



Episcopal Diocese of Pennsylvania

Minutes

Tuesday, Jun 26, 2018, 5:00 PM

At the Offices of the Diocese

As approved July 24, 2018

Call to Order at 5:01 PM by McCausland.

Clergy present were Liz Colton, Sean Mullen, Jo Ann Jones

Laypersons present were Colin Johnstone, Norman McCausland, Eric Rabe, Pat Smith and George Vosburgh.

Excused was The Rev. Michael Rau.

Also present were Bishop Daniel Gutierrez (via conference call) and Chancellor Mary Kohart.

The Agenda was approved unanimously with minor changes.

Opening Prayer was offered by Raining.

Minutes of May 22, 2018, Meeting were approved unanimously with minor changes.

The **Notes** of the May 22 meeting were received.

Confirmation of Email vote of June 6, 2018 (ECS Board Nominees)

Standing Committee voted via email on the proposed nominees to be members of the Board of **Episcopal Community Services**. McCausland reported that those voting **unanimously approved** the slate of nominees. Jones abstained.

Presentation of Proposed Undesignated Fund Usage

Treasurer James Pope and Canon for Finance Doug Horner with assistance from Kathleen Stephenson, Esq. and The Church Foundation (TCF) staff continue to identify accounts held at TCF that were previously designated as non-distributing. Pope believes that some \$1.43 million is available as of April 30, 2018. Work continues to identify other available non-distributing funds. (See attached schedule of these funds.)

A Resolution was made and seconded (Jones/Vosburgh) to **establish a new Church Foundation account**, "Diocesan Funds Under Review," under the authority of Canon 13.4 and at the request of the Bishop. The moneys from the non-distributing funds

described in the attachment to these minutes are to be deposited in this account, and the 23 existing accounts are to be closed excepting the “St. Matthias Fund” which will remain open with a nominal balance of \$5,000 to receive mortgage payments still outstanding. **Approved unanimously.**

Presentation on Proposed 2019 Budget

Treasurer Pope then presented the 2019 budget. Although the cost of administration is under-running its income, expenses for mission are overrunning income designated for that purpose. The current budget shows an \$867k deficit. This would be covered by a draw on our endowment.

Mullen noted that in recent years, at least three budgets have drawn from endowment resources to cover deficits. In the current proposed budget, the large deficit is due to level assessments, and Mullen noted that parishes may not be able to pay more. At the same time, the Diocese is increasing its payment to the national church and significantly increasing mission spending.

McCausland thanked Pope for his attendance and reports.

Ministry Approvals:

- None this month.

Diocesan Staff Reports

- No comments

Executive Committee Report

- McCausland has polled the Standing Committee and a quorum will be available to attend the July meeting although he and Raining will not be present.
- Earlier on June 26, Executive Committee met briefly via videoconference with the Bishop who is traveling.

Bishop’s Report

- The Bishop is traveling in New Mexico for an ordination and then will go on to the General Convention of The Episcopal Church to be held beginning July 3, 2018 in Austin, TX.

Finance Committee Referrals

- Church of the Advocate Request – Line of Credit Approval

The Church of the Advocate requests Standing Committee approval to secure \$150,000 a line-of-credit with a restricted endowment. Finance Committee recommends that Standing Committee decline to approve the request.

A Resolution was made and seconded (Raining/Rabe). Based on counsel of the Chancellor that the endowment proposed to secure the line of credit is restricted and also based on the recommendation of Finance Committee, Standing Committee **does**

not approve the requested loan or encumbrance of the restricted endowment by Church of the Advocate. Standing Committee notes that Canons require approval of Diocesan Council for any loan in excess of \$1000 taken by an aided parish. **Agreed unanimously.**

- St. Mary's Bainbridge Lease Request

St. Mary's seeks approval to lease a residence owned by the church. Finance Committee recommends approval. The Chancellor has reviewed a proposed lease. Finance recommends that the minimum rent be set at \$2500 per month. The church has selected Volpe Real Estate to handle the leasing.

A Resolution was made and seconded (Rabe/Smith) that the proposal by **St. Mary's Bainbridge** to lease its rectory (1839 Bainbridge Street) is approved with a minimum rent stipulated at \$2500. The rent may be higher if agreed by the vestry and rector. The final lease will be subject to review by the Chancellor. **Approved unanimously.**

Old Business

- **Letters to the Revd. Erika Takacs and family of Ann Booth-Barbarin**

Standing Committee on May 22 resolved to send a letter commending Takacs on her work in our Diocese as she takes up a call in Chicago, and to express condolences to members of the family of Ann Booth-Barbarin who died suddenly and had been active in Diocese leadership. Both letters were signed by all members present and will be transmitted to the recipients.

- **Proposed Description of Standing Committee/COM relationship**

McCausland distributed a document prepared by Vosburgh and Raining that describes a process for Standing Committee to use and questions to be asked of candidates for ordination. The objective is to bring uniformity to the interview process. Members agreed that there is no need or desire to duplicate the work of the COM. Johnstone noted that Standing Committee is required to interview postulants before they become candidates.

A Resolution was made and seconded (Colton/Smith) to **endorse the following statement** of Standing Committee's role in interviewing candidates for ordination:

The Role of the Standing Committee vis a vis the Commission on Ministry

The Standing Committee's role in the ordination process is one of official Diocesan approval and support of the work of the COM. We recognize that the hard work of discernment happens within the work of the COM and do not seek to replicate that process. Yet, in order for the Standing Committee to fulfill its canonical obligations, it requires some interview and fellowship time with the Candidates for Holy Orders. It is proposed that the Standing Committee join with

the COM on the first night of one of the Bishop's discernment weekends and also conduct a short interview with each of the Candidates (15-30mins) in a formal Standing Committee meeting. These formal interviews will be conducted prior to Candidacy. The fellowship time could also aid in bringing the Standing Committee and COM together at strategic moments to enhance their working relationship.

Approved unanimously.

- **Committee to study DioPA location**

At the May 22 meeting, Standing Committee established a Committee to study needs and options for Offices of the Diocese. The Committee is to include two representatives from Standing Committee, two from Diocesan Council, two from Finance and one staff representative.

Appointed to date are: Eric Rabe, Pat Smith, Standing Committee; Dave Dixon, John Wallace, Diocesan Council. Finance is expected to appoint two members shortly.

New Business

Diocesan Commission/Committee Reports (as necessary)

- Finance – No further report
- Incorporation
Pat Smith and Chancellor Kohart, both members of the Incorporation Committee, reported on the current status Committee's work.

Members of the Incorporation Committee reported on this work to the Diocesan Council on June 23 and the Finance Committee on June 21. The Incorporation Committee expects to bring its proposal to Convention in 2018 and that elections for the Corporation Board would be held in 2019.

Colton recommends language changes to assure that vicars, as Diocese employees, be permitted to serve on committees and boards.

- Congregational Life and Development Team -- Jones reported that the Team's last meeting was in April. She expects that the Team will meet again when the funds have been established for its work.
- Constitution & Canons – No recent meeting
- Commission on Ministry – No further report
- Diocesan Council – Vosburgh reported that Council received a report on Incorporation at its June 23 meeting. Also the Mission Process Committee

presented a plan for managing missions of the Dioceses. Council reviewed program grants to be included in the 2019 Diocesan budget.

- Episcopal Elections

A Resolution was made and seconded (Colton/Smith) that the Standing Committee of the Diocese of Pennsylvania consents to the election of Michael Buerkel Hunn as Bishop Diocesan of the **Diocese of the Rio Grande**. **Approved unanimously.**

A Resolution was made and seconded (Colton/Jones) that the Standing Committee of the Diocese of Pennsylvania consents to the election of Carlyle J. Hughes as Bishop Diocesan of the **Diocese of the Newark**. **Approved unanimously.**

A Resolution was made and seconded (Colton/Vosburgh) that the Standing Committee of the Diocese of Pennsylvania consents to the election of Mark Cowel as Bishop Diocesan of the **Diocese of Western Kansas**. **Approved unanimously.**

- Bishop's Special Budget Committee -- Mullen reported that the committee is attempting to establish a process for determining the health of parishes in the Diocese as a way of identifying the best use of resources.

Adjournment Moved and seconded and approved unanimously at 7:20 PM.

McCausland offered a **Closing Prayer**.

Future Agenda Items

- July 24, 2018 Opening/Closing Prayers: Jones/Johnstone

Attachment: Non--distributing Funds as of April 30, 2018, submitted by the Treasurer.

Account name	A/C number	Bal as of 4/30/2018	Cash to Diocese	Growth Development Fund	Diocesan Funds Under Review
All Saints Crescentville	064704	\$26,523.63			\$26,523.63
Atonement, Morton	064691	\$96,210.80			\$96,210.80
Atonement, Morton	065043	\$2,548.50			\$2,548.50
Calvary, Germantown	064930	\$35,149.77			\$35,149.77
Calvary, Germantown	064766	\$8,106.16			\$8,106.16
St. Bartholemew Property Fund	064632	\$12,393.39			\$12,393.39
St. Elizabeth Proceeds	064985	\$234,112.79		\$234,112.79	\$0.00
St. Giles Proceeds	064981	\$424,475.00		\$424,475.00	\$0.00
St. Martin's Oak Lane/Holy Nativity	064810	\$10,369.89			\$10,369.89
St. Matthias	064947	\$335,271.23			\$330,271.23
St. Paul's Calvary	064814	\$437,925.08		\$437,925.08	\$0.00
St. Paul's Calvary	065041	\$79,696.38			\$79,696.38
St. Nathanael's Kensington	064972	\$85,243.94			\$85,243.94
St. Peter's Germantown Rental a/c	065059	\$3,355.86			\$3,355.86
Unrestricted Capital Campaign a/c	065060	\$47,276.26			\$47,276.26
St. John the Baptist Ihling Fund	064635	\$30,308.86			\$30,308.86
Diaconate Retiring Fund	064943	\$348,238.81			\$348,238.81
Diocesan Unrestricted Fund	065085	\$8,999.32			\$8,999.32
Evelyn Bromley Fund	065034	\$48,280.36			\$48,280.36
Lance Endowment Fund	065049	\$256,689.98		\$103,487.13	\$153,202.85
Louise Duane Wallace Fund	065025	\$23,446.13			\$23,446.13
McCreery Fund	065051	\$763,765.91	\$ 750,000.00		\$13,765.91
Samuel Houston Fund	065071	\$59,317.62			\$59,317.62
		\$3,377,705.67	\$750,000.00	\$1,200,000.00	\$1,422,705.67

(The "Cash to Diocese" column is the total of \$450,000 distributed to cover the 2018 budget deficit and \$300,000 distributed to cover the 2018 Growth and Development grants to congregations.)