

FINANCE COMMITTEE MINUTES
Diocese of Western Michigan
September 13, 2006

Present: Anna Cushman, Tammy Mazure, Bill Malpass, Giff Blaylock, Bishop Gepert, Jim Warner, and Chris Yaw

Unable to Attend: Bill Spaid, Val Ambrose, John Wert

The meeting opened at 9:01 am with Bible Study, Prayer and Vision Statement.

Val Ambrose's resignation was communicated as being accepted by the Bishop. The Committee generally agreed that a resolution recognizing Val's leadership, organization and responsibility be passed on to Exec. Council.

Discussion regarding Finance Committee roster ensued – Bishop Gepert stated that Tammy Mazure would take over as Chair of the committee and that there are 5 members: Yaw, Mazure, Malpass, Blaylock and Wert. However Wert is coming off this fall. His replacement will be named by Bishop Gepert.

Motions to approve previous minutes was made by Malpass seconded by Yaw
May Minutes (2006) offered by Mazure

July 19, 2006 Minutes as amended:

- Of the Cathedral Corp funds-old # \$100,000 should be \$73,000
- Resurrection Garden was \$30,000 and is \$27,000

Discussion of Anne Reed needing a new computer, but is not budgeted. General consensus was that we should buy the computer when funds are available, even though it is not a budgeted item.

Discussion regarding the Whittemore Fund Grant to Children's Ministries – no action taken.

Financial Statements Reviewed:

Cash statement reviewed:

-St. Paul's Walker – There's a \$50,000 loan the Diocese is paying off for this closed congregation. It is an interest-only loan. Their building will soon be going on the market and when it is sold the proceeds will go to pay off this debt. It was generally agreed that we should not pay off this debt just yet as there is only a few hundred thousand dollars in Association funds available for this, so we will review this matter in subsequent meetings. No action taken. Bill Malpass suggested a realtor with Grubb and Ellis who he would be happy to recommend should these services be needed.

-The Mortgage on Holy Spirit, Belmont was reduced because of sale of the Sparta building, hence the transfer amount from the Jarvis Bishop's Special Needs Investment Fund has been reduced from approximately \$2,500 per month to \$1,000 per month.

Balance Sheet reviewed:

- Mazure said Auditor's Entries are still not reflected in this document.
- Malpass commended Mazure on the continued organization she is providing the committee by supplying understandable financial documents with comments.
- Umbrella Insurance has been paid by all but two parishes. Bishop Gepert and Mazure believe these will be paid

Aged Receivables reviewed:

-Discussion regarding those unpaid pledges that are 45 days or older, the following parishes are likely not going to be able to meet their 2006 commitments, Tammy has made these estimates as of August 31st:

- Good Shepherd, Allegan \$5,366 YTD
- Parish Church of Christ the King \$4,500 for the year
- Epiphany, South Haven \$1,000 for the year

Income Statement Reviewed:

-Yaw pointed out that Total Revenues did not include Non-Budgeted Revenues and Cathedral Revenues, Blaylock says he can work with Mazure to correct this.

-4810 – Stewardship. Bishop Gepert says this has been re-vamped, Dan Scheid and Tom Perrin are heading this new committee up and it is not known if they will use \$4,762.

-In response to Mazure's queries regarding the vision, make-up and plans of Diocesan Commissions, Bishop Gepert said the Diocese has been working in 'crisis mode' for the last four years and Executive Council continues to work to name commission members and get these commissions working toward the Diocesan Vision Statement.

-Blaylock pointed out that we are now getting a clearer picture of how our money is coming in and where it is going. However we are still spending down our Association Funds (\$40,000 in 2006).

-Line 5100 for Anti-Racism may not be spent because the Anti-Racism Team continues to dwindle.

Tammy asked where MDG funds should go as at least one parish has sent these funds to the Diocese. Bishop Gepert said this issue will go before Exec. Council.

Cathedral Corp. Funds

-Mazure passed out documents that spurred a discussion on the future of the Cathedral. The report as presented (which is not accurate due to insufficient financial information provided by the Cathedral Corp) indicates that by February there will be \$60,000 left to support it which could last through Dec 2007. Mazure will get with Jim to get up to date numbers to provide to Executive Council. Blaylock proposed coming up with a 'lights out' plan. Bishop Gepert charged Jim to provide a plan that will provide for the ongoing maintenance of the building as we move through the Feasibility Study. Tammy and Giff agreed to work on this 'lights out' plan.

-Bishop Gepert said the present congregation needs to be considered in these matters and needs to begin preparing for these possibilities.

-Mazure and Blaylock will prepare the various scenarios regarding the Cathedral for the next meeting. (The Cathedral Corp voted for Jim Warner and two other volunteers to handle this)

Other Business:

Finance Committee recommends, after Mazure obtains more information on costs and plans, to Executive Council that the retired clergy supplemental coverage be discontinued effective December 31, 2006.

Audit drafts are due next week.

Tammy will send a letter to the parishes regarding Parish Audits.

No report from Bp. Whittemore Foundation

No report from Investment Committee

Cushman will recommend to Executive Council the approval of removing the Cathedral Corporation funds from the Association Funds (subsequently Cush received a copy of a letter from former chair, Val Ambrose indicating this had already been done).

Respectfully submitted,

The Rev. Chris Yaw and Anna Cushman

Next Meeting: 9:00 a.m. at the Episcopal Center: November 8.