

# REPORTS TO THE CONVENTION

## THE STANDING COMMITTEE

Submitted by The Rev. Edyth K. Baker, President  
And  
June S. Gerbracht, Secretary

The Standing Committee met at seven regularly scheduled meetings during the months of January, March, April, May, September, October and November. We hereby submit a report of the actions taken:

### Official Acts from November 2001 through October 2002

#### Consents to the Election of:

April 24 Bishop Coadjutor of the Diocese of Florida  
May 22 Bishop Coadjutor of the Diocese of New Hampshire  
September 25 Bishop Coadjutor of the Diocese of Colorado  
Bishop Coadjutor of the Diocese of Kansas

#### Consents for the Election of:

January 23 The Rev. Mark Andrus - Bishop Suffragan of the Diocese of Alabama  
The Rev. James Adams – Bishop of the Diocese of Western Kansas  
The Rev. Dr. George Smith – Bishop Coadjutor of the Diocese of Missouri  
The Rev. Robert Geper – Bishop Coadjutor of the Diocese of Western Michigan  
March 20 The Very Rev. John B. Chane – Bishop of the Diocese of Washington  
September 25 The Rev. Bruce MacPherson – Bishop Coadjutor of the Diocese of Western Louisiana  
The Rev. Gayle Harris – Bishop Suffragan of the Diocese of Massachusetts  
The Rev. Don Wimberly – Bishop Coadjutor of the Diocese of Texas

#### Consents to the Ordination and Consecration of:

November 28 The Rev. Carol Gallagher as Bishop Suffragan of the Diocese of Southern Virginia  
April 24 Brother Thomas Carey, ordained to the Priesthood  
May 22 The Rev. Charles McCarron, received as a Priest

**Approved Deposition:** March 22 Jack Reeves

#### Consent to the following transactions:

November 28 Sale of Trinity-St. Joseph's Rectory, Astoria  
Cession of territory from Diocese of Arizona to Diocese of Nevada  
March 20 Sale of Trinity-St. Joseph's Church, Astoria  
April 24 Sale of property by St. Mark's, Westhampton Beach  
May 22 Sale of house and property by St. Anselm's, Shorham

The Minutes of the Standing Committee are available by writing to the Secretary.

**TRUSTEES OF THE ESTATE  
BELONGING TO THE DIOCESE OF LONG ISLAND, INC.**

Submitted by The Very Rev. Hope Koski, Secretary

The Trustees of the Estate Belonging to the Diocese of Long Island, Inc. met at four (4) regularly scheduled meetings during the months of December, March, June and September, and one special meeting in April. The Secretary hereby submits a report of the actions taken:

December 4, 2001

- Approved contract for sale of rectory of **Trinity-St. Joseph Church, Astoria**, for \$275,000.
- Adopted resolution to amend the original purchase agreement for **Trinity-St. Joseph, Astoria** by the Islamic Service Foundation as follows: the purchase price will be \$500,000 to be paid at \$15,000 per month for four months plus \$440,000 in the form of a purchase money mortgage for five (5) years at 8% interest.
- Resolved that the Finance Committee review the highest possible return that Trustees could get for the **FCS building, Queens Village**, and then decide to sell, lease or otherwise dispose of.
- Resolved that income previously taken from the **Mercer Scholarship Fund** and unexpended, be used 1) to cover the \$89,326 deficit as of October 31, 2001; 2) to cover the \$30,000 projected expense for purchase of chapel chairs; and 3) the balance be returned to the Scholarship Fund.
- Approved an allocation of \$400,000 from the Mercer Scholarship Fund to the **Mercer School of Theology** for the 2002 academic year with the understanding that additional funds would be considered in March following submission of additional information to be requested of the school by the Treasurer.
- Approved **housing resolutions** for the Rev Eric Stephens and the Rev. Emmanuel S. Nduka for the year 2002.
- Approved **Mercer Scholarship awards** totaling \$369,750 for the 2001-2002 year to eligible students at Episcopal seminaries.
- Approved a \$250,000 bridge loan to **Cathedral of the Incarnation** with disbursement to be made on a draw down basis with no more than \$37,000 per month drawn down at one time. (later rescinded at request of the Cathedral)

March 26, 2002

- Agreed that the sale proceeds from the **FCS building** would be used as follows: \$400,000 would first be paid to the Trustees; \$250,000 would be paid to ECA (ECA would then "write off" the remaining \$309,000 of the mortgage loan due ECA from the Trustees); any additional monies would be paid to the Trustees; and the total sales proceeds would be deposited in the Redundant Property Fund.
- Approved expenditure of \$6,665 for installation of a new gas boiler and hot water heater at **191 Kensington Road, Garden City**.
- Increased approved allocation from the Mercer Scholarship Fund for support of the **Mercer School's** 2002 budget from \$400,000 to \$520,000.
- Approved a contract in the amount of \$139,900 for the remodeling of the **Mercer School** kitchen and lounge, the funds of which would be taken from the Mercer Maintenance Fund.

- Approved a contract in the amount of \$568,720 for the roof repair/replacement at **Diocesan House**, with \$56,872 to be set aside for possible contingencies; funding to be provided from the Redundant Property Fund.
- Approved deposit of proceeds from the sale of the rectory of **Trinity-St. Joseph, Astoria** in an account in the Investment Fund to be held for the benefit of the church, and agreed that income from the account would be provided to the church for the sole purpose of providing housing for the vicar.
- Approved \$50,000 to complete work on Benson House (**Camp DeWolfe**), with payment to be made directly from the A Fund upon submission of properly authorized invoices.

April 9, 2002:

- Authorized Mr. Fardella to negotiate a final settlement through the law firm of Skadden Arps Slate Meagher & Flom regarding the **Maycroft** litigation.
- Rescinded approval of the \$139,900 contract for renovation of the **Mercer** kitchen, and authorized the Finance Committee, in consultation with Stuart Newby, to proceed with selection of a contractor from among proposals to be secured by Mr. Newby.

June 25, 2002:

- Approved authorization to Ms. Baietto to provide checks needed to fund costs associated with settlement of the **Maycroft** litigation.
- Approved authorization to Mr. Fardella to waive up to two (2) months of interest in order to expedite the property closing for the rectory of **Trinity-St. Joseph, Astoria**.
- Authorized the **Investment Committee** to transfer funds currently under the management of Alliance Capital to the firm of Montag & Caldwell, or another firm. Further authorized the Investment Committee to transfer funds currently under the management of Sanford Bernstein to the firm of Montag & Caldwell, or another firm.
- Approved purchase of new lawn equipment costing \$31,000, to be funded 1/3 by **Mercer Maintenance Fund**, 1/3 by the Trustees, and 1/3 by the Cathedral Chapter.
- Approved the bid of \$180,584 for the renovation of the **Mercer** kitchen.
- Approved the **amended housing resolution** for the Rev. Emmanuel Nduka.
- Approved \$27,900 to fund a "condition survey" for **Diocesan House**.
- Approved adjusting the **Mercer School's** custodian's salary to \$14.00/hour and the part-time custodian's salary to \$13.00/hour.

September 17, 2002:

- Adopted a resolution to enter into contract agreements pursuant to a \$30,000 legislative grant to be provided by the New York State Office of Parks, Recreation and Historic Preservation on behalf of the **Cathedral**.
- Approved an increase in the **Aged and Infirm Clergy Fund Christmas Grants** to \$3,500.
- Approved \$12,000 additional expense in connection with the **Mercer** kitchen renovation.
- Approved \$37,677 for renovation of the 3<sup>rd</sup>/4<sup>th</sup> floor staircase in **Diocesan House**.

- Authorized Mr. Thomas, as Chair of the Finance Committee, to negotiate return of grant monies (\$150,000) provided earlier to **St. John's, Hempstead**.
- Authorized the Finance Committee, together with the Department of Mission, to review proposals for repairs to **St. John's, Flushing**. If warranted, up to \$25,000 was approved for such repairs from the proceeds of the sale of Trinity-St. Joseph's, Astoria.
- Approved funding up to \$17,500 to rehabilitate **Camp DeWolfe's** sports field upon certain conditions being met.

## **EPISCOPAL CHARITIES OF LONG ISLAND, INC.**

The Board of Episcopal Charities is pleased to provide this annual report to the delegates of the 2002 Convention. Our Board believes firmly in the importance of an "open book" policy as accountability is an essential element of stewardship. We are committed to being good stewards of the funds entrusted to us by our faithful supporters.

### **Board of Directors**

The Board of Directors of Episcopal Charities, Inc. is vested with the sole and exclusive power of managing the estate, property and temporal affairs of the Corporation including all assets, trusts, and funds. As constituted by our By-Laws, no member, committee, agent or officer of the Corporation shall initiate, foster, carry on any kind of manner of activity which may commit the Corporation to a policy, measure, attitude or expense, until such plan, project, or work shall have been studied and approved by the Board. The Board meets at least four times each year, with the ECA Executive Committee facilitating the work of the various ECA committees during the interim periods. Final decisions regarding grant applications are made at each of the quarterly Board meetings.

The Board is comprised of the following membership for 2001-2002:

The Rt. Rev. Orris G. Walker, Jr., President	Mrs. Panzy DeHart
Mrs. Joyce Hogg, Vice President	The Ven. Canon Peter P.Q. Golden
The Rev. Douglas W. Hutchings, Treasurer	The Rev. Canon Johncy Itty
The Rev. Dr. Steven F. Crowson, Secretary	Mr. F.S. Kip Molnar
Mr. William A. Boller	Mrs. Priscilla Stevens
The Very Rev. William M. Viola	

### **Grants**

The Board of Episcopal Charities in 2002 awarded \$726,500 to its agencies and church based ministries.

The following are the 2002 grants approved by the Board\*:

Archdeaconry and Church Based Grants	\$100,000
Camp DeWolfe (Operating Expenses)	65,000
Camp DeWolfe (Repair & Refurbish)	20,000
Clergy Wellness Initiative	25,000
Diocesan Youth Ministry (Program)	35,000

Episcopal Health Services	66,000
Family Consultation Service	160,000
Bishop Henry B. Hucles Nursing Home (Chaplaincy)	4,500
Bishop Charles W. MacLean Nursing Home (Chaplaincy)	34,600
St. John's Episcopal Hospital (Pastoral Care)	11,400
Interfaith Medical Center	50,000
The Bishop's Call	155,000

**TOTAL 2002 GRANTS:                    \$726,500**

Additionally, ECA granted Camp DeWolfe \$41,465 in the form of scholarships enabling children of the Diocese of Long Island to attend Camp DeWolfe during the 2002 camp season.

\* The 2002 grants are based upon donations to the 2001 Appeal, interest income generated by December 31, 2001 and endowment income after expenses.

The Board approved the grants at its regularly scheduled January meeting. A copy of the Board's minutes approving the grants was subsequently provided to the Office of Finance and Administration for their records.

As part of the annual grant application process, each ministry is required to describe how the grant will be used to foster and/or develop the religious, educational and charitable work in the Episcopal Church. Grants to the health ministries are restricted to pastoral care. Additionally, the agencies must provide itemized details of how ECA grant monies were expended for the previous two years.

**Archdeaconry and Church Based Grants**

Episcopal Charities also supports local outreach ministry through our Archdeaconry and Church Based Grants program. As of October 31st, we have distributed 10 grants to a diverse group of outreach programs and services. The following are the 2002 Archdeaconry and Church Based Grant recipients.

Steve Biko Family Life Center Program - St. Elizabeth's Friary	\$10,000
Summer Day Care Program - St. George's, Brooklyn	10,000
Computer Awareness Program for Seniors, Nativity, Brooklyn	5,000
Multiethnic Coalition Community Service, Redeemer, Astoria	6,500
Eastern Farm Workers Assoc. - St. James, Brookhaven	10,000
The Farm at St. Peter's - St. Peter's, Bay Shore	2,500
Farmingdale Adult Day Care Center - St. Thomas', Farmingdale	10,000

**TOTAL 2002 ARCHDEACONRY & CHURCH BASED GRANTS    \$54,000**

Episcopal Charities has \$46,000 still available, as of October 31, 2002 for grant Distribution to local outreach ministries. All outreach ministries affiliated with an Archdeaconry or Church within the Diocese of Long Island are eligible. Episcopal Charities will award annual grants of up to \$10,000. To encourage new church based ministry Episcopal Charities will consider grant applications for a duration of 3 years but at a reduced level in the second and third year. The Board of Episcopal Charities is

scheduled to review grant applications at its December 4th Board meeting. An application form may be obtained by contacting the ECA office.

### **Standards and Guidelines for Assets**

The Board of Episcopal Charities has enacted and/or adheres to several policies in reference to its assets. At the beginning of each month, all income received by Episcopal Charities during the previous month is transferred to the Investment Fund of the Diocese of Long Island in order to maximize our returns. Complying with Diocesan policy for investments, Episcopal Charities receives five percent of the interest income and the remainder is re-invested.

The entire Board approves the annual budget for Episcopal Charities. Upon approval, a copy of the budget is provided to the Office of Finance and Administration. The Finance Office makes disbursements for expenses in accordance with the budget upon receipt of appropriate documentation. The Executive Director of Charities and the Bishop's Deputy for Stewardship is a joint appointment with total compensation and expenses posted to the ECA budget.

100% of a donor's gift to the annual appeal is distributed to the agencies at the beginning of the following year. All campaign and administration expenses are covered by income generated by Episcopal Charities' endowment. After expense, the remainder of the endowment income is added to the donations to establish the amount of funds available for grants. A designated gift to an Episcopal Charities agency is released the month following receipt.

Since 1993, the Board of Episcopal Charities has added all bequests of \$1,500 or more to the Endowment Fund. The Board also adheres to a strict policy of using only the interest income generated by the endowment. The corpus of the endowment is never encroached.

### **Financial Statement**

Attached please find Episcopal Charities Statement of Financial Position and Expenses for the year ending December 31, 2001. Episcopal Charities is awaiting the completion of the audit by the accounting firm of PricewaterhouseCoopers.

### **Endowment Fund**

Almost all of the endowment funds are unrestricted; only the Dillon, Dreger and Pohmer bequests are permanently restricted by the donors. The Dillon fund is for scholarships to Camp DeWolfe and the Dreger fund is for programs. This year, the Board designated interest income from the Grandin fund for ECA Scholarships to Camp DeWolfe for the 2001 camping season. The Grandin fund was established in 1988 by an unrestricted bequest from Helen M. Grandin.

### **Closing**

The Board of Episcopal Charities is proud to be in partnership with the churches of this Diocese as we strive to further the mission of Jesus Christ here on Long Island. As stewards of the funds entrusted to us, we embrace this opportunity to openly share the

procedures, finances and expenditures of Episcopal Charities with the delegates of the 2002 Convention.

**Episcopal Charities of Long Island**  
Statement of Financial Position

as of 12/31/2001

ASSETS

Chase Manhattan Bank	14,733	
Petty Cash	150	
<i>Subtotal</i>		14,883
Investment Fund @ Market Value		9,570,795
Loans & Mortgage Receivable:		
Trustees of the Estate	559,000	
Cathedral Chapter	370,000	
Allowance for Cathedral Chapter loan	(370,000)	
<i>Subtotal</i>		559,000
Investment Income Receivable		46,604
Total Assets		10,191,282

LIABILITIES

Grants Payable		0
Designated Gifts - not distributed		2,716
Accounts Payable & Accrued Expense		19,441
Reserve For Unemployment Claims		5,000
Reserve For Computers		25,000
Total Liabilities		52,157

NET ASSETS

<i>Unrestricted Net Assets</i>		
Available for grants		734,869
Grandin Fund-income available		34,717
Designated for long term investment		8,885,546

Subtotal Unrestricted Net Assets	9,655,132
<i>Temporarily Restricted Net Assets</i>	
Dillon, Dreger & Pohmer funds	82,329
<i>Permanently Restricted Net Assets</i>	
Dillon, Dreger & Pohmer funds	401,664
Total Net Assets	<u>10,139,125</u>
Total Liabilities and Net Assets	<u><u>10,191,282</u></u>

*Market value reflects December 2001 Investment Fund share values*

**Episcopal Charities of Long Island**  
Statement of Activities

as of 12/31/2001

REVENUE

Fiftieth Anniversary - net balance		
Support from Churches & Other	212,846	
Bequests	<u>358,188</u>	
Subtotal Contributions		571,034
Invest Fd Divs A71 000 999 410.10	586,599	
Invest Fd Divs A71 978 999 410.10	<u>45,690</u>	
Investment Fund Dividends	632,289	
Changes in Market Value	(998,649)	
Interest on loans	44,720	
Income from PLM investments	<u>211</u>	
Subtotal Investment Income		(321,429)
Total Unrestricted Revenue		<u><u>249,605</u></u>

EXPENSE

Grants & Support

St Mary's Hospital for Children	0
Diocesan Youth Ministry	30,000
Retired Clergy Health Insurance	50,000
Clergy Wellness	25,000
Episcopal Health Services	53,200
Interfaith Medical Center	43,000
Bishop Hucles Nursing Home	20,000

Bishop MacLean Nursing Home	35,000	
Family Consultation Services	135,000	
The Bishop's Call	155,000	
Camp DeWolfe	65,000	
Camp DeWolfe-Pool renovation	25,000	
Camp DeWolfe-Episcopal Charities Scholarships	40,000	
Church Based Grants	60,347	
Subtotal Grants		736,547
Campaign Expense		41,797
Administration Expense		89,169
Total Unrestricted Expenditure		867,513
<b>CHANGES IN NET ASSETS</b>		
Change in Unrestricted Net Assets		(617,908)
Change in Temporarily Restricted Net Assets		(57,952)
Change in Permanently Restricted Net Assets		0
Change in Net Assets		(675,860)
Beginning Net Assets		10,814,985
Ending Net Assets		10,139,125

**Episcopal Charities of Long Island**  
**Campaign and Administration Expense**

as of 12/31/2001

	Annual	+-----Year to date-----+		
	Budget	Budget	Actual	Variance
<u>Campaign Expense</u>				
Publicity/Public Relations	7,000	7,000	2,775	4,225
Postage	17,000	17,000	8,244	8,756
Reproduction & Mailing	30,000	30,000	30,778	(778)
Subtotal Campaign Expense	54,000	54,000	41,797	12,203
<u>Administration Expense</u>				

Salaries			26,483	
Social Sec/Medicare			2,350	
Medical And Life Insurance			310	
Pension Plans			3,991	
Disability			228	
Workers Compensation			80	
Bonuses			1,170	
Salaries & Fringe Benefits	139,394	139,394	34,612	104,782
Audit	5,500	5,500	5,655	(155)
Contracted Services - External	6,500	6,500	3,615	2,885
Accounting Services - Internal	4,350	4,350	4,000	350
ADP & Bank Charges	120	120	76	44
Subtotal	10,970	10,970	7,691	3,279
Property/Liability Insurance	3,000	3,000	1,316	1,684
Directors/Officers Insurance		0	1,265	(1,265)
Liability Insurance	3,000	3,000	2,581	419
Telephone	1,200	1,200	358	842
Conferences/Meetings			3,724	
Meals			0	
Travel & Related Expense	1,000	1,000	3,724	(2,724)
Automobile Expense	4,243	4,243	3,071	1,172
Automobile insurance	1,757	1,757	3,029	(1,272)
Automobile Expense	6,000	6,000	6,100	(100)
Supplies	1,500	1,500	258	1,242
Furniture & Equipment	2,000	2,000	25,173	(23,173)
Equipment Lease	3,000	3,000	2,778	222
Dues & Subscriptions	240	240	239	1
Misc Expense	0	0	0	0
Subtotal	6,740	6,740	28,448	(21,708)
Subtotal Admin Expense	173,804	173,804	89,169	84,635
Total Expenditure	227,804	227,804	130,966	96,838

**Diocesan Youth Ministry Report for 2002**  
**Submitted by**  
**Brooks Johnson, Director of Youth Ministry**

“Let us remain as empty as possible so that God can fill us up.” This quote by Mother Theresa seems to contradict the current state of the world in which our youth live in here in America. However, Diocesan Youth Ministry (DYM) continues to focus on how to provide our youth with substantial experiences in order to fill their spirit with the love of God.

Within the parameters of the budget and the limitations of staff, DYM continues to reach out to the youth of the Diocese of Long Island in hopes of including more youth in the active Christian community of our parishes. DYM is working on more ways to unite the Diocese.

In February, DYM took its second Diocesan wide trip to the *Nightwatch* program. This year over 100 junior high youth representing each Archdeaconry had an overnight retreat experience at the Cathedral of St. John the Divine. In March DYM hosted the second annual Youth Leader Retreat at St. Joseph Renewal Center in Brentwood. Sixteen adult leaders representing each Archdeaconry received two days of training and experienced spiritual growth to better equip them as youth leaders in their home parishes. Kids of the Kingdom took place in May, with over 900 registered. However, a rainy day diminished the attendance. Hopefully, weather will cooperate with this year's expanded program.

The summer of 2002 offered a first, two major senior high trips. The first trip was the second annual mission trip, this year to experience the rural community of Logan, West Virginia. Over 20 participants from the Diocese served the community of Logan for a week. The second trip was the triennial Episcopal Youth Event held at the University of Wyoming. This year, DYM yoked with the youth from the Diocese of New York in planning the trip. Over 40 participants, representing both Diocese, spent three days prior to the event at the University of Denver to prepare two offerings each Diocese was asked to present at the event. The “hot topics” presented by the youth were both extremely well received.

At Bishop Walker's request, in response to Resolution 1, Resolution on Ministry for and with Children and Youth, from the 135th Diocesan Convention, youth were represented more than ever at the 136<sup>th</sup> Diocesan Convention. Offerings included a senior high youth panel discussion, a teaching on the Children's Charter, of the National Church, a resource room with information and activities packets prepared for every parish in the Diocese, an intergenerational banner that all Convention participants could sign, and artistic expressions that decorated all the walls of the Convention Hall with posters created by the five primary parochial schools in the Diocese. At the Friday evening banquet, senior high youth performed a gospel tableaux and a combined youth choir from the Cathedral of the Incarnation and St. Augustine's Church sang. All of these offerings were the collaborative efforts of the Cathedral of the Incarnation, volunteer youth leaders from the Diocese and DYM.

A tremendous amount of thanks is extended to both Bishops and the Archdeacons. I want to especially thank Episcopal Charities for their moral and financial support of this important ministry.

In 2003, DYM hopes to continue expanding the ways in which it can serve the youth of the Diocese. We will continue striving to encourage every parish to make youth ministry an integral part of their community through resources available to all congregations and by events designed to empower both youth and youth leaders alike.