

**Diocese of Pennsylvania Finance Committee Agenda – Meeting
January 26, 2015, 6:30-8:30 p.m., via conference call due to weather**

Committee members participating: Eric Rabe, Chair, Nora Adelman, Ann Booth-Barbarin, Elise Bowers, The Rev. Dr. Charles Flood, The Rev. Adam Kradel, John Loftus, The Rev. George Master, Pat Smith

Ex officio participants: Rob Rogers, Canon for Finance

Guest: Sean McCauley, Diocesan Property Manager

Committee members not participating: The Rev. Kirk Berlenbach, The Rev. Carolyn Huff

Ex officio not participating: The Right Rev. Clifton Daniel, Bishop; James Pope, Treasurer; Margaret Ullman, Commission on Clergy Compensation and Employee Benefits

1. Opening prayer – The Rev. Adam Kradel
2. Welcome –Eric Rabe, Chair
3. **Consent Agenda – Motion by The Rev. Dr. Charles Flood, seconded by Pat Smith, to approve consent agenda – all in favor, none opposed or abstaining**
 - a. **Minutes of December 2014 meeting**
4. For discussion: Gift acceptance policy - Nora Adelman, Rob Rogers, and Ann Booth-Barbarin will work on drafting a policy for the Diocese
5. For Action
 - a. **Resolved: The Finance Committee agrees to the proposed sale of two properties by St. Peter’s Philadelphia. One is a part of a building used by St. Peter’s School and leased by the School for \$1 per year. The second is 313 Pine Street currently used as church offices that would be sold in the future, should St. Peter’s decide to build a contemplated new parish house. Nora Adelman recused herself since she is a member at St. Peter’s. Motion by The Rev. George Master and seconded by The Rev. Adam Kradel to recommend the sale to Standing Committee (the Property Subcommittee recommended approval). Eight in favor, none opposed, one recused.**
 - b. Finance Committee February meeting time – The group agreed to move the meeting to February 23 to avoid a conflict with Presidents’ Day.
6. Questions, discussion of written reports
 - a. Financial Statements – Rob Rogers, Canon for Finance
 - i. Monthly update – The cash position is strong. A number of churches have paid assessments in full at the start of the year.
 - ii. Report on 2014 financial results – The Diocese ended the year close to budget. The funds for Bishop Transition are in reserve, having been set aside over a three-year period. The total pledged for 2015 is now around \$500,000. Typically, pledges are received into March. Church House expenses were more than projected when space was rented at Lutheran Seminary. Budgeting for 2016 will require thoughtful planning, with a number of staff transitions expected in addition to the bishop transition.
 - b. Property Manager’s Report – Sean McCauley / George Master
 - i. Sale of St. Philip’s completed in 2014

- ii. Proposed sale of a portion of the property of St. John's Huntingdon Valley including chapel, graveyard and parking lot. A group of individuals have expressed interest in maintaining the graveyard and chapel – the parking lot is part of that parcel. Sean is exploring what financial arrangements might be made to address the group's desire to maintain the property while protecting the church and Diocese. The group is open to exploring alternate ways to accomplish their goal, such as setting up a trust for the graveyard. Due to state law requirements, a committee member suggested asking all churches with cemeteries and columbaria to verify they have appropriate funding for perpetual care of those properties. The Property Subcommittee will explore this issue.
- iii. Church of the Crucifixion report on condition. The Diocese has been looking at this property for several years due to various issues. Diocesan funding was provided for floor and structural repair in the chancel a few years ago. A building inspector has uncovered serious issues with electrical service and wiring. The building exterior has water penetration issues. The floors in the chancel are deteriorating due to active termite damage and will need to be replaced. The inspector indicated the repairs should be made immediately. Sean McCauley will get contractors to give estimates for the required fixes as soon as possible. **A motion was made by Ann Booth-Barbarin and seconded by The Rev. Charles Flood: Based upon the inspector's report, the Committee recommends to Standing Committee that all activities in the building be relocated to other venues while next steps are taken – i.e., getting the contractors to give estimates and scope of work, and determining how and if repairs will be made. All in favor, none opposed or abstaining.**

Sean McCauley was excused from the call.

- c. Treasurer's Report – James Pope, Treasurer, was out of the country
 - d. Standing Committee– Pat Smith – Standing Committee worked on the bishop search and transition committee membership applications and functioning in a retreat earlier this month. Forms for application, including required references, are on the website.
 - e. Subcommittees
 - i. Diocesan Audit – Rob Rogers – The Diocese has signed an audit agreement letter with BBD for 2015.
 - ii. Budget – The Rev. Adam Kradel noted that the process will begin in February for the 2016 budget.
 - iii. Investment – Elise Bowers will join the Church Foundation Investment Subcommittee to visit T. Rowe Price in Baltimore on February 5 for the annual review of its services as money manager for the Foundation.
 - iv. Parochial Relations – The Rev. Carolyn Huff – no update
 - v. Property – The Rev. George Master – The Maryland property is off the market.
7. Other business – Proceeds from the sale of St. Philip's (\$220,000) were put into the Property Fund, to be used for the salaries of the Diocesan Property Manager and the caretaker at the Maryland Property. Therefore, costs for 2015 will be covered.

Eric Rabe, Chair

Nora Adelman, Secretary