

FINANCE COMMITTEE
MINUTES
May 15, 2017

The Finance Committee conducted its June meeting at Church of the Redeemer, 6:30 PM on Monday, May 15, 2017.

Present: Norman McClave, Bishop Daniel Gutierrez, Canon Shawn Wamsley, Doug Horner, Dana Hall, Rev. Charles Flood, Rev. Sarah Hedgis, John Loftus, Rev. Deirdre Whitfield, Rev. George Master, James Pope and Ann Booth-Barbarin.

Absent, Sean Mullen is now replaced by Rev. Deirdre Whitfield for Standing Committee, Doug Sisk, Eric Rabe, Rev. Mike Rau, and Peter Datas.

- 1. Opening Prayer** (6:30 PM) Bishop Gutierrez opened with prayer.
- 2. Opening Comments:** McClave (6:30 PM) Norm welcomed Rev. Deirdre Whitfield as standing committee representative in place of Sean Mullen.
- 3. For Action:** (6:45 PM) **Consent Agenda**
 - The Minutes of March 20, 2017 meeting of the Finance Committee were unanimously approved.
- 4. Discussion:** (6:35 PM) 2018 Budget Challenges –
 - a. Norm began by discussing the meeting the last Saturday with Diocesan Council. He went through the presentation of the budget from Council. He advised that in connection with the proposed budget there was a significant deficit of over \$200,000. The Budget subcommittee would review in detail this Thursday.
 - b. First proposal for a fund for church improvements. The Bishop explained the needs of the churches throughout the diocese. He noted that they were applying in multiple places for grants. Idea is that some portion of the endowment be used for grants of up to \$25,000 with portion investing from congregations to grow and succeed. Norm added that the proposal would involve a maximum of \$300,000 over five years. Maximum 5 year program to take from endowment. A robust discussion ensued about what the parameters of such a program might look like. Discussion also included the lending mechanism in place now for projects and needs that was difficult as many churches cannot repay. The group discussed Diocesan endowment totals and its growth over the last several years and how this program may use endowment funds including a portion of the underlying assets. The Bishop noted that improvements will also increase hope, ministry and good will at the churches and community

development which could increase overall work and mission within the Diocese. Deans would be good committee members as well as representatives from the property committee and one or more members from Finance Committee. Norm proposed maximum grant of \$50,000 with no matching requirements. The Committee agreed that we need group with pastoral hearts to determine process.

- c. Second proposal for Church House was discussed next. Norm explained that this proposal was a methodology for funding Church House. Cathedral apartment building is under contract for sale. Return expected to the Diocese for its investments. Suggestion was to put funds in investments and use the returns to offset rent and expenses of Church House. Expectation was that this would offset 2/3rd of the rent and expenses. The Committee unanimously agreed to use money for this purposes.

5. Discussion of Reports (7:30 – 7:50 PM)

- a. Financial Statements – Doug Horner reviewed the statements distributed in advance of the meeting in detail. He reviewed status of assessments collected and noted that we were behind from same time last year. Investment income second payment received. He then reviewed expenses. Discussion of DCMM line was for salaries and benefits package. Operations and Administration appears over budgeted because correct figure for rent is not reflected. RCMA is running high for year thus far but it is being cleaned up for the year and will normalize.
- b. Treasurer’s Report – James noted that most had already been covered by Doug under the Financial review.
- c. Standing Committee Report – Deirdre reported that Standing Committee had approved two transitional ordinations.
- d. Subcommittees
 - i. Budget – Norm McClave advised that there were no items to report as the subcommittee will meet on Thursday
 - ii. Investment – Dana Hall nothing to report. Dana and others acknowledged the value of the circulated report from T. Rowe Price
 - iii. Parochial Relations – Nothing to add
 - iv. Property – Sean McCauley provided a summary of the status of various property projects including Crucifixion, St. Stephen’s, St John’s Norristown, St John’s Huntington Valley, Trinity Oxford, Trinity Boothwyn and Wayne. No decisions were required from Finance Committee.

6. Rev. Whitfield closed us in prayer at 8:01.