



Diocese of Pennsylvania
Finance Committee Meeting
Minutes 6/21/2018

Location- St. Asaph's Episcopal Church

Attendees

Bishop Daniel Gutierrez	Canon Doug Horner	Mr. James Pope
Ms. Dana Hall	The Rev. George Master	The Rev Michael Rau
Mr. Eric Rabe	Mr. Christopher Hart	The Rev. Matthew Dayton- Welch
Mr. Kirk Muller		

Minutes

The Bishop opened the meeting in Prayer at 6:30PM

The Rev Michael Rau opened with the need for nominations for Secretary and Chairman.

Nomination for Finance Committee Secretary- Rev Michael Rau nominated Kirk Muller as Finance Committee Secretary. Rev George Master seconded. The committee approved the nomination. Kirk Muller accepted.

Nomination for Finance Committee Chair

The Bishop nominated Dana Hall as Finance Committee Chair, Eric Rabe seconded. The committee approved the nomination. Dana Hall accepted the nomination as chair.

Review and approval of the minutes from the May 2018 Finance Committee meeting

Rev George Master moved to approve the minutes

Chairperson Dana Hall seconded, the committee approved the motion.

Rev Michael Rau made a motion to accept the agenda Eric Rabe seconded. The Committee approved the motion.

Documentation supporting the minutes will be made available on the Diocese Portal available to the members of the committee and the minutes will be posted to the Diocesan website.

Action Items

- i. Church of the Advocate: \$150,000 Line of Credit Request- James Pope presented the research on the request from the George South Memorial Church of the Advocate. James stated that both of the Trust accounts in question are secured for income only and have language that states that there are restrictions against accessing the Trust Funds by the Vestry or other parties. In addition there is no indication of who is the actual trustee of the account. He stated that work is underway to secure the identity of the trustee or have one appointed according to the Trust. Eric discussed his thoughts in concert with James regarding their concerns about accessing the funds, and that based on the documentation at hand they would not recommend approval. Eric Rabe asked about the effect to the Church if these funds aren't approved. The Bishop discussed the amount of time dedicated to the Advocate on a weekly basis and that a pro-bono accountant has been found to assist their work. The Bishop stated the Finance committee will continue to look at further options for funding of the Advocate's needs.

Rev. Matthew Dayton-Welch asked about the origin of the request. The Bishop stated that the Finance Committee is not able to make unilateral decisions regarding how the funding is allocated from the funds. The approval process is for the Finance Committee to provide a recommendation to Standing Committee as to whether to approve based on their research and experience.

Eric Rabe asked whether the Chancellor has been consulted. James Pope stated that the chancellor recommended that no church should be raiding their restricted endowments.

James also stated that as part of Canon 9 the trusts should have been transferred to the Church Foundation previous to this request.

Chairperson Hall stated the terms of the loan would not be sufficient for most churches.

James Pope made a motion that on due consideration of the request of the Church of the Advocate for a line of credit against the trust to recommend to Standing Committee that they not approve this request. The reasons are as follows..

- Advice of the Chancellor and significant legality against the request.
- The Treasurer of the Diocese cannot make significant legal justification for the request.

Chairperson Hall seconded the motion. The committee voted unanimously in favor of the motion.

- ii. Request to the Finance Committee recommend to the Standing Committee and the Bishop that St. Mary's, Bainbridge's Vestry engage Volpe Real Este to lease and manage 1839 Bainbridge Street. Rev George Master provided background on the request to

allow a Real Estate company to assist in order that the lease could be executed more efficiently. James stated that his discussions with Sean McCauley's have the rent higher than the minimum and should be started at \$3,000 a month.

Rev George made a motion to recommend to Standing Committee accept the recommendation and Eric seconded . The committee approved the motion.

Report from the Diocese of Pennsylvania Restructuring Committee (formerly the Committee for Incorporation. (Dana Hall) Documentation provided. To be released as appropriate.

Budget Draft Report (James Pope, Rev. Michael Rau)

Rev Michael Rau provided a report on the budget draft and the hearings being held throughout the Diocese. James discussed that the large draw against the endowments would be a one-time occurrence and that future budgets would require funding from other sources. The Bishop mentioned the work being done by the Offices of the Diocese to re-structure and focus on support of the churches and mission as compared to administrative.

Discussion of Reports

- a. Financial Statements –Canon Doug Horner. Statements will be distributed.
 - May is not a distribution month. June's statement will show distributions
 - We are behind in some of the Sacred Gifts for Administration collections and further on the collection for Sacred Gifts for Mission. Currently a modest increase YoY.
 - Endowment distribution from SunTrust of \$10,000 is reflective of a correction in their internal funds distribution.
 - Administrative expenses are slightly over budget but projections show that we are on budget.
 - June is the month for Insurance premiums to be paid.
 - Clergy Medical assistance is currently looking to be ensuring that Clergy are using the available funds.
- b. Treasurer's Report – James Pope, Treasurer
 - No further report.
- c. Standing Committee Report – Eric Rabe / Rev. Michael Rau
 - No further report.

Other business

No further business

Next meeting July 19th, 2018, location to be provided.

Closing Prayer was given by Bishop Gutierrez

The committee adjourned at 8:15PM.

