

FINANCE COMMITTEE
MINUTES
November 21, 2016

The Finance Committee conducted its November 2016 meeting via teleconference at 6:30 PM on Monday, November 21, 2016.

Present: Eric Rabe, John Loftus, Dana Hall, James Pope, Rev. Deirdre Whitfield, Norman McClave, Ann Booth-Barbarin, Rev. Adam Kradel, Pete Datos, Canon Shawn Wamsley, and Pat Smith.

Absent: Bishop Daniel Gutierrez, Rev. Mike Rau, Doug Sisk, Rev. Charles Flood, George Master

1. The meeting opened with prayer offered by Canon Wamsley.
2. **Opening Comments:** Eric began by welcoming to Dana Hall and Adam Kradel for full three-year terms, and he thanked convention for action to elect Dana and re-elect Adam. He expressed thanks for excellent work on the budget.
3. **For Action:** (6:40 PM) **Consent Agenda:** The Minutes of the October 17, 2016 meeting of the Finance Committee were unanimously approved.
4. **Discussion:** Eric reported to committee the actions taken by electronic vote between meetings.
 - **On October 25, 2016,** the Finance Committee considered the request from Resurrection, Rockdale, to spend a portion of its restricted endowment for repairs to the church, the rectory and a sexton's cottage. (The funds in the restricted endowment were generated from the sale of St. James Church when two congregations merged to form Resurrection. The proceeds were restricted in the Standing Committee approval of the merger so that the new congregation would have access only to the investment income unless further approval was granted for other uses of the corpus.)

On October 25, 2016, the Committee, voting electronically, agreed to this resolution:

Resolved: The Finance Committee recommends that the Church of the Resurrection, Rockdale be permitted to draw an amount of \$20,077 from their restricted endowment account with the Church Foundation in order to make critical repairs to the church property and rectory.

The result was reported to Standing Committee on Oct. 25, 2016.

5. **Discussion:** Eric then turned to the St. David's Radnor request to enter into a long-term lease with Cellco Partnership, a Delaware general partnership, d/b/a Verizon Wireless for a mobile phone antenna system on the property. The site is known as PHI Ditmer Park, and a draft lease had been provided to all committee members. Discussion ensued about the lease terms, the income stream and the carry-over of the lease if property was sold. After discussion, motion made and seconded, it was unanimously
 - **RESOLVED:** The Finance Committee recommends that St. David's Church be permitted to enter into the lease for a mobile phone system antenna and associated equipment on the church property as described in the proposed lease. It is the Committee's understanding that the lease has been reviewed by the chancellor and considered acceptable.

6. **Discussion:** Eric then turned to Trinity, Boothwyn and the recommendation to explore the sale of a certain part of the property, approximately 8 acres of its 14.5 acres. He described the plot of the property being considered. That portion of the property is not being used. Property committee has reviewed and recommends allowing the church to explore the sale. After discussion, motion made and seconded, it was unanimously
 - **RESOLVED:** The Finance Committee recommends that Trinity, Boothwyn, be permitted to explore the sale of approximately eight acres of land for development. It is understood, that this is a recommendation to explore and develop a proposal for sale. The actual proposal will be submitted for approval at a later date.

7. **Discussion:** Eric then discussed St. John's Norristown and the current tenant who wants both a lease extension and an option to sublease. The tenant, a sole practitioner law office, has asked for a one-year lease extension, with the ability to sublease. The Property committee recommends negotiating for the one-year extension, but without sublease provision. After discussion, motion made and seconded, it was unanimously
 - **RESOLVED:** The Finance Committee recommends that St. John's, Norristown be permitted to offer this tenant a one-year extension of the current lease to be negotiated by St John's, but approval by St. John's and the Diocese will be required for any sublease or other modification of the existing lease terms.

8. **Discussion:** Next, Eric discussed the requested approval by St. John's Huntington Valley regarding sale of the New Church that is part of the parish to be considered by Standing Committee Nov. 22, 2016. He recalled the unanimous approval by the Finance Committee of a resolution in August as set forth in the Minutes of that meeting and below. This was informational and discussion was comprehensive to bring all up to date about the status and the need for this sale.

- From the minutes of Finance Sept. 19, 2016 meeting:

Report of Finance Committee electronic approval of **St. John's Huntington Valley** request to sell the "New Church" property. The Committee on Aug. 11, 2016, by electronic vote, unanimously approved the resolution as follows:

RESOLVED: The Finance Committee recommends that St. Johns, Huntington Valley, be permitted to sell the portion of its property known as the "New Church" for a minimum price of \$800,000 in accordance with the attached document describing the sale and background and provided by the Church Senior Warden.

9. Discussion of Reports (7:00 – 7:15 PM)

- a. Financial Statements – Statements distributed. Eric noted church house operations and explained timing of bills and accruals that are not reflected.
- b. Treasurer's Report – James Pope, Treasurer. Reported on status of pledge collection which is slightly slower than hoped, but James reported that efforts are being made to collect late pledges.
- c. Standing Committee Report – Pat Smith, Deirdre Whitfield
- d. Subcommittees
 - i. Budget - Adam Kradel. Budget passed at Convention without comment
 - ii. Investment – Dana Hall and others met with the Church Foundation and representatives of T. Rowe Price for a helpful discussion of investment strategy. Church Foundation agreed to move the neutral allocation of equity/fixed income investments to 70/30 and retained the allowed variance at +/-10%.
 - iii. Parochial Relations – John Loftus, Charles Flood John reported that the parish survey was sent out from diocese. Canon Nancy Deming is taking responsibility to collect, analyze and report.
 - iv. Property – no items not covered above

10. No other business.

The meeting was closed with prayer by Eric Rabe at 7:11 p.m.

Next Meeting December 12, 2016 at 6:30 p.m. Church of the Redeemer, Bryn Mawr, PA.