

2015 Report to the Diocesan Convention
from the Chair of the Finance Committee

Since the last Diocesan Convention, the work of the Finance Committee of the Diocese to achieve clarity, accountability, and transparency in the finances of the diocese, continues to go well; much has been achieved. In the past year, the Rev. Herb Sprouse, Mr. David Poch, and Mr. Rob Jones have joined the finance committee. They each have expertise in financial investment management and have agreed to be part of a new sub-committee of the Finance Committee, charged with monitoring the diocesan investments. In that regard, the Finance Committee is currently evaluating moving the diocesan investments away from BNY Mellon to the Episcopal Church Foundation, and will be making that recommendation to Diocesan Council at their October meeting.

Thanks to the steady work of the Canon to the Ordinary and his staff, a new coding system has been introduced to simplify and clarify the diocesan budget, making it easier to identify key areas of revenue and expense. Thanks also to the efforts of Bonnie Chambers, Treasurer of the Diocese, we continue to clarify and bring up to date the various funds of the diocese, particularly with regard to their use and possible restrictions. These and other improvements have resulted in the diocese receiving the most positive report for many years from our auditors.

The response to the Fair Share asking for 2015 was extremely positive and we look forward to the same degree of response to help meet the 2016 budget. When the Finance Committee presented the 2016 budget to the Council of Trustees we made it clear that in its formation we were aware that significant decisions presented themselves. We could accept the deficit as shown in the budget presentation; we could make significant cuts to staff and program to make the budget balance; we could draw on the funds of the diocese in excess of those mandated by the canons and by state regulations; or we could do a combination of these things. The unanimous decision of the executive group of the Finance Committee was to present to Council a deficit budget, for we believe that this will allow bishop-elect Audrey the time she needs to engage the diocese in a sensible and spiritual evaluation of our mutual ministry in the opening months of her episcopate. Moreover, it also recognizes that we have the funds in the general account to justify this approach. That stated, because some cuts have already been made to the 2016 budget, we would hope as the year unfolds, to see some further reductions to the deficit through careful stewardship of our resources.

As part of our continuing work for the coming year, the Finance Committee has agreed to reduce the interest rates for the Heistand Loan Fund, to make it more reflective of our ministry to help congregations in whichever way we can. We have discontinued the project grants but increased the amount available for Operating Grants. I would refer you to the report of the Canon to the Ordinary as well as issues of the diocesan digest for these details and other changes as they are made.

In closing, on behalf of the Bishop I would like to extend my deep appreciation to Canon Graffius and his staff for what they have accomplished since the last Convention and for their continued hard work in caring for the finances of the diocese. I would also extend my deep appreciation to the Diocesan Treasurer, Bonnie Chambers, who continues to offer the finance

committee her wise council and amaze us all with her investigative skills in helping form a very comprehensive picture of the diocesan finances.

I remain, yours in Christ

The Rev. Canon Stephen C. Casey
Chair