

*Vision Statement: A world healed by love*

**DIOCESAN BOARD AGENDA**

**Zoom – 11:00 AM, Tuesday, August 18<sup>th</sup> re: 2021 Budget**

**Present:**

The Rev. Jon White

Ms. Debra Barker

The Rev. Julie Calhoun-Bryant

The Rev. Molly Payne-Hardin

The Rev. Lisa Busby

The Rev. Steve White

The Very Rev. Christine Day

**Excused:**

The Rt. Rev. Dr. DeDe Duncan-Probe

Mr. Ronald Cole

Ms. Cindy Adamowsky

Mr. Angie Smith

**Other's Present:**

Mr. Jonathan Fellows

Mr. Henry Wakefield (property discussion only)

Ms. Kathleen McDaniel

Ms. Cathy Hobart

**Opening Prayer – The Rev. Jon White**

**Consent Agenda**

- Minutes of June meeting

**Moved by the Rev. Calhoun-Bryant, seconded by the Rev. Day. Approved.**

**Reports**

- Canon's Report – The Rev. J. White on behalf of the Rev. Cn. Schofield-Broadbent  
Various programs continue. The Rev. Cn. Schofield-Broadbent is leading conversations about youth programming and what next steps might be. Special thanks to Ms. Hobart for the suggestion to hold a back to school prayer service. Various parish transitions are going well.
- Financial
  - Financial Statements through June – on track for the year; investments are coming back nicely. There are no significant changes to note. PPP loan is still a loan at this point; June was the end of the 8-week period. Awaiting for government portal to ask for forgiveness. Government is considering forgiving all loans under \$150,000.
  - Investment Committee—No report

\* Property Committee – Mr. Wakefield  
Foundation Board is now part of the Property Committee report.

Moving along on two sales (Whitesboro and Clark Mills). Early entry authorization for Clark Mills has been given. Both buildings were deconsecrated on Saturday, August 15<sup>th</sup>.

Clark Mills needs to have some shingles replaced on the roof (proposal was sent to Board). Need Board approval for \$1,300.

**The Rev. S. White moved approval of the proposal, seconded by the Rev. Calhoun-Bryant. Approved.**

Grace, Waverly: we need to find the deed. Worship-related items will be stored at St. Luke's, Camillus; the Rev. J. White will facilitate the transfer. Kitchen items will remain with the building. An updated list of the parish inventory has been sent to Ms. McDaniel who will pass it on to Mr. Wakefield. The following items will be handled separately:

- Indoor crèche scene, hanging statue of Jesus, and Stations of the Cross will go to Trinity, Athens (PA) where the remaining members of Grace are worshipping.
  - The painting of the manger scene will go to the grandchildren of the local painter.
  - The chausable and stole will go to the Rev. Robert Adkins at the request of the vestry.
- The Rev. Adkins facilitated their restoration when he was priest-in-charge.

**The Rev. J. White moved that we allow the items to be gifted as requested; seconded by the Rev. Calhoun-Bryant. Approved.**

Mr. Wakefield left the meeting after the property discussion.

#### **New Business**

- Bank signatory change request

Departure of Ms. Nettle from the diocesan staff has necessitated new signatories on bank accounts. Signatories will include the Rev. Jon White, Ms. Meredith Kadet Sanderson, Ms. Kathy Dengler and Ms. Kathleen McDaniel. The Bishop will also be added when she returns.

**The Rev. Day moved approval of the changes; seconded by Ms. Barker. Approved.**

- 2021 clergy compensation recommendation

In the absence of a functioning Ministry Support Committee, Ms. Hobart used the same information/formula the Committee has used in the past. This is an annual resolution that helps move the Diocese to equity with clergy compensation.

**The Rev. S. White moved the recommendation; the Rev. Day gave the second. Approved.**

Ms. McDaniel left the meeting at this juncture. Ms. Hobart provided the following recap of the Budget discussion

- 2021 Proposed Draft Budget

The Rev. S. White presented an overview of the budget and budget assumptions:

- Using recommendation from the Investment Committee, the investment payout is 4% from Long Term Fund and 1.5% from Intermediate Term Fund.
- .85% COLA increase for staff
- Format changes: Line 5 programs is a summary of the program lines no longer funded directly in the budget. There is a separate schedule detailing the lines

included in this line. Some administrative items were consolidated and detail is provided in a separate schedule. The Rev. J. White wondered why there was 0 listed for programs in 2021. This was to show the comparison numbers of what had been budgeted and actual expenses in 2019 and to highlight the shift from funding specific programs to providing ministry grants. The Finance Committee had listed \$33,821 for 2021 ministry grants in the Crisis Management Reserve line. The Board members present would like the amount listed in a line called Ministry Grants instead of Crisis Management Reserve.

- Uncollectible assessments and pledges were increased 25% to \$160,000 from \$125,000 based on responses received to the parish financial survey. The increase resulted in a deficit budget. Uncollectible assumes that not all of the revenue projected will be received and is a cushion to acknowledge and plan for less money being received. This amount is approximately equal to the assessment and pledge from several parishes who responded they were facing a deficit for 2020 and had no reserves to draw on to cover the deficits. The Finance Committee did not recommend offering another round of waivers but did feel that there should be other ways in assisting the parishes facing difficulties. If any of this amount is determined to be collectible at a later point in the year, the amount could be reclassified to the Ministry Grant line.
- The budget deficit created by the increase of the uncollectible expense line was resolved by reducing the Crisis Management reserve in the 2020 revised budget by \$50,000. This provided a balanced budget with a pool for ministry grants of \$33,821.
- There is a slight increase in the 2021 diocesan assessment to The Episcopal Church.
- Attendance at General Convention was included. If General Convention does not happen in 2021 it will happen in 2022.
- Diocesan Convention was assumed to be an in-person gathering.
- EYE – funding was included for a contingent’s attendance at an in-person event. This may or may not occur and there is currently no Youth Minister to lead a contingent.
- Funding from the Bishop’s Travel line will be deposited into the Bishop’s Discretionary Fund to make up for contributions not coming in since visitations became virtual. There is no bottom-line impact to the budget and this practice will end once in-person visitations start.
- Thornfield earnings are included in the Unrestricted Income line instead of being carried separately on their own line.

Discussion and questions:

- The revenue is projected higher than in the past years so why is there a deficit. What changed? The biggest change is the increase in the uncollectible expense line from approximately \$40,000 in past years to \$160,000. Part of the increase in revenue is due to using reserves for General Convention and EYE as well as \$50,000 carry forward from the Crisis Management reserve to supplement the 2021 income.

- Any surplus from 2020 could be carried into 2021 to increase the Ministry Grant pool. If Diocesan Convention is fully virtual attendance with low costs, the savings from that budget line in 2020 could be carried into 2021. There were many unknowns and this budget will need to be revisited on a regular basis as more information becomes available.
- Was funding in the 2021 budget reduced for Ms. Nettle's departure from the staff? No. Funding is included for a position that may be needed as the staff is restructured for changing needs.

**The Rev. Day made a motion to approve the budget as amended to show a Ministry Grant expense line of \$33,821 and a Crisis Management Reserve line of 0; seconded by Ms. Barker. Approved.**

Meeting adjourned at 11:56 PM.

**Next Meeting Date: Zoom – September 22nd – 11:00 AM (with Standing Com.)**

Respectfully submitted:  
Kathleen D. McDaniel