

FINANCE COMMITTEE
MINUTES
APRIL 18, 2016

The Finance Committee conducted its April meeting by teleconference at 6:30 PM on Monday, April 18, 2016.

Present: Eric Rabe, Pat Smith, Rev. George Master, Rev. Charles Flood, Peter Datos, Rev. Adam Kradel, John Loftus, Dana Hall, James Pope, Rob Rogers

The meeting opened with prayer at 6:30 PM.

The consent agenda consisted of approval of the minutes of the March minutes of the Finance Committee. These minutes were unanimously approved by voice vote.

Budget Committee Chair Adam Kradel then introduced the 2017 Unified Budget for discussion. The EA was tentatively calculated at \$1,537,467. The Subcommittee made a serious attempt to allocate expenses between Episcopate and Program.

- The Subcommittee budgeted pledge income at \$760K from \$660K before allowance for non-payment; investment income is expected to increase 1.2%.
- Under Special Revenue, Youth income is budgeted to decrease to \$494K from \$630K.
- There followed a discussion of how to handle St. John's Norristown, which concluded in a recommendation from the Committee that St. John's be placed in DCMM by Diocesan Council in their next meeting and that D.C. find the money to support this mission.
- Rev. Kradel ran through the items funded by the \$710K net pledge budget, which included \$55K for ministries, \$118K in congregation grants, \$516 DCMM salaries, plus a small amount of the pledge to TEC (lines 33 to 67 on his draft circulated just before the meeting started, and attached).
- E.A. expenses start on line 69 through the end of the budget, and a discussion of how to allocate Diocesan salaries given the staff rotation followed. The Committee recognized that in a year of transition to the new Bishop, it was likely that individual salary line items might change, but with the expectation that the overall salary budget would be maintained.
- Church House operations were reviewed and the increases in rent and occupancy were briefly discussed, as well as the increase in the pledge to TEC to \$365,000.
- Final discussion concerned the upcoming meetings of budget, DC, SC and Finance with respect to budget approval.

Under financial statement review, it was noted that Servant Year and Mission Center budgeted revenues in 2016 are overstated and unlikely to be met. Expenses must be addressed in the next three months if this shortage of income proves to be fact.

Standing Committee reported its progress with the outgoing and incoming bishops and the various events surrounding those individuals

George Master reviewed the newly-formed Insurance Review Committee and noted that Clifford Kozemchak and Bruce Givnish have agreed to participate as they are able. The review is aiming at the June 2017 insurance renewal date.

The Property Committee introduced the renegotiated lease for the Welcome Center at St. John's Norristown, and the lease was approved with the one change. There is now a 180-day notice to cancel at any time by either party.

The Rector and vestry at Redeemer Springfield have requested permission to sell their vacant rectory. The parish put \$40,000 into renovations at the site to prepare it for sale. They received a \$30,000 loan from The Bishop's Loan Fund and put \$10,000 of their own funds into this project. They propose to pay off the loan, pay themselves back and put the balance into a TCF fund upon sale of the asset. This motion passed.

Parochial Relations reported that there is a movement to establish volunteer consulting groups to assist the parishes with the business end of parish life. John Loftus reported on progress in pushing for adoption of this program.

The meeting adjourned at 7:40PM with prayer.