

Diocesan Council Minutes
November 29, 2023
6:00 pm on Zoom

Present: The Rt. Rev. W. Nicholas Knisely, Rev. Ed Beaudreau, Cheryl Abney, Rev. Beth Sherman, Rev. Jack Lynch, Margaret Clifton, Vicki Escalera, Olive Swinski, Rev. Ricky Brightman, Rev. Tanya Watt, Alison Huff, Phyllis Spaziano, Jim Segovis, Rev. Peter Tierney, Robert Fye

Staff: Betsy Fornal, Kristin Knudson, Ed Biddle, The Rev. Canon Dena Cleaver-Bartholomew

Opening Devotion – The Rt. Rev. W. Nicholas Knisely

Episcopal Charities Grants – Presented by Betsy Fornal. Giving overall is down. Motion made by Jim: Diocesan Council approves the recommendation of the Episcopal Charities Advisory Board for 2023 grants as listed to be awarded in priority order based on the availability of funds for this purpose. Seconded by Ricky. **Approved.**

Approval of Agenda –

Consent Agenda – **Approved**

- Review Diocesan Council October minutes.

Staff Reports

- Canon to the Ordinary – written report submitted.
 - Anti-racism training for clergy – Positive feedback to the training on Nov. 2. Next session scheduled for Jan. 13.
- Chief Financial Officer – written report submitted.
 - Solar Panel project – approvals from Gloucester have been received. Working on site development plans.

Finance Committee Report

Treasurer - written report submitted. Still running a surplus. Treasurers Roundtables continue to be well attended.

Action Items

Identification of Grants and Loans Working Group
New Executive Committee to be elected in December.

Bishop's Time

Sabbatical from December through February. The plan is for the Bishop to come into the office briefly on Friday mornings to check email and be available for legal requirements.

In response to high costs of building maintenance, San Jorge will be leaving the building in Central Falls and renting space at St Luke's in Pawtucket. This is not a merger. The goal is to be able to reduce operating costs and put more resources into ministry. San Jorge is now in mission status, and the building is Diocesan property. Other community uses for the building are being explored.

Adjourned: 7:00 pm

Attachments:

- Charities Grant list
- Minutes, October Meeting
- Canon's Report
- CFO Report
- EHRI Report
- Hallworth House Report
- Stipulation of Dismissal
- Treasurer's Report

EPISCOPAL CHARITIES OF RHODE ISLAND

REPORT TO DIOCESAN COUNCIL - 2023

More than seventy years ago, Episcopal Charities began its mission to help those in need. As part of the outreach arm of the Diocese, our stated goal continues to this day - to share the love of Christ with all our neighbors by providing funds to meet unmet needs of those in our community. Over the past 70 years, Episcopal Charities raised millions of dollars to support the ministries of the Diocese and our churches and nonprofit agencies that partner with our churches to meet critical needs in Rhode Island.

As we began our seventy-first year of serving our neighbors in need, we had great hope that life in post-pandemic Rhode Island would be better for our neighbors living on the edge. However increased inflation, which has had an impact on all of us, has become a crushing hardship for many. The cost of living in Rhode Island, particularly the cost of food and housing, has made it difficult for families and seniors alike. Now, one in three families are considered food insecure, up from one in six just a year ago. Just ask any of our church feeding programs about the increase in new clients this year, and you will hear about those who are now unable to feed their families without asking for help.

Since 2018 when we began centering our focus on providing basic human needs of food, shelter, and healthcare for at-risk children and at-risk seniors, Episcopal Charities has increased its granting to both non-profit agencies who work with our churches and our own church feeding ministries that care for our neighbors in need throughout Rhode Island. Our goal is to make a difference in the lives of those who go without the basics of life so often taken for granted.

Because of the generosity of our donors, grants from Episcopal Charities provide Rhode Islanders with food, shelter, healthcare, and other basic needs. Our grants help battered women and abused children seeking safety and healing and care for the elderly and ill in our communities. Additionally Episcopal Charities provides support for ministries of the diocese such as the College Chaplaincy at URI, Hispanic Ministry at St. George's in Central Falls, and youth programs at our Episcopal Conference Center. Our annual grants to ECC and City Camp continue to ensure that all young people who want to attend can do so regardless of their families' ability to pay.

Our **Charities Annual Fund** continues to raise funds for larger sustaining grants that support diocesan ministries and the ongoing work of agencies that partner with our churches to provide food, shelter, and healthcare to those who go without. These grants are made at the end of the year.

Our **Charities NOW** fund, which we began in 2019, provides support throughout the year to our church food pantries and meal sites and to partnering agencies which need the money **NOW** to meet the increasing needs of our neighbors. So far this year, we have made \$47,000 in **Charities NOW grants**. Our goal with these small grants is to get them out quickly to the ministry sites and agencies so they can meet immediate needs. Many of the agencies to be awarded Annual Grants have told us how extremely helpful it is to get a **Charities NOW grant** during the year as part of the money they requested in their annual grant application rather than having to wait and see if they would get an Annual Grant at the end of the year.

This is the fifth year that Episcopal Charities has focused our grants on meeting basic human needs – food, shelter, healthcare – for at-risk children and seniors. Only agencies that partner with our churches to meet local needs receive annual grants. Attached is a list of our recommended 2023 Annual Grants in priority order. **These grants will be paid out in this priority order as funding is available but will not exceed available funds.**

The attached Annual Grant Priority List is the result of a thorough review of the grant applicants, budgets, project information as well as any additional information we sought from the agencies. We are hopeful that our available funds will allow us to provide all the grants on the list. **However, agencies and ministries will only receive their approved annual grant when and if money is available and annual grants will be awarded in the order listed.**

Please Note: All the grants listed in the **Charities NOW** column have been awarded during the year. We include them on the grant list so you can see how we have been able to provide some funding to be used right away by the agencies which have applied for Annual Grants.

The Board continues to seek ways to strengthen the work of Episcopal Charities and to remain faithful to our goal to share the love of Christ with all our neighbors by providing funds to meet unmet needs of those in our community.

We are grateful to our retiring Board Chair, Nancy Kaull, who has been a member of the Board for 19 years with the last 10 as chair. Her leadership has helped us continue the long legacy of Episcopal Charities while supporting new ways to achieve our goals. We are also grateful for Susan Ursillo who has accepted Bishop Knisely's appointment as Chair.

Advisory Board: The Rev. Noel Bailey, The Rev. Susan Carpenter, The Rev. Christine Cassels, Ms. Karen Knisely, The Rt. Rev. W. Nicholas Knisely, Mr. Stevens McAleer, Ms. Susan Ursillo, Chair and Canon Betsy Fornal, Director.

RESOLUTIONS FOR 2023 EPISCOPAL CHARITIES GRANTS

The Episcopal Charities Advisory Board requests that the Diocesan Council approve their 2023 recommendations for Episcopal Charities grants to be distributed out of funds available for that purpose. Details about Episcopal Charities including the granting process and sources of funding follow on subsequent pages.

RESOLVED that Diocesan Council approves the recommendation of the Episcopal Charities Advisory Board for 2023 grants listed below to be awarded in **priority order** based on the availability of funds for this purpose.

2023 EPISCOPAL CHARITIES GRANTS	FOCUS	2023 TOTAL	2023 ANNUAL	2023 NOW*
<i>Diocesan Sponsored Grants</i>				
Episcopal Conference Center-youth programs		70,000	70,000	
City Camp		13,000	13,000	
Bishop’s Discretionary Fund		20,000	20,000	
Hispanic Ministry at San Jorge’s, Central Falls		25,000	25,000	
URI Chaplaincy – St. Augustine’s Chapel		25,000	25,000	
<i>Total Diocesan Sponsored Annual Grants</i>		153,000	153,000	
<i>Church Sponsored Grants</i>				
Martin Luther King Community Center, Newport	Food	5,000	3,000	2,000
East Bay Food Pantry, Bristol	Food	3,000	1,000	2,000
RI Community Food Bank, Providence	Food	5,000	3,000	2,000
Dorcas International Institute of RI, Providence	Food	5,000	3,000	2,000
Elizabeth Buffum Chace Center, Warwick	Health	5,000	5,000	
Westerly Area Rest Meals WARM Center	Food	5,000	3,000	2,000
St. Mary’s Home for Children, N. Providence	Health	40,000	40,000	
North Kingstown Food Pantry	Food	4,000	2,000	2,000
Loaves and Fishes, Statewide	Food	5,000	3,000	2,000
Friends Way, Warwick	Food	4,000	4,000	

Better Lives Rhode Island, Providence	Food	5,000	3,000	2,000
New Beginnings. Woonsocket	Food	5,000	3,000	2,000
Connecting for Children and Families, Woonsocket	Food	5,000	3,000	2,000
Jonnycake Center of Westerly	Food	5,000	3,000	2,000
Sharing Locker, East Greenwich	Food	3,000	1,000	2,000
Jonnycake Center for Hope, Peacedale	5,000	5,000	3,000	2,000
Trinity Academy, Providence	Health	3,500	3,500	
Little Compton Community Center	Food	5,000	4,000	1,000
St. Peter's Community Market, Narragansett	Food	5,000	3,000	2,000
New Urban Arts Providence	Food	5,000	5,000	
Beautiful Day, Providence	All	10,000	10,000	
Annual and Charities NOW – Church Sponsored		137,500	108,500	29,000
Charities NOW – Agencies				
Camp Street Ministries, Providence				1,000
RI College Student Food Pantry, Providence				2,000
Epiphany Soup Kitchen, St. Stephen's, Providence				1,000
City Meal Site, All Saints Memorial, Providence				1,000
Foster Forward, Statewide				1,000
Good Neighbors, East Providence				1,000
Charities NOW – Agencies				7,000
Charities NOW Grants – Church Feeding Programs*				
Church Beyond the Walls, Providence				1,000
Church of the Redeemer, Providence				1,000
Emmanuel Church, Newport				1,000
St. Augustine's Church, Kingston for Rhody Outpost				1,000
St. George's Church, Central Falls				1,000
St. Luke's Church, Pawtucket				1,000
St. Peter's & St. Andrew's, Providence				2,000
St. Thomas Church, Greenville				1,000
East Greenwich Interfaith Food Pantry				1,000
Trinity Church, North Scituate				1,000
				11,000
Charities NOW Grants – already distributed				47,000

***Charities NOW Grants listed have already been distributed.**

2023 GRANTS - SUSAN HUDSON MEMORIAL FUND

RESOLVED that Diocesan Council approve the recommendation of the Episcopal Charities Advisory Board for 2023 Grant distribution utilizing income from the Susan Hudson Memorial Fund to the following:

- Rhode Island Free Clinic \$10,000
- Clinica Esperanza/Hope Clinic \$10,000
- Interfaith Counseling Center \$10,000
- Southern RI Volunteers \$10,000

AVAILABLE EPISCOPAL CHARITIES FUND SOURCES

Annual Donations to Annual Fund and Charities NOW

Episcopal Charities grants are principally funded by annual donations to our **Annual Fund** or our **Charities NOW** Fund. We are grateful that our donors continue to support Episcopal Charities as an important way to care for our neighbors in need. With the launch of **Charities NOW** early in the pandemic, we have donors who have chosen to give to either the Annual Fund or to **Charities NOW** as well as some who have split their gifts between the two funds. We also have new donors and some recovered donors who have not given in years who have responded to our biweekly emails. In 2022, the Diocesan Council gave the Episcopal Charities Board the responsibility of approving **Charities NOW** grants of \$2500 or less to aid in our getting the grants out quickly to help those in need. All Charities NOW grants listed on the chart have been distributed.

The Episcopal Charities Fund in the Diocesan Investment Trust Account

The Episcopal Charities Fund in the Diocesan Investment Trust is an accumulation of non-restricted donations and bequests made to Episcopal Charities. Previously, the income from this fund was used exclusively to pay for Episcopal Charities administrative costs. Last year, the Diocesan Council approved that any income produced by the Episcopal Charities Fund not used for Episcopal Charities administrative purposes can be distributed by Episcopal Charities as part of our grants. The income over administrative costs this year is approximately \$77,000 and will be applied to pay for grants on the 2023 Grant List.

Susan Hudson Memorial Fund

The Susan Hudson Memorial Fund was established in 2001 upon the receipt of a bequest to Episcopal Charities from Susan Hudson who was an avid supporter and volunteer of Episcopal Charities. The gift was given “for distribution and not for cost of administration.” The money received was placed in the Diocesan Investment Trust producing approximately \$37,000 per year in income which is used to provide grants

called 'Susan Hudson Grants' given as described in the attachment. If part of the income is not used in a particular year, that remainder is available to be spent in future years.

GRANT REVIEW AND SELECTION PROCESS

Just like everything else, our grant review process has changed because of the pandemic and some of those changes have helped us streamline our granting process. Our application process was moved to an online application. Each year we review and adjust the questions to ensure we receive the information needed for decision-making.

On the Diocesan website and in our grant application instructions, we reiterate our focus of providing grants for basic human needs for at-risk children and seniors and inform our applicants that only those meeting our focus by direct service to our target populations would receive a grant. Because we are seeking to support the critical relationships that exist between our churches and local agencies, we asked that all applications provide a letter of support from one of our Episcopal churches. Only those who submitted such a letter have been considered for a grant.

Grant Review Process

The application period ran from May 1 to June 30 and at the end of the application period we received 29 annual grant applications from RI non-profit organizations which is consistent with the numbers we received over the last several years. We received one application from a new agency and two from organizations that have not applied in several years. With all information in hand, the Grant Review Team reviewed the applications and submitted materials to prioritize our grants according to metrics approved by the Board. Our priority list for 2023 appears above.

Grant Priority Criteria

The Episcopal Charities Board of Advisors approved the following criteria for a successful agency grant in 2019:

Preference is given to applications from nonprofit agencies who have missions that are consistent with our mission and

- provide basic human needs (food, shelter, healthcare) for at-risk children and at-risk seniors.
- have an established relationship with one of our RI Episcopal congregations or have volunteers from one of our congregations. A letter of support from church leadership describing that relationship must be submitted with the application.

- directly provide basic human needs to our target groups, especially those local agencies that might not be eligible for funding from other sources such as large government grants or contracts.
- do not have access to a large donor base and/or extensive endowments leading to a multi-million-dollar budget.
- ask for funding that provides at least 10% of the project budget or project, where possible, which enables our grant to make an impact on the project/program.

Canon's Report to Council November 2023

1. Transitions- The Transition Ministry Conference (TMC), a network of 30 dioceses in The Episcopal Church, met in September. The next meeting is March 25-28, 2024.
 - Christ Church, Westerly- Fr. Anthony Dinoto serving as Interim. I will meet with the Vestry November 28, lead the first transition workshop for them January 7, 2024, and lead the second transition workshop in March.
 - St. Mark's, Warwick – The Rev. John Alexander began serving as Interim November 1. I will be leading the first transition workshop on January 14, 2024 and the second transition workshop in February.
 - St. James, Woonsocket is in conversation with the ELCA congregation with whom it has been in relationship for a possible co-location. A series of co-location discernment meetings has been held, with the most recent on November 19.
 - St. Paul's, Wickford- I preached and led a transition workshop on November 12 as part of the process of affirming the Vicar in discernment with the Vestry.
 - An additional six priests are in some phase of discernment and at least two are planning to retire.

2. Center for Reconciliation – The first of two mandatory clergy antiracism training days was held at St. Paul's, Wickford on November 2. A second clergy antiracism training will be offered on Saturday, January 13, 2024, to accommodate clergy with differing schedules. We will use the same Becoming Beloved Community curriculum that Council completed.

Reminder- the General Convention resolution of 2000, which reaffirmed in 2012, says: “*Resolved*, That beginning on September 1, 2000 the lay and ordained leadership of the Episcopal Church, including all ordained persons, professional staff, and those elected or appointed to positions of leadership on committees, commissions, agencies, and boards be required to take anti-racism training and receive certification of such training...”

The CFR Advisory Board met in October and outlined next steps for their work together and in the Diocese. Members include Phyllis Spaziano, Ivy Swinski, James DeWolf Perry, Patrick Campbell, Karen Knisely, and Dwayne Keys.

3. Congregational Development Commission- The CDC has scheduled a two-part webinar on *Vital Christian Community: 12 Characteristics of Healthy Congregations* with author Alissa Newton for January 11 & 18, 2024. Project Resource of the College for Bishops will offer a five-part stewardship workshop on Tuesdays in Lent beginning February 20, 2024.

CDC grants are available with an easy fillable application form found on the website <https://episcopalri.wufoo.com/forms/z13vscqg1fbjvvd/> Deacon Mary Ann Mello, Chair Patrick Greene, and shepherds are willing to assist churches who have questions. The CDC has two large end of year grants to consider and the funds to meet them if they qualify.

4. Commission on Ministry- The COM met September 30 and recommended Ron Bailey and Tom May for Postulancy as deacons. The Bishop approved these recommendations. With Tom Hobin, who began in April, the Diocese now has three deacons in training participating in the Province One Deacons School. All three have begun or will begin internships in local congregations. The COM is scheduling four in person meetings for 2024, along with online conversations.

Virginia Buckles was ordained at St. George's Chapel on Saturday, August 5. She is slated to be ordained to the priesthood February 22, 2024. Virginia will be participating in a priest internship with the Rev. Anne Bolles-Beaven at St. Columba's, Middletown in 2024.

Drake Douglas met with the COM on September 30 and was recommended for Candidacy. The Standing Committee approved him as a Candidate October 17. He continues his studies at Yale Divinity School and in an internship at St. Peter's by the Sea, Narragansett. Drake is scheduled to be ordained as a transitional deacon on December 7, 2023 and to take the General Ordination Exams (GOEs) in January 2024.

There are several Aspirants who are in discernment with congregations, and either are or will be working with Discernment Teams in the near future.

5. Finance, Compensation and Benefits- The Compensation and Benefits Committee recommendations for clergy compensation, health and dental insurance for 2024 were approved by Council. I worked with Church Medical Trust to create a Frequently Asked Questions (FAQ) information page that is now available on the diocesan website.

6. Legal concerns- I serve as staff liaison for the Diocesan Committee on Canons and presented a Resolution for Convention. I also work with the Vice Chancellor for Human Resources to address HR concerns as needed.

7. Diocesan Staff- The Bishop will be on sabbatical beginning in December and returning March 1, 2024. Diocesan staff members will be available to respond to questions and concerns during the Bishop's sabbatical. The staff meets regularly and has a quarterly meeting to address planning and shared calendar information. As Chief of Staff, I work with staff members to update position descriptions for everyone on the Bishop's staff and conduct performance evaluations.

8. Pastoral Care- The Bishop, Deacon Mary Ann Mello, and I respond to pastoral care needs and requests.

9. Title IV- Case Manager for Title IV concerns, working with the Reference Panel and Province One colleagues. I will be meeting with the Disciplinary Board December 7 for discussion. If you have questions about the process, please refer to the Episcopal Church Title IV website <https://www.titleiv.org/> or ask me.

10. Safe Church- The Rev. Craig Swan and The Rev. Mary Ann Mello offer Safe Church training for lay leaders in the Diocese. They are implementing a newly revised curriculum and seeking additional trainers.

11. Clergy and congregational concerns- Offering workshops, webinars, and resources in response to the expressed needs of clergy and congregations. Responding to the needs and concerns of clergy and congregations.

13. Province One- The Province One Title IV community will meet in person in September. The Province One Canons gather in person twice a year. Our next meeting is December 10-13. The Province One Transition Members have formed a group and meet as needed.

14. Episcopal Church- I am a Deputy to General Convention 2024. The Deputation met on October 10 and elected the Rev. Patrick Greene as Chair.

15. Rhode Island- Providence clergy met with Governor McKee online November 9. The Bishop, Kristin Knudson, and I attended the Vigil for Israel at the Dwares Jewish Community Center on October 9 and the Bishop and I attended a prayer vigil at Temple Beth-El on November 1 to show support for the Jewish community following the attack on Israel.

The Rev. The Canon Dr. Dena Cleaver-Bartholomew+

Finance and Property Operations (CFO Report)

November 2023

1. Budget 2024

The 2024 Budget was approved at Convention on October 28 without amendment. The same budget was accepted by Diocesan Council at its meeting on September 27 after its approval by the Commission on Finance at the September 14 meeting. Two Diocesan-wide information sessions were held this year, one in-person (September 19) and one by Zoom (September 21). The Budget, the Zoom presentation accompanying it, and the transcript are available on the Diocesan website.

2. Succession Planning

A draft position description that would fulfill the requirements for succession for Joan DeCelles was shared with Commission on Finance at the September 14 meeting. It assumes an approximate 1.5 full time equivalent (FTE) employee allocation to Finance, and the availability of Joan to consult on a continuing basis after her retirement. A new part-time bookkeeper, Barbara Stevenson, began October 10. It is our hope that she can grow into the job quickly working closely with Joan in the Finance Office. The CFO and Treasurer will interview first-round candidates for this important position. They are currently working to complete the information included in the job posting.

3. Treasurer Training

The ninth Treasurers Roundtable was held via Zoom on October 30. The meeting focused on several topics including recommended practices for the chart of accounts for parishes. The next meeting is scheduled for November 27.

CFO to continue to work with Treasurer to develop training since this is a “pinch point” for many congregations.

4. Diocesan Council Sub-Committee on Business Model/Methods

At Diocesan Council Work Day June 11, 2022, Council created several “Adaptive Challenge Working Groups” including one to address broad questions of business model, resources, and how the Diocese can address new trends in/serve new needs of congregations. The Sub-Committee on Business Model/Methods has met five times, and last met June 29. Important

topics that are being discussed include standardization of financial record-keeping (general ledger format and software selection), addition of a centralized payroll service similar to what has been developed in the Maine and Western Massachusetts Dioceses, staffing requirements responsive to accounting skills and requirements, and thorough reviews of what financial functions can and cannot be reasonably performed remotely for churches and Diocese central office. Streamlining Diocese central office and making more functions remote compatible is a high priority.

5. Thrivent Line of Credit

The Thrivent Credit Committee has recommended a new covenant to replace the one that stated “Investment returns for current operations cannot exceed 7% of the prior year-end endowment balance” with “Endowment Fund balance cannot decline 15% or more in any given year based on the prior 3-year average balance of the endowment. Endowment balance calculation to use FYE audited statements when calculating the covenant”. The prior language was deemed unsuitable due to the decline in market value for year-end 2020.

Maintenance of a certificate of deposit at Thrivent for \$150,000 allows us to avoid a fee for lack of utilization (in lieu of interest) of \$5,000 annually for the \$1.5 million line of credit. On September 25 an 8-month CD at a promotional rate of 4.5% was purchased. This matures at the end of May 2024.

6. Investments of Excess Liquidity

As approved by the CoF in the March meeting, the CFO is authorized to invest excess liquidity in a variety of safe short-term instruments including bank overnight sweep, certificates of deposit (CDs), or US Treasury Securities (Treasuries) in consultation with the Treasurer. A total of \$359,009.32 is currently invested in a short-term Treasury Note maturing 2/31/2024 yielding approximately 5%.

7. Endowment Attorney Review

Elizabeth Manchester represented us in our successful petition to expand the use of the Widows, Orphans and Clergy (WOC) restricted assets. Final Judgment and Order was issued after the hearing held on October 12. The purpose as now modified appears below:

- a) Continue to provide support to widows, children of deceased clergy, and infirmed clergy as the highest priority and primary allocation of funds, and
- b) Apply residual distribution of funds in excess of priority (a) to offset the health (including medical and dental) contribution cost and the pension assessment cost for active Diocesan clergy staff.

8. Diocesan Property Working Group

Participants in the Diocesan Property working group (originally Diocesan Block Working Group) have agreed to continue to act as sounding board for property issues and are considering adding new members.

Portfolio of property requires differentiated strategy. Efforts will be on identifying highest ministry-aligned use, cost recovery, and generating and allocating limited capital. Land use alterations under consideration such as curb cut on Church Avenue and off-street parking behind Benefit Street houses.

This group next meets with Stewardship Realty October 29 to review various steps required in anticipation of any future redevelopment plans for the Diocesan Block.

Benefit Street Properties

#	AKA	Sq. Feet.	Use	Occupancy	Mission
62	Amos Allen House	2,763	Office	Vacant	Pending
66	Clarke- Slater House	Incl in HH	Office	BD and WB	Hallworth House use
74	14 Star Street (moved)	3,060	3 apts	1/3	Edwards
78	Thomas Burgess	3,522	3 apts	1/3	Edwards
80	Peleg Brown	2,991	5 apts	3/5	Edwards
84	Josiah Crooker	4,410	4 apts*	4/4	Edwards
88	Sara Helen Whitman Residence	3,861	5 apts	4/5	Edwards

*one additional apartment finished, but no longer in use.

Sites requiring specific attention are listed on the following pages:

Amos Allen House (62 Benefit Street)

Property sustained significant interior damage due to heating pipe (baseboard water) freeze. First release of insurance funds of \$97,267.32 received with balance as a reimbursement to cost of construction. Project in planning and development phase, 1974 Zoning Agreement indicates return to R1 (single family residential) use. Episcopal Housing Foundation of Rhode Island (EHFRI) is scheduled to meet November 28. Under consideration is the use of the Hallworth House Capital Reserve Fund for the renovations required to suitably renovate and restore to use this property.

Church of the Beloved and Rectory, 158 Broad Street, Pascoag

This property was the subject of legal action dismissed by the RI Supreme Court. The cloud on the title has been cleared, and leases or sales are now possible. A one-year lease for the Rectory (“the Vicarage”) was signed in May with a local resident who has some maintenance credentials, useful since the property has been vacant for some time. ECC is currently using the undercroft space to recondition the metal and wooden benches that are familiar features of the barn. This project is using ECC volunteer labor.

ECC

Solar Energy Project permitting has been completed by Town of Gloucester. There is capacity available to bring on additional end users to meet size of credit production pool. Contractually, this is an obligation of RER (our development partner).

Hallworth House (66 Benefit Street)

Westbay Community Action and the State of RI Dept of Health operating Medical Respite pilot program with areas reserved for Quarantine and Isolation (Q&I). Six month agreement expires 12/31/23. A night watchperson service has been introduced for the Diocesan Block with the cost split 50/50 with Westbay (our share \$5,000 per month). Westbay recently replaced its security service contractor and overall security has improved. We will be carefully monitoring expenses to insure that adequate recoveries can be achieved.

May House and May Cottage

Roof repairs, siding and paint were completed this summer at the cost of \$44,102.68 charged to DIT 609 Hope Brown Russell Fund (Surplus). Kitchen cabinets and surfaces need replacement and final specifications and estimates are in process.

St Georges (San Jorge) Central Falls

Facilities tour completed August 24 including Jack Lynch, Bob Bergstrand, Scott Avedisian, the CFO, and Frank Silva (industrial hygienist consultant to the Diocese). Community reuses under consideration. Visits with State of Rhode Island, Central Falls School District, and CF Mayor office scheduled. Heating system and chimney upgrades are required before cold weather occupancy.

St John's Cathedral Church Providence

Synod Hall requires HVAC upgrade to allow heating season usage. Doors into the lower level would improve thermo-dynamics. Estimates have been obtained. The Cathedral Chapter may apply for a Diocesan Resource Grant for the doors.

Markus Berger renewed lease for the Thomas Upjohn-designed addition (the Library). His RISD-associated group assembles artwork from discarded objects. There is leakage associated with a lack of flashing around the chimney in the occupied area and this has damaged interior plaster. A new lining in the chimney is also required.

St Mary's Episcopal Church and Rectory, 81 Warren Avenue, East Providence

Bread of Life (Pastors Rudy and Latoya Moseley) have leased the church and rectory with long-term interest in acquiring both for their congregation. Parking area on opposite side of Warren Avenue has been approved with funding from the State – now in the RFP process. Since St Mary's was deemed a Specialized Mission of the Diocese, the Bishop can designate authority to spend assets, and the DIT account of St Mary's has sufficient assets to cover the wind-down of parish finances and the work that was required to obtain the new tenant.

Diocesan Treasurer's Report for November 2023 Diocesan Council

	<u>10/31/23</u>	<u>3rd QTR YTD</u>	<u>2nd QTR YTD</u>	<u>1st QTR YTD</u>
Operating revenues	\$3,426,710	\$3,173,935	\$2,179,905	\$1,094,203
Operating expenses	3,247,357	2,993,162	1,862,849	951,681
Operating surplus/(deficit)	179,354	180,773	317,055	142,522
Non-operating revenues	527,943	526,153	418,956	210,784
Non-operating expenses	262,389	109,241	84,815	48,252
Non-operating surplus	265,554	416,912	334,141	162,532
Combined surplus/(deficit)	444,908	597,685	651,196	305,054
Total assets	\$45,809,932	\$45,959,306	\$46,013,251	\$52,189,710

Audit of 2022 Financial Statements: Completion of Campana, Sarza & Tatewosian LLP's audit and the results thereon were reported to Diocesan Convention on October 28th.

To-do list (☑ = finished; *italics* = progress since last report)

- ☑ NEW: Updated the letter to churches thanking them for their apportionment commitments for 2024 and requesting their preferred payment schedules.
- *Work with CFO on staffing plan, job descriptions, and position search in preparation for Director of Finance's retirement in 2024.*
- *Continue monthly Treasurers' Roundtable meetings with Ed Biddle. (See CFO's report.)*
- Compile survey responses from church treasurers re: accounting systems, payroll services, etc.
- ☑ Finalize petition to State court regarding expanded uses of restricted funds given to support clergy widows, orphans, and infirm clergy. *Final decree from judge was issued and funds have been transferred to the operating fund to cover Diocesan clergy staff's benefits charged so far in 2023.*
- Schedule meeting of the Committee on Audit and Risk Management to review insurance coverage and other risk management issues, including *management's written responses to the auditor's recent management letter comments.*
- *Take action on management letter responses.*
- *Develop / issue model chart of accounts – started circulating two good models Veronica Tierney shared with the Commission on Finance last February.*
- Develop a Classified Net Assets Worksheet based on new information regarding Council-designated funds, and with the CFO, develop related motions for Council action.
- *Issue calendar/check list of church treasurers' responsibilities. Year-end responsibilities listed and reviewed at a recent Treasurers Roundtable.*
- Revise Fiduciary Responsibility Checklist (provided to churches circa 2016).

Respectfully submitted,
Vicki Escalera

November 15, 2023