

DIOCESE OF PENNSYLVANIA FINANCE COMMITTEE

MONDAY, DECEMBER 14, 2015, 6:30 p.m., CHURCH OF THE REDEEMER, BRYN MAWR, PA.

Committee members present: Eric Rabe, Chair, Nora Adelman, The Rev. Dr. Charles Flood, John Loftus, The Rev. Gregory Wilson, Ann Booth-Barbarin, Peter Dados

Committee members not present: The Rev. Adam Kradel, The Rev. George Master

Ex officio present: James Pope, Treasurer; Rob Rogers, Canon for Finance

Ex-officio not present: The Rt. Rev. Clifton Daniel, Bishop; Cliff Kozemcek, Representative from Church Foundation; Margaret Ullman, Representative from Commission on Clergy Compensation and Employee Benefits

Opening Prayer - The Rev. Greg Wilson

Eric Rabe welcomed new members The Rev. Greg Wilson and Peter Dados, both representatives newly appointed by Diocesan Council. Two serving members of the committee The Rev. George Master and John Loftus were elected to new three-year terms by Convention in November. All other current members are continuing from the prior year. Rabe outlined some of the aspects of the work of the Finance Committee. It is a body that prepares the annual budget for presentation to the Diocesan Convention. Due to the increase of closed churches for sale and maintenance, the oversight of property and the sale of property is a growing part of the scope of the committee.

For Action:

Consent Agenda - Minutes of the October 19, 2015 meeting of the Finance Committee. (James Pope moved to approve the minutes as distributed, seconded by John Loftus. All in favor, none opposed or abstaining.)

Election of Officers:

Eric Rabe expressed his willingness to continue as chair. Adam Kradel is willing to continue as Vice chair and Ann Booth-Barbarin has agreed to be Secretary. (Nora Adelman moved that this slate of officers be approved, and this was seconded by Greg Wilson. All in favor, none opposed or abstaining.)

Chairs needed for subcommittees:

Adam Kradel will remain as chair of the Budget Subcommittee. George Master will remain as chair of the Property Subcommittee.

A discussion ensued regarding the various other subcommittees and their need for members.

- Property Committee: James Pope has been attending the Property Committee and so he was added to that committee along with John Loftus and Peter Dados.

- Investment Committee: James Pope recommended that Dana Hall be considered as chair of the Investment Committee.
- Parochial Relations: John Loftus suggested that he and Charles Flood co-chair the Parochial Relations sub-committee. Greg Wilson was added to the Parochial Relations sub-committee. Rabe appointed Flood and Loftus co-chairs of this subcommittee.
- Audit Committee: Rob Rogers suggested that the Audit Committee needs more members. Nora Adelman volunteered. The Audit Committee now has Nora Adelman, James Pope, Eric Rabe and Rob Rogers.

DIOCESAN COUNCIL has requested a role in budgeting. Council, which is an elected representative body should have a role in forming budgeted items. Eric proposed taking certain line items having to do with ministry. It was suggested that we calculate the amount of money currently allocated to these line items and assign that amount to Diocesan Council for allocation in the 2017 budget. Diocesan Council would decide on these allocations and submit them back to the Finance Committee for inclusion in the proposed 2017 budget. The line items suggested cover grants to parishes (lines 54 through 74) which currently compromises \$118,000 in the current grants budget. It was also suggested that lines 92 through 100 be added to the allocations decided by Diocesan Council. Having Diocesan Council input would broaden considerations of grants and programs and increase general transparency to the budget process.

MOTION: Line items which currently reference ministry programs (lines 56-74 and 92-100) will be allocated by the actions of Diocesan Council and then brought back to Finance Committee for inclusion in the 2017 budget. The dollar figures available shall be based on the current (2016) allocations for these line items. (James Pope moved and John Loftus seconded. All in favor, none opposed or abstaining.)

Copies of DIOCESE OF PENNSYLVANIA EMPLOYEE PROTECTION (Whistle blower) POLICY and ANNUAL CONFLICTS OF INTEREST AND DISCLOSURE OF RELATED ACTIVITIES STATEMENT were included in the Agenda packet for this meeting. It was stressed that members of the Finance Committee need to sign and date these forms and return them to Rob Rogers.

MOTION: The Finance Committee recommends that all members of Committees of the Diocese be required to review and sign these two policy statements annually. This is already a requirement for members of the Finance Committee. (Ann Booth-Barbarin and Nora Adelman seconded. All in favor, none opposed or abstaining.)

HOUSING ALLOWANCE for The Rev. Sarah Hedgis was amended from the amount of \$16,500 to another amount (no more than \$20,000.00) which would be provided at a later date for inclusion in these minutes. Proposed by Rob Rogers. (James Pope moved and Ann Booth-Barbarin seconded. All in favor, none opposed or abstaining.)

Following is the updated Housing Allowance figures which were approved by the committee at the October 19, 2015 meeting with the amendment for The Rev. Sarah Hedgis included in this list:

Employee
Bishop Clifton Daniel

Housing Allowance
\$60,000

Rev. Nancy Deming	\$16,944
Rev. Lucy Amerman	\$42,000
Rev. Renee McKenzie Hayward	\$24,000
Rev. Carol Anthony	\$28,000
Rev. Jose Diaz Martinez	\$25,000
Rev. Doris Rajagapol	\$20,000
Rev. Sarah Hedgis	\$17,762

FINANCIAL STATEMENTS AND GIVING TO THE DIOCESE were reviewed by Rob Rogers. Figures are slightly down from where they were last year at this time. It was pointed out that a lack of giving or reductions in giving were driven by a lack of funds in parishes and not for political reasons.

PERCEIVED LOSS OF \$187,000. Every year money is “put aside” for the cost of General Convention, an every-three-year event. The amount allocated for the new Bishop search is budgeted, but has no offset. The Servant Year program could pose a financial problem, but it is being carefully monitored. John Loftus inquired whether December was a big month for receiving pledges. Rob Rogers replied that it can be up or down with no predicting with certainty. The system is relatively healthy and bad debt stands at about 5 percent.

ALL SAINTS COLLINGDALE. This property was sold last Tuesday. A sum of \$315,000 has been promised in addition to the \$35,000 deposit already received. It was mentioned that this money should be deposited in the Closed Church Property Fund. In terms of All Saints Collingdale, it has been a “three year headache” during which time we spent \$50,000 to \$75,000 on the property. The committee felt that this sum, at a minimum should be deposited in the Closed Church Property Fund. The allocation of these funds is going to be discussed by Standing Committee.

The sense of the Committee is that funds generated from a sale of property should go to other capital asset costs and not be allocated to operations (programs). Our Property Manager and the Custodian at the Maryland Property are both paid out of the Closed Church Property Fund. Currently, the balance in the Closed Church Property Fund is low but sufficient for current needs, Rogers reported.

The Property Report was reviewed as distributed and attached below.

Concern was expressed for the future of the Church of the Crucifixion in South Philadelphia. Their current outstanding bills are more than their current funds.

NORA ADELMAN: Eric Rabe expressed gratitude, on behalf of the committee, for the tireless and outstanding work of Nora Adelman as Recording Secretary of the Finance Committee. He thanked Nora for her wise insight in the matters before the committee and consistent great advice. Formal thanks were expressed by Eric and echoed by all present.

The next meeting of the Finance Committee will be January 11, 2016 at the Church of the Redeemer at 6:30 PM.

The Closing prayer was offered by John Loftus at 8.00 p.m.

Respectfully submitted,

(The Rev.) Dr. Charles Flood
Recording Secretary- pro tempore