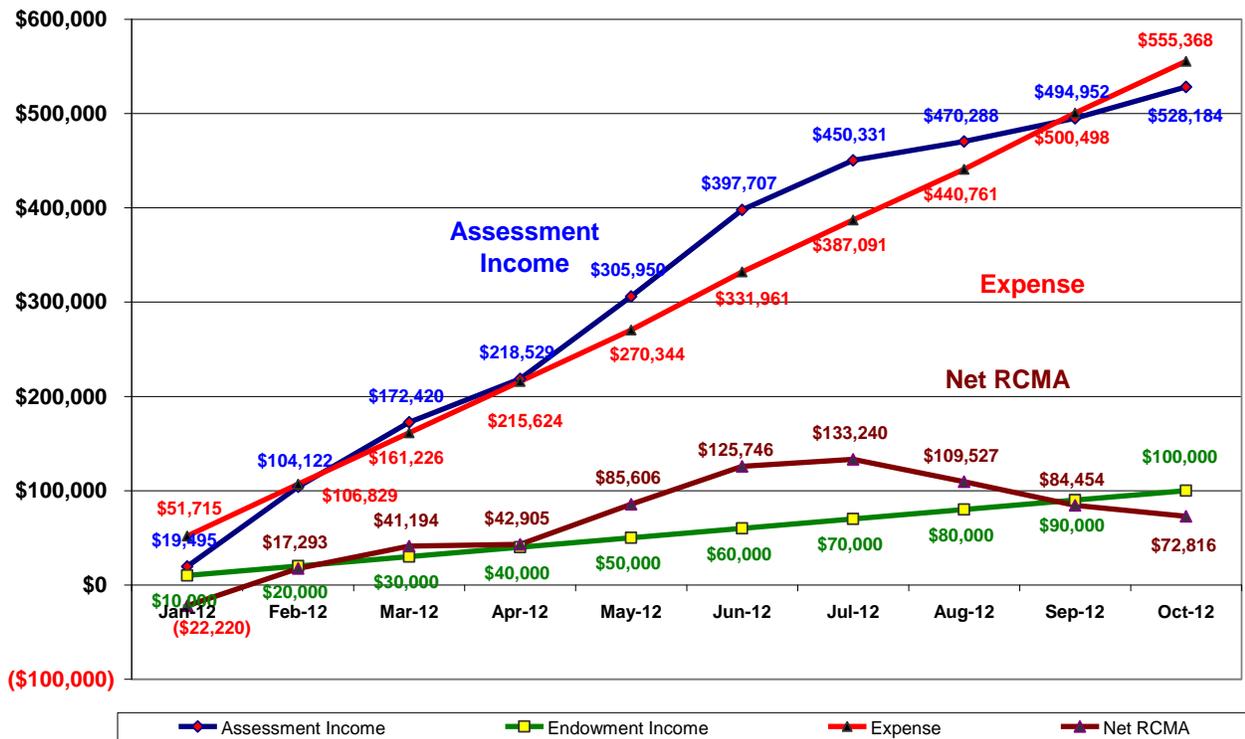
October continued additional expenditures for RCMA: Assessment Income received again eased from prior months, and now totals \$528,000 for the ten months. Expenses continued to increase, though, at a fairly constant rate, to \$555,000 for the first ten months, still \$54,000 below last year.

For the first time this year, expenses YTD exceed assessment income YTD. The endowment income has kept us in surplus. With \$100,000 in investment income, the fund showed a surplus at the end of September of \$73,000. This is better than the \$25,000 surplus of a year ago, but the surplus continues to decline.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
 Saturday, November 17, 2012  
 Philadelphia Cathedral

RCMA Fund 2012 by Month-End



Rev. Cornman will reach out to the treasurer regarding the miscommunication of St. Mary's pledge.

9. Executive Committee Report (10 minutes)

Mr. Paul Yaros

- a. Elections to Executive Committee 1 year term  
Current committee have agreed to another term. The existing committee has been elected.
- b. Elections to Clergy Compensation and Employee Benefits – 3 year term  
Lay – Matt Reese, Richard Bauer Clergy – Rev. Doris Rajagopol  
Elected – Richard Bauer and Rev. Doris Rajagopol
- c. Election to Finance Committee 1 year term  
Clergy - Rev. George Master Lay - Joe Madison, George Vosburgh, Pat Connelly  
Elected – Rev. George Master and George Vosburgh

10. Standing Committee Report (15 minutes)

Rev. Frank Allen

Standing Committee is a committee of advice and consent assisting the Bishop in designating funds, property, ordinations, episcopate budget, consent for Episcopal elections, etc. In the event there is no Diocesan Bishop, the Standing Committee may serve as the ecclesiastical authority.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

October business – Consented to ordination of Nancy Hauser to the priesthood. Consented to candidacies of Pat Rubenstein and Karen Kaminskas. Approved Bishop's nominees to Cathedral Chapter. Consented to use sale of St. John's Lansdowne (\$542,000) to pay down Wapiti loan and a bequest valued at (\$534,000) for the same purpose. About \$250,000 remaining on Wapiti.

Provisional Bishop Work – Standing Committee divided into several, smaller sub committees to search, communicate, and prepare for a Provisional Bishop to become the Ecclesiastical Authority in our Diocese for a set time. All the committees have important work to accomplish and it is our intention to present one candidate to a special convention on January 12 for confirmation by the entire Diocese. There are eleven Bishops being considered. Interviews will begin after Thanksgiving. By December 15 it is hoped to have a name in mind to be presented to the Diocese on January 12. It may be several weeks before they arrive. Bishop Michel will assist until the spring. Committee to do a profile of a Bishop – Pastor to the Pastors, understands systems, relationship with Jesus Christ and can speak about that. The Provisional will not be a candidate for Bishop Diocesan.

11. Finance and Property Committee (*5 minutes*)

The Rev. Kirk Berlenbach, Chair

Wapiti – Farm Camp at Wapiti. A motion was made by Joe Madison and seconded by Pat Smith to disapprove the use of Wapiti as a Farm Camp or any other camp. Motion carried.

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

Along with the Treasurer, we are concerned about the apparently falling levels of support for the Program Budget. We are also concerned about the rate of collection compared to last year. We feel strongly that this issue is one that must be taken up by all of diocesan governance as we move forward.

We heard presentations from both Church Foundation and CCCEB to help us understand why they had both shown a draw down in cash on the most recent audits. Speaking for Foundation, Alan Lindsay explained how the Foundation, its fees and operating expenses are structured. He explained that the draw down in assets was related to bolstering their staff and necessitated as a result of keeping their fee structure very low. Speaking for CCCEB, Marc Andonian explained the structure of CCCEB and the DHWBT. The draw down was related to some past inefficiencies which have since been addressed and also to help offset a record high increase in premiums several years ago.

At our October meeting we discussed the question of holding "Farm Camp" at Wapiti. In a divided vote we recommended not to approve this use of the property.

Finally, we spent most of our last meeting discussing the transition from F&P to the new Finance Committee. F&P will be holding a special final meeting at which we will elect 6 of our members (3 clergy and 3 lay) to serve one year on FC. We are blessed with highly skilled members all of whom could capably serve. But since we are only allowed six we have asked our members to give an inventory of their skills and interests so that, if not elected to FC, they can be recruited to some of the subcommittees that FC will need to form such as budget or property.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

Since this will be our last report to you, on behalf of the entire committee I wish to thank Council for the trust you have shown in us. It has been our privilege to work with you carrying out our common mission to preach the Gospel and build up the Kingdom of God here in the Diocese of Pennsylvania.

Faithfully Submitted,  
The Reverend Kirk T. Berlenbach, Chair

12. Committee Liaison Reports & Assignments (30 minutes)

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

a. Anti-Racism Commission

Ms. Victoria Sicks

Report of the Anti-racism Commission to Diocesan Council, November 17, 2012

Members of the Commission listened carefully to the feedback that we received at the pre-convention meetings, withdrew our resolution requiring anti-racism training of all diocesan leaders, lay or clergy, and will carefully assess the issues raised.

We have postponed (indefinitely) the next Crossroads training while we discern which education strategies we can use to address the diocesan mandate to abolish racism in the Diocese. We are mindful of diocesan funding constraints and in the coming months will be searching for other education opportunities so that we rely less on the Crossroads model, especially introductory training.

Going forward we still want/need to make Crossroads training available for advanced work for people who are interested in knowing more about methods that help to address issues of systemic racism -- something that few other models provide (including the National Church model). We are sorry to disappoint those who had signed up for the Crossroads training in January and were looking forward to taking it. To date, over 300 people have been trained by the Diocese; we will look to this core group and to Diocesan Council to join with members of the Commission to determine how best to live out the mandate that we have been given

b. Companion Diocese Committee

c. Campus Ministry / LECM Advisory Council

Dr. Carole Baxter / Rev. Jane Cornman

d. Cathedral Chapter

The Rev. Ernest Curtain

The Philadelphia Cathedral continues to experience growth in its various ministries and projects. Sunday attendance has increased. Outreach to the community provides food for the hungry, child care, and services for the elderly and for families. The Cathedral maintains an active arts program in a rich variety of media.



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA**  
**DIOCESAN COUNCIL**  
**Saturday, November 17, 2012**  
**Philadelphia Cathedral**

The Cathedral serves the Diocese as the central meeting place for ordinations, liturgical celebrations and a variety of meetings.

The Cathedral development project is moving forward through the process of permits. Once the project is completed the Diocesan offices will relocate to the new Cathedral complex.

Under the leadership of Dean Judith Sullivan and the Chapter the cathedral is growing into the future as a self-sustaining center of worship, outreach and service to the community and the Diocese.

- e. Convention Committee Mrs. Jeanette Woehr
- f. Diocesan Consultation Team The Rev. Joy Segal & Patrick Connelly
- g. Financial Review Commission Mr. George Vosburgh
- h. Liturgy Committee
- i. Middle East Study Committee Ms. Elise Bowers
- j. Diocesan Council Nominations Committee Ms. Elise Bowers & The Rev. Earnest Curtin
- k. Retired Clergy Medical Insurance Working Group Ms. Elise Bowers  
Concluded work has not submitted formal report.
- l. Spiritual Growth The Rev. Jonathan Clodfelter
- m. Stewardship Committee Mr. Peter Datos
- n. Wapiti Sale Committee Ms. Patricia Smith & The Rev. George Master II  
An offer was made on the property but for the Diocese to fund it. The Committee recommends not to accept the offer.  
A motion was made by Pat Smith and seconded by Jane Cornman to approve the recommendation of the committee to not accept the offer. Motion carried.
- o. Wapiti Wilderness Retreat Board Ms. Patricia Smith
- p. Youth Advisory Board The Rev. Jane Cornman

13. Old business

- 14. Schedule of next meeting Mrs. Jeanette Woehr  
The next Diocesan Council meeting will be held on January 5, 2013 at the Church of the Good Samaritan, Paoli – Brandywine Deanery.

- 15. Reflections (*5 minutes*)  
George Vosburgh – Well done



**THE EPISCOPAL DIOCESE OF PENNSYLVANIA  
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Victoria Sicks – Best interest of the poor.

George Master – Spoken at the beginning – Interest of the poor

16. Closing Prayer and Adjournment

The meeting was adjourned at 12:15 pm

Mr. Paul Yaros