

Introduction

This Diocesan Assembly marks the end of my fifth year as Diocesan Treasurer, a term of office which has brought improvement to the recording and monitoring of income and expenses, the consolidation of accounts, the purchase of a new vehicle, the entrance into the Diocesan Center and the administration of it as such, with the attendant costs, the pursuit of acquiring title to the building which has been ongoing for the past five years and is somewhat in sight at this time. Positions have been created and funded which have greatly assisted in improving efficiency and communication, though there is much room for improvement.

On a diocesan level we committed last year to implement a proportional giving system in the diocese in eight, now seven, years. On the national level we recently passed a resolution in Seattle that suggests the end of the assessment system on a national level at the next All American Council. Both of these initiatives demand that the Diocese of Eastern Pennsylvania, its clergy and faithful alike, confront and engage the reality of our Church in this locale. To this end we have begun a process of Parish Revitalization, which is essential for the future of our diocese and must be, in my opinion, the context within which all the so-called financial questions are considered.

Diocesan – National Administration relationship.

There is a canonical form to this relationship which is beyond the scope and consideration of the Treasurer. However, the financial form of this relationship is not. 69% of the assessment income collected last year went to Syosset, 31% remained in the diocese. I have heard that based on total income of the church nationally, the 2.3 million dollar budget of the national administration represents 33% of that income of approximately \$6 million. **IF** that is an accurate statement, then our diocese is in an inverse relationship, financially, with the national administration. We are contributing two thirds of the money collected and keeping one third for diocesan needs.

Under the current system, the diocese is responsible for making payments whether the parishes do or do not. For the past several years, we have two parishes that are unable to make or keep up with their assessment payments, either to the diocese or for the national administration. Numerous parishes are 1 to 2 months behind, while two make either one time annual payment or a two time payment each year.

While there are issues that can be attended to on the national level that relate to the inability of parishes to meet assessment payments in a timely fashion, it would be foolish for us to ignore the reality in the parish that leads to choices of paying the priest, the utility bill, or the assessment. This is where our attention must be focused.

Diocesan-Parish Relationships

There are three major obstacles, as I see it, to having a healthy relationship between the diocese and the parishes. First is distrust on the part of the parishes regarding the diocesan motives, i.e. they want our money. Second is distrust on the part of the parishes regarding national administration motives, i.e. they want our money. And third is the expectation that

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unless one receives tangible benefits for their money, the money should be withheld. This latter mentality is evident in the fact that among liturgical churches that observe Palm Sunday, it is the largest attendance of the year because people get palms and/or pussy willows for their attendance.

The first place to start is the production of budgets which provide a picture of income and expense and sharing those with the diocese. TOGETHER parishes on the deanery level **with** the diocese should be working, not to see how to get more money one way or the other, but to improve communications and the mutual interest in building up the parish and the diocese. Inter-parish activity is necessary for building up the life of each parish, which will improve the health of the parishes through liturgical concelebration and mutual service. Using the talents available in our parishes for each other, from practical arts such as building trades to cooking to legal and financial administration is a major way to help one another with the common problems we have and common challenges we face. Budgets help identify those, inter-parish or deanery activity provides a way to overcome them. Page | 2

Secondly we need to consider the nature of the parish. Under the current system a parish is obliged to pay assessments. Yet we have parishes in our diocese which are numerically below what our own Church guidelines identify as what is necessary for parish status.¹ Most of these meet their assessment payments in full and on time, but as a result are limited with what else they can do because of few numbers of aged parishioners. If they remain parishes they are bound for extinction. They need to be freed from the responsibility of paying assessments so that those monies can be used for revitalization and if that means no longer classified as parishes, then we should do so. While staying the course is an option, it is a self-destructive one.

Third, we need to encourage parishes to go to proportional giving **now**. Three parishes are already doing so, with two of them slightly ahead of the assessments for their parishes, and the other one behind, but already making progress after one year. Others have expressed interest in making the transition and should be encouraged to do so as soon as possible. We will all go this route eventually, so those who are willing to be pioneers should not be held back but encouraged, and should provide to the rest of the diocese the fruits of their experience in the form of presentations in deaneries.

Fourth, we must recognize that transitioning to a healthier parish lifestyle will require sacrifice on the part of all. There is no way around it for anyone. The greatest treasure we have in our diocese is our people. Not their money, but the people who have been blessed by God with talents and time **and** money for the building of his Kingdom. We need to identify those talents, ask for the sacrifice of time and treasure and put them to work in the building of the Kingdom. To this end I advocate the establishment of a Diocesan Talent Database as described at the All American Council. Every parish should submit a list of the talents of the people who belong to it and these records would be kept in a constantly updated database accessible to the parishes for the building up of the church not only in our own parishes and

¹ 15 parishes have fewer than 50 people on their census.

deaneries, but others as well. Matching talents with needs throughout the diocese should be a unique and vital function of diocesan administration.

Diocesan Administration

It is clear that the times ahead will be interesting in the life of our church and require that we utilize the talent we have to its maximum. We heard at the All American Council of the dedicated members of the Metropolitan Council who have provided such invaluable service to the Church. No doubt we have similar individuals in our diocese. Many of them are already known as members of parish councils and the diocesan council. Others are unknown but need to be revealed.

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It is time for a new treasurer, one who has the greatest professional training and experience in finance and accounting to serve the diocese, especially at the national level. I am not that person. I have offered my resignation in order that His Grace may pursue a search for a replacement and will continue in the position as long as he wishes, but strongly believe that the words spoken about the first treasurer in the history of the church are applicable to me, *let another take his place*.

While to some the cost of diocesan administration may seem high, it is not. The work that is being done needs to be done, and more with it. Could it be done better? Yes. There is always room for improvement. But those who are doing it are dedicated and divided, like most of those who work in our diocese. Everyone wears multiple hats and so we must continue to work to improve performance, efficiency and communication so that those multiple responsibilities do not come into conflict or impede each other in the pursuit of their goals. The only salary increase proposed is for the Bishop, following on the recommendation of the Diocesan Council a couple of years ago, that his salary increase 10% a year until it got to a reasonable level. In the proposed budget it hits \$20,000. He wears the hat of Rector of St. Tikhon's Seminary and is Secretary of the Holy Synod.

Program Expenses

Most of the program expenses are based on requests for funding. Some program expenses, such as the lecture tour of Dr. Herman T. Engelhardt and the clergy workshop, originated on the diocesan level. Often the request is made for monetary help, and this year a small step was taken in that direction with a donation to St. Vladimir's in Lopez. Money is budgeted and available, though timing is a key part of obtaining money. Requests for funding for projects or assistance in critical situations should be made in writing to the bishop and will be reviewed in a timely manner and decided upon. Moreover parishes that have longstanding relationships with one another can help, if possible, if they are aware of the needs of those around them, supplementing diocesan assistance. Educational and youth activities are also important. Parishes are encouraged to communicate their needs through their deans. Priests in need of financial assistance may communicate those needs through the dean or to the bishop directly. They may do so through the treasurer, but in the interests of discretion and confidentiality may prefer not to and it is not necessary for them to do so.

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Audits were held three times this year, at the end of the first and second quarters and at the end of the year. The failure to hold a third quarter audit, which is not required by statute but which we committed to do last year, was not possible due to schedule issues among the auditors. Their report is separately presented. I am very appreciative of their attentiveness, their assistance and support in keeping the accounts of the diocese.

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Summer Camp

This year this became a joint venture between the Seminary and Diocese. Discussions between the Rector of the Seminary, Bishop Tikhon, the Dean, Fr. Atty and the Young Adult Office established this format. A separate bank account with the Bishop and the Camp Directors as signatories was established with bank statements sent to the Diocesan Center. These were reconciled by me based on copies of receipts provided. Explanations of expenditures will be offered by the Summer Camp directors in their report.

For the coming year, issues of reporting, a budget of projected income and expense for approval of the Diocesan Council in February, and review of financial arrangements between the diocese and the Seminary are on the agenda in light of the initial experience of this past summer.

Conclusion:

The Budget proposal for the coming year is for a \$2 increase in the assessment, to \$50 a year. Details of last year's expenses are included on the proposal. I welcome questions at the appropriate time.

I am grateful for the opportunity to serve.

Respectfully Submitted,

Priest Raymond Martin Browne

Diocesan Treasurer