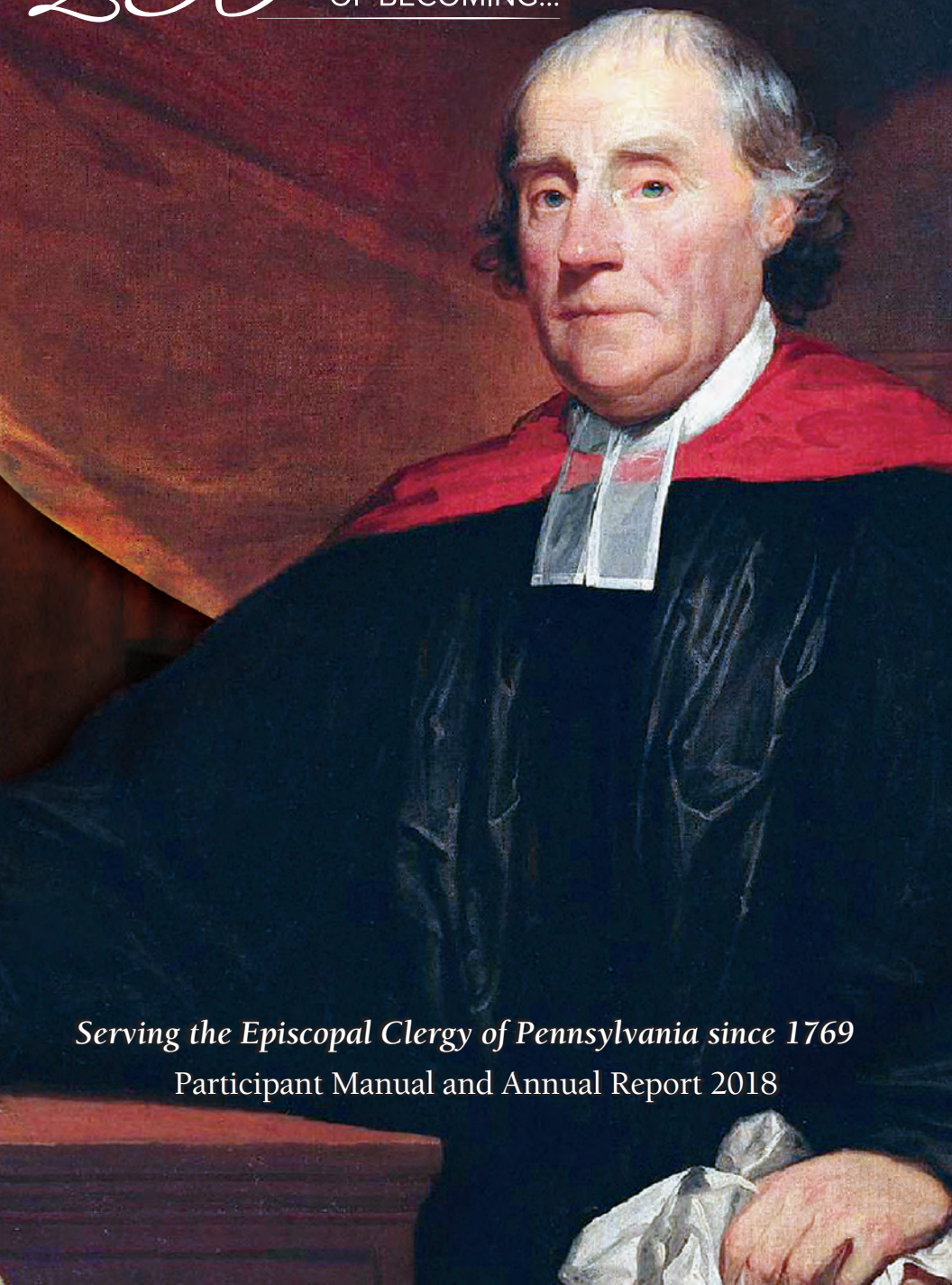


THE WIDOWS CORPORATION

250 Years  
OF BECOMING...



*Serving the Episcopal Clergy of Pennsylvania since 1769*  
Participant Manual and Annual Report 2018

The Corporation for the Relief of the Widows and Children of Clergymen  
in the Communion of the Protestant Episcopal Church  
in the Commonwealth of Pennsylvania



*President (ex officio)*

*The Bishop of Pennsylvania*

The Right Reverend Daniel G. P. Gutierrez (2016)

*Vice-President*

James L. Pope (1992)

*Other Members of the Corporation*

*In order of seniority*

The Right Reverend Allen L. Bartlett, Jr. (1986)

Paul Spencer Adkins (1993)

Donald H. Roberts, Jr. (1993)

Helen R. Bosley, CFA (1998)

Roderic H. Ross, CLU, CHFC (1999)

The Reverend Judith L.T. Beck (2002)

The Reverend Rodger C. Broadley (2002)

The Reverend Donald T. Graff (2002)

David P. Hegg, FSA (2002)

Nolan N. Atkinson, Jr., Esquire (2004)

Shirley Gracie (2004)

The Right Reverend Sean Walter Rowe, *The Bishop of Northwestern Pennsylvania* (2007)

The Reverend E. Clifford Cutler (2007)

Gordon B. Fowler, Jr. (2007)

Louisa C. Ridgway (2007)

Kathleen A. Stephenson, Esquire (2007)

Mary T. Campbell, CPA (2012)

The Right Reverend Edward L. Lee, Jr. (2012)

The Reverend Thomas L. McClellan (2012)

Theresa Rollins, Ph.D., CPA (2012)

The Right Reverend Dorsey McConnell, *The Bishop of Pittsburgh* (2012)

The Reverend Richard C. Alton (2014)

The Reverend Dr. Theodore C. Babcock (2014)

Dana B. Hall, CFA, M. Div (2014)

SooHee Lee Lim, CFA (2015)

The Very Reverend Scott T. Quinn (2015)

The Right Reverend Audrey Cady Scanlan, *The Bishop of Central Pennsylvania* (2015)

Albert S. Dandridge, III, Esquire (2016)

Stephen B. Heimann, Esquire (2016)

Clifford W. Kozemchak (2017)

The Reverend Isaac Miller (2017)

Neville E. Strumpf, Ph.D., RN (2017)

The Right Reverend Kevin D. Nichols, *The Bishop of Bethlehem* (2018)

*Dear Friends,*

We sometimes hear the term “mission creep,” frequently in connection with military operations and usually not very favorably. But there is a kind of mission creep that IS positive and that is what I would like us to think about now. As I am learning more and more about the history of The Widows Corporation in preparation for the celebration of our 250<sup>th</sup> Anniversary in October, I realize that the term could very aptly be applied to us and to our ministry.

One phrase that is often mentioned and that has been passed down from one to another of our leaders is “The Widows Corporation moves at a stately pace.” This often seems like a warning for us not to rush into things, to take our time in making decisions, starting new programs, etc. But I think the “stately pace” is not necessarily the point; perhaps we should focus on “The Widows Corporation moves ....”

When we were founded in 1769, we, like our siblings in New Jersey and New York, only offered annuities to the widows and orphaned children of the clergy. This was a very helpful and worthy ministry in itself, but in the next few decades the leaders of the Corporation perceived that there was another way, that of providing life insurance policies on the clergy to benefit their widowed spouses with larger payments at the time of death. Discretionary grants were still available to widows in particularly difficult financial straits, but not every clergy widow received a share of the year’s income every year ... it depended on the need. This eventually led to a substantial increase in the underlying funds available for our ministry, so new ways were sought to expand our work.

Over the decades ... the two and a half centuries ... this led to expansion of the contracted death benefits, to Wellness Funds, to Outreach program funds, to Educational Assistance, to Spousal Death Benefits.



**The Reverend Sherry Deets**  
*Chaplain*

We reacted to changing social forces by gradually changing the composition of our Membership to reflect a more diverse representation of our community. We also expanded our definition of eligible beneficiaries to include unmarried or same sex partners, any natural person at all, and finally (so far) religious and charitable institutions. And we opened our doors to Lutheran and Moravian clergy serving in Episcopal ministries.

We may “move at a stately pace” but even if it seems that we sometimes creep, we DO move. During this year leading up to our Anniversary Celebrations, I have been visiting clergy conferences throughout Pennsylvania talking about a new area of mission ... the needs of clergy family members. Read more on page 8 and be thankful that The Widows Corporation continues to experience mission creep.

God’s peace,

**The Reverend Sherry Deets**  
*Chaplain*

# *The Past Year* *at a Glance 2017 - 2018*

## INSURANCE ACTIVITY:

	<u>Lives</u>	<u>Policies</u>	<u>Death Benefit</u>
New Lives Insured:	26	26	\$ 26,000
Additional Policies Issued:		9	670,000
Lives Lost:	<u>-25</u>	<u>-38</u>	<u>-1,347,763</u>
<b>Net Change:</b>	<b>1</b>	<b>- 3</b>	<b>\$ - 651,763</b>

## FINANCIAL ACTIVITY:

Reserve for Future Death Benefit:	\$ 43,185,000
Reserve for Other Liabilities:	3,392,657
Reserve for Board Designated Distributions:	365,675
Reserve for Operations:	<u>26,750,909</u>
<b>Total Assets:</b>	<b>\$73,694,241</b>

Interest on Investments (net of Management Fees):	\$ 943,148
Capital Gains / Losses:	4,480,631
Premiums Received:	<u>90,147</u>
<b>Total Receipts:</b>	<b>\$ 5,513,926</b>

Death Claims Paid:	\$ 1,347,763
Increase in Policy Reserves:	-146,000
Operating Expenses:	326,595
Premium Refunds:	181,243
Family Grants:	226,022
Wellness Fund Grants:	<u>308,058</u>
<b>Total Expenses:</b>	<b>\$ 2,244,681</b>



Dear Friends,

As our Chaplain Sherry Deets pointed out in her opening letter, the Corporation does move forward...occasionally quickly as when, in 1988, the first two women were elected to Membership in the Corporation and were immediately elected to the Acting Committee as well! Mary Pierson and Nancy Smith were trail-blazers in a movement to break out of the “old boys’ club” patterns of the past and into a much more diverse Membership, serving an increasingly diverse body of Episcopal clergy as well. At other times we have moved more slowly ... perhaps “glacially” would be an apt descriptor! ... as when in the early 1970’s we began to plow growing gains in our investment portfolio back into service of the clergy by beginning to declare “enhancements” to the face value of our insurance policies that eventually came to bring some policies up to a total death benefit of over \$300,000. That generosity has had to be clawed back a bit as we recognize that we may not always be able to afford such largesse, especially as we subsidize the actual cost of the insurance to such a large (nearly 60%) extent.

Nonetheless we do move forward and sometimes we don’t even realize it until something happens to cause us to sit up and take notice. Last year, as the Anniversary Committee met to discuss the form our celebrations would take, thoughts turned to what might be the climax of those celebrations ... something that would be remarkable and, preferably, not expensive. That caused us to notice two things: as long ago as the late 1980’s, the name “The Widows Corporation” was beginning to pale. More than one focus group convened to examine this and to discuss alternatives, but ultimately no change was made.

We also noticed that over the last decade or so, as our programs had expanded to include Wellness and Outreach Funds, the balance of the use of our discretionary funds had changed dramatically, though slowly. Whereas in 2006, for example, we devoted \$260,000 to the care of clergy widows and \$196,000 to the needs of living clergy, by 2018 that balance had shifted to \$240,000 for widows and \$515,000 for living clergy families.



John A. Miller  
Treasurer & Executive Director

Fiscal Year	Widows	Families
2006	260,000	196,000
2012	250,000	445,000
2018	240,000	515,000

This change can be attributed to a couple of factors. One is that due to the good work of the Church Pension Fund and the fact that more and more clergy spouses are equal or even primary contributors to the family’s financial picture, fewer and fewer clergy widows find themselves in ongoing need of assistance.

As we considered these phenomena, we began to recognize once again the inadequacy of the term “The Widows Corporation” to encapsulate the work that we have been called to do. Therefore the Anniversary Committee recommended to the Acting Committee that another effort to review our realities and our future aspirations be undertaken with the goal of discerning whether a new name would serve us better. While it is not yet clear whether a change will be recommended or, if so, what it might be, the time may be coming when “The Widows Corporation” will be retired after about 150 years of honorable service and a new “doing business as” name will be unveiled. In the stately movement of The Widows Corporation, this is what passes for high drama ... stay tuned!

Faithfully yours,

John A. Miller  
Treasurer & Executive Director

A stylized, handwritten signature in dark ink that reads "John".

# *The Widows Corporation: 250 Years of Becoming...*

1John 3:2 .... “it does not yet appear what we shall be ...”

The story arc of our corporate life is that the founders and their successors were always open to living into their calling, and as new needs and opportunities arose, they did not hesitate to grasp them:

- When it seemed better to work separately than together, for instance, they did not hesitate to split up into separate state organizations.
- When Horace Binney, Sr. perceived that the insurance model was preferable to the annuity plan, they did not hesitate to adopt it.
- As various options for investments arose, they did not hesitate to move from ground rents to mortgages to bonds to stocks (and even hedge funds!)
- As it became clear that new blood was needed, the families that had run the show for decades, maybe a century, opened the door to other concerned and able MEN.
- Then, finally, to WOMEN!!! (1988 – 2!)
- When visionaries such as Allen Bartlett and Rudy Moore perceived that there was a wider ministry than just to married priests, the Corporation opened its doors to others.
- Most recently, as the needs of clergy families have eclipsed the decreasing population of financially distressed widows, again the Corporation is not hesitating to seek ways to address them ... not clinging stubbornly to her historical mission but rather continuing to be open, to be committed to exploring “what we shall be” ... committed to the process of becoming.

As we move into and beyond our 250<sup>th</sup> Anniversary year, we continue to honor our past and to serve those we have always served ... the surviving spouses, partners, and orphaned children of Episcopal clergy who have served in Pennsylvania’s five dioceses ... but we also seek ways to be of assistance to the family members of living clergy as well. While continuing to provide financial assistance through Wellness Funds, and to support diocesan-level programing through Outreach Funds, we seek to use our platforms ... website, electronic media, lecterns where available ... to keep a light shining on the particular needs of the families of our faithful clergy and to encourage the Church throughout our country to focus more clearly on these issues and to develop ways to address them.

At the General Convention in 2018 a Resolution was introduced to acknowledge the work of The Widows Corporations, to call on the Church at large to pay closer attention to the needs of clergy family members, and to raise up examples of ways these issues are being or can be addressed locally. This is, in a way, a continuation of work initially carried out by FOCUS [Families Of Clergy United in Support] during the tenure of Presiding Bishop Katharine Jefferts Schori. Indeed, the Presiding Bishop's husband, Professor Richard Schori, was continually engaged in meeting with clergy family members during their diocesan visitations throughout the country.

In studying the issues raised in these meetings and in other focus groups, FOCUS identified four major areas of concern:

- Clergy family members are both excessively visible, a problem if they fall short of expectations they may never have agreed to in the first place, and also totally INvisible as persons in their own right.
- Clergy family members often feel that they have no one to support them pastorally in their own needs.
- Clergy family members sometimes feel they have no one to confide problems to, no safe place where there is trust and confidentiality.
- Clergy family members are not always free to express their own baptismal ministry in ways that are fulfilling.

Further inquiries also identified issues of the clergy, especially in rural areas, working in isolation with no outlets for venting frustration, no avenues for seeking advice from peers. This in turn often leads to marital stress and family friction and, if not addressed, to unhealthy behaviors such as drug and alcohol addiction.

As we move into the next quarter-millennium, it is our intention to continue to seek ways to address these and other challenges facing both clergy and their family members. In the year leading up to our 250th Anniversary Celebrations in October 2019, we are taking the opportunities that are presented to show a video made to raise these issues for discussion. "Clergy Family Wellness: The Questions" has been shown in clergy conferences in Pittsburgh and Bethlehem, and will be screened in the other three dioceses in Pennsylvania as the year goes on.

We don't pretend to have the answers, but the video does raise up some programs that are beginning to address the issues. In Central Pennsylvania we have helped to fund the development of Wellness Groups that meet throughout the Diocese to provide regular structured time together for clergy who are widely spread throughout the large coverage area. The Diocese of Pittsburgh has taken the initiative in developing an imaginative and ambitious program to address addiction and recovery issues that is now being shared with other dioceses in Pennsylvania and beyond.

As we come to the Anniversary Celebrations, let us keep in mind the words of our adopted Anniversary Hymn:

*Fathers and mothers, sisters and brothers, ...  
Help and befriend them, keep and defend them.*

# *Celebrating 250 Years*

In October 2019 we will formally observe the 250<sup>th</sup> Anniversary of the founding of The Widows Corporation with a series of events that we hope many of you will want to share. The principal events are free of charge, and others are offered at a reduced price to our guests.

## ***Wednesday, 2nd October, 2019***

The Anniversary program kicks off with a free concert of music of the Founders' period offered by the Bach Collegium of Philadelphia and Choral Arts Philadelphia under the direction of Matthew Glandorf. This concert, to be held in historic Saint Peter's Church (one of the churches of our first President, Dr. Richard Peters) will feature works by our first Treasurer, Francis Hopkinson, later a Signer of the Declaration of Independence and America's first published composer, as well as a setting of the Magnificat by Charles Pachelbel, whose father composed the famous "Pachelbel Canon." The hour-long concert will end with the Foundling Hospital Anthem by George Frederick Handel... not an American composer, of course, but written in 1749 to the text "Blessed are they that considereth the poor" and ending with a rousing quotation from the Hallelujah Chorus of Messiah.

Hotel rooms at special favorable rates are available close by the venues for all events.



***St. Peter's Episcopal Church***  
*Built in 1759-61, designed  
by Robert Smith*

## ***Thursday, 3rd October, 2019***

The actual Anniversary Day begins with a variety of tour options in the morning and early afternoon. A driving tour of colonial era churches, with stops at Saint George's, the very first Methodist Church, and Mother Bethel African Methodist Episcopal Church, will be offered as well as a guided tour of the Museum of the American Revolution.

At 4:30pm the Anniversary Service of Choral Evensong, officiated by XXVI<sup>th</sup> Presiding Bishop Katharine Jefferts Schori, with Sermon Before the Corporation by XXV<sup>th</sup> Presiding Bishop Frank Griswold, will be held at Old Christ Church where our first corporate meeting was held on this day in 1769. Music will be provided by singers from Choral Arts Philadelphia directed by Matthew Glandorf; Parker Kitterman, Director of Music of Christ Church will preside at the newly installed organ.



***Christ Church***  
*Founded in 1695 as a parish  
of the Church of England*



Following the Service, buses will transport all to the National Constitution Center for a Reception and Dinner beginning at 6pm. An abridged version of the video “Clergy Family Wellness: The Questions” will be shown, greetings will be received from well-wishers and, perhaps, a climactic ending will be in store. A commemorative booklet by church historian Michael Krasulski will be given to each person in attendance and buses will transport overnight guests to their hotel.



*National Constitution Center*

*Friday, 4th October, 2019*

For those guests staying on a bit, Thursday’s tours will be offered again as well as tour options throughout Center City Philadelphia, an area rich in cultural and historic sites, museums, the famous Reading Terminal Market, America’s first zoo, etc.

We hope that you may wish to participate in these events, but space is somewhat limited. If you would like to receive an invitation, please let us know by calling the office (215-557-6960), sending an email to [office@TheWidowsCorporation.org](mailto:office@TheWidowsCorporation.org) or returning the post card enclosed in this booklet.



*Anniversary Committee*

# *Clergy Family Life Challenges*

As we have said, our anniversary celebration is intended to be more than just a celebration; we would like it to be a meaningful extension of our ministry. To that end, we are exploring an increasing focus of our mission toward assisting the families of clergy still living. We anticipate building on the exploration of clergy family needs that began with the group FOCUS (Families of Clergy United in Support) as authorized by the General Convention in 2003. While that group is now dissolved, former members love the idea of The Widows Corporation helping to make resources and suggestions available not only here in Pennsylvania but throughout the Episcopal Church through our website.

Too often families of clergy are overlooked. Family members are often excluded from events and meetings planned for the benefit of clergy. If considered members of the congregation, they are often constrained from expressing their baptismal ministry as they might wish. For example, spouses might sing in the choir or serve on the altar guild, but can they chair a committee, speak at a meeting, or serve on the vestry? As members of the congregation, who is their pastor? When family troubles arise, who is their confidant? When parish decisions are made concerning the family, are they included? They can be in the spotlight sometimes and invisible other times. Modern life style changes have broken the molds without providing true freedom and, of course, stress in one part of this system causes stress in the whole system.

Consider some real life examples:

- A spouse opens the door to greet a visitor. The visitor walks by the spouse without a word, handing him/her a coat, and makes a

bee-line for the cleric in the next room.

- The clergy family lives in the rectory next door to the church itself. People, often not parishioners, knock on the door at all hours asking for money, food, tours of the church, an appointment with the priest, keys to open the parish hall. Family outdoor activities are seen by passersby as an opportunity to meet the priest or ask about the building. Good opportunities for evangelism, yes, but where are the boundaries to protect family “quality time?” Let alone the problem of single clergy beginning a new romantic relationship!

- Think about the statement actually made recently by someone on a search committee for a new Rector: “I hope we wind up picking the man, because with his wife, we will get ‘two-for-one.’”

- Consider the disease of alcoholism or other dependencies and the shame surrounding them and the unrealistic expectations placed on the children of clergy. To whom can a family member turn for support without risking embarrassment, perhaps even threatening the ministry, of the clergy spouse or parent?

What about \_\_\_\_\_? You fill in the blank for us. We are in the process of developing a video presentation that can be accessed through many dioceses to build awareness of and spur creative ideas for meeting clergy family needs. We want to hear from you about the needs and concerns of clergy family members. We want to continue to raise awareness and shed light on these issues. In doing so, we hope to help point the way to solutions and create healthier communities of faith. And we invite you to visit the entire FOCUS Resource Guide that can be found on our website under Family Resources.

# *Insurance Programs*

## *Basic Security for the Future*

The basic vehicle for enrollment with The Widows Corporation is the “Free \$1,000” policy of life insurance. This is available to every bishop, priest or deacon (transitional or vocational) of the Episcopal Church canonically resident in any of the five dioceses in Pennsylvania or to any such cleric living within Pennsylvania regardless of canonical residence. Participation is now also open to Lutheran and Moravian clergy serving in Episcopal parishes. This insurance policy opens the door to every other benefit of participation in our programs of assistance; it is completely free of charge and requires only the most basic contact information. Once enrolled, the coverage and eligibility for assistance can never be lost, even by moving out of state or by ceasing to be actively engaged in ministry.

Beyond the basic enrollment policy, premium-based policies of life insurance can be purchased. These policies of up to \$150,000 based on the age at the time of purchase are issued on the basis of a fifteen-year premium payment period at rates that are highly subsidized by the earnings on the Corporation’s investments.

Once the fifteen years of payments have been received, the policy is marked “Paid Up” and no further premiums are charged. It is our very long-standing practice to

begin refunding the premiums in annual installments over the next fifteen years, though this program must be approved each year at the Annual Meeting.

Regardless of the Premium Refunds, however, the insurance never ends until the death benefit is paid out to the designated beneficiaries. In this way the policies are closer to the “whole life” model of commercial insurers even though the payment plans are more similar to the “term insurance” model.

Finally, any natural person or persons may be designated as the beneficiary of these policies of insurance, as well as religious and charitable organizations. In the event that no beneficiary has been named and no legal heirs can be identified at the time of death, proceeds of the insurance are paid to the diocese in which the cleric was resident at the time of initial enrollment.



*The Reverend Richard C. Alton makes a point*

- Free \$1,000 policy qualifies for all subsequent benefit programs
- Applications at [www.TheWidowsCorporation.org/clergy/enrollment](http://www.TheWidowsCorporation.org/clergy/enrollment)
- Additional insurance available without medical examination, up to:

Under age 41:	\$ 150,000	Age 41→50:	\$ 100,000
Age 51 →60:	\$ 75,000	Age 61→72:	\$ 50,000

- Applications at [www.TheWidowsCorporation.org/clergy/additional-coverage](http://www.TheWidowsCorporation.org/clergy/additional-coverage)

# *Wellness Funds*

## *Help for the Whole Family*

During the lifetime of the enrolled clergy person, the Fund for Clergy and Clergy Family Wellness can be accessed for a variety of needs. While the most common uses of these funds are reimbursements of medical, dental and prescription drug expenses that have not been covered by medical insurance programs, they can also be requested for expenses of retreats, counseling, and other similar needs.

In order to request Wellness Fund assistance, a simple application is completed by the cleric and submitted to the diocesan bishop or designated pastoral care officer. This involvement of the bishop is primarily to enable the bishop to fulfill the obligation to see to the well-being of the local clergy.

When a Wellness Fund request is made, the bishop can see if other diocesan funds may be used to address the need and also can exercise such pastoral care as may be indicated by the situation at hand.

When the bishop has signed the application, it is submitted to the Corporation's office for payment. Payments can be made to the cleric as reimbursement for funds already disbursed or directly to service or care providers for fees yet to be billed.

And in one more effort to support the families of clergy, insured clerics are eligible for a Spousal Death Benefit of \$5,000 upon submission of a copy of the death certificate of the spouse or acknowledged life partner.



*Bishops Scanlan & Gutierrez with Diocesan Representatives*

- Wellness Funds are for
  - insured clergy and their immediate families
  - medical expenses not covered by insurance
  - other costs to support the general well-being of the clergy
- Wellness Funds are routed to the Corporation through the office of the diocesan bishop
- Application forms may be obtained at [www.TheWidowsCorporation.org/clergy/wellness-fund-assistance](http://www.TheWidowsCorporation.org/clergy/wellness-fund-assistance)
- Spousal Death Benefit of \$5,000 on the death of an insured cleric's spouse or life partner



# *Family Grants*

*“... the orphans and widows in their distress...”*

When the insured clergyperson dies, an early step for the surviving family to take is to contact the office of the Corporation to report the death. A copy of the death certificate is required in order to release the death benefit to the designated beneficiaries which is normally accomplished within a week of receiving the certificate.

After that, however, the surviving spouse is eligible to apply for need-based assistance for life or until re-marriage. This assistance is administered in three ways. The primary program is grants of Supplemental Income. These grants are intended to help provide a margin of income in excess of what is needed to cover fixed expenses such as housing and medical care. While the amount of this margin differs depending on the living circumstances (for example a young widow with minor children versus an older widow in a retirement community) the process begins with a simple application submitted in February for grants that are determined in March and distributed quarterly beginning in May.

Educational Assistance grants of up to \$5,000 per year can be made to the children of deceased insured clergy through the completion of their professional level education.

These are also generally approved in March although requests can be submitted at other times as needed.

Finally, Emergency Aid can be provided to widowed spouses for any purpose at all. These are based on need and are highly individualized depending on the unique circumstances. It is important for all surviving spouses to remember that they may always inquire about the availability of assistance for any type of financial need that arises. These grants are made throughout the year as needed.



**James L. Pope**  
*Vice-President of The Widows Corporation*

- Supplemental Income grant applications are due in February each year.
- Educational Assistance grants of up to \$5,000 are available to children of deceased clergy through completion of professional education.
- Emergency Aid can be requested at any time of the year for any purpose.
- Applications are available at [www.TheWidowsCorporation.org/family](http://www.TheWidowsCorporation.org/family)

## INDEPENDENT AUDITOR'S REPORT

*The Members of The Corporation for the  
Relief of the Widows and Children of  
Clergymen in the Communion of the  
Protestant Episcopal Church in the  
Commonwealth of Pennsylvania  
Philadelphia, Pennsylvania*

We have audited the accompanying financial statements of The Corporation for the Relief of the Widows and Children of Clergymen in the Communion of the Protestant Episcopal Church in the Commonwealth of Pennsylvania, d/b/a The Widows Corporation (a nonprofit organization), which comprise the statements of financial position as of March 31, 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Widows Corporation as of March 31, 2018, and the changes in its net assets and its cash flows for the eleven months then ended in accordance with U.S. generally accepted accounting principles.

### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 14 through 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Briggs, Bunting & Dougherty, LLP*

Philadelphia, Pennsylvania  
June 4, 2018

*The Financial Statements that follow are abstracts from the full Audited Financial Statements. The full Audited Financial Statements are available upon request from the Treasurer.*

# STATEMENT OF FINANCIAL POSITION

March 31, 2018

## ASSETS

Cash	\$ 60,807
Investments	73,549,272
Investment income receivable	69,318
Premiums due and deferred	<u>14,844</u>
<b>Total assets</b>	<u><u>\$ 73,694,241</u></u>

## LIABILITIES

Policy reserves for payment of future benefits	\$ 43,185,000
Accrued expenses	277,657
Grants payable	425,000
Premium refunds	<u>180,000</u>
<b>Total liabilities</b>	<u><u>44,067,657</u></u>

## NET ASSETS

Unrestricted	
Operating	26,750,909
Board designated	
Endowment for spousal death benefits	2,500,000
Spousal death benefits funds	75,000
Grants	136,000
Anniversary reserve	150,000
Yeates trust	<u>4,675</u>
	29,616,584
Permanently restricted	<u>10,000</u>
<b>Total net assets</b>	<u><u>29,626,584</u></u>
<b>Total liabilities and net assets</b>	<u><u>\$73,694,241</u></u>



# STATEMENT OF ACTIVITIES

Eleven months ended March 31, 2018

	Unrestricted	Permanently Restricted	Total
<b>REVENUE</b>			
Premiums	\$ 90,147	\$ -	\$ 90,147
Investment income	<u>5,423,779</u>	<u>-</u>	<u>5,423,779</u>
<b>Total revenue</b>	<u>5,513,926</u>	<u>-</u>	<u>5,513,926</u>
<b>BENEFITS AND OTHER EXPENSES</b>			
Death claims	1,348,763	-	1,348,763
Actuarially required decrease in policy reserves	(146,000)	-	(146,000)
Operating expenses	326,595	-	326,595
Premium refunds	181,243	-	181,243
Grants	<u>544,022</u>	<u>-</u>	<u>544,022</u>
<b>Total benefits and other expenses</b>	<u>2,254,623</u>	<u>-</u>	<u>2,254,623</u>
<b>CHANGE IN NET ASSETS</b>	3,259,303	-	3,259,303
<b>NET ASSETS</b>			
Beginning of period	<u>26,357,281</u>	<u>10,000</u>	<u>26,367,281</u>
<b>End of period</b>	<u>\$29,616,584</u>	<u>\$10,000</u>	<u>\$29,626,584</u>

STATEMENT OF CASH FLOWS  
Eleven months ended March 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES

<b>Change in net assets</b>	\$ 3,259,303
<b>Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities</b>	
Net unrealized gains on investments	(2,742,552)
Net realized gains on investments	(1,738,079)
(Increase) decrease in	(52,267)
Investment income receivable	1,949
Premiums due and deferred	
Increase (decrease) in	
Policy reserves for payment of future benefits	(146,000)
Accrued expenses	(4,044)
Grants payable	(12,000)
Premium refunds	(10,000)
<b>Net cash used for operating activities</b>	<u>(1,443,690)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sale of investments	24,703,120
Purchases of investments	<u>(23,217,351)</u>
<b>Net cash provided by investing activities</b>	<u>1,485,769</u>
<b>Net change in cash</b>	42,079

CASH

Beginning of period	<u>18,728</u>
<b>End of period</b>	<u>\$ 60,807</u>

# THE WIDOWS CORPORATION

## *Acting Committee*

James L. Pope, Chair (*ex officio*)

President, Caringli Corporation

Helen R. Bosley, CFA (term expires 2022)

Principal, Corporate Financial Management, Inc.

The Reverend Rodger C. Broadley (term expires 2022)

Rector, Church of Saint Luke & The Epiphany

Albert S. Dandridge, III, Esquire (term expires 2020)

Attorney, Schnader Harrison

Gordon B. Fowler, Jr. (term expires 2020)

CEO, Glenmede Trust Company

Dana B. Hall, CFA, M.Div. (term expires 2019)

Ministry Intern; Founder, 100 Women in Hedge Funds

David P. Hegg, FSA (term expires 2019)

Actuary, Mercer (Consulting Service)

The Right Reverend Edward L. Lee, Jr. (term expires 2021)

Assisting Bishop in Pennsylvania

Roderic H. Ross, CLU, CHFC (term expires 2021)

Retired Chairman & CEO, Keystone State Life Insurance Company



## *Audit Committee*

Theresa Rollins, Ph.D., CPA, Chair

Paul Spencer Adkins

Mary T. Campbell, CPA

Stephen B. Heimann, Esquire

Donald H. Roberts, Jr.

Kathleen A. Stephenson, Esquire

Stephen B. Heimann, Esquire

## *Secretary*

Nolan N. Atkinson, Jr., Esquire

1819 John F. Kennedy Boulevard

Philadelphia PA 19103

[secretary@thewidowscorporation.org](mailto:secretary@thewidowscorporation.org)

## *Assistant Secretary*

Kathleen A. Stephenson, Esquire

Pepper Hamilton LLP

3000 Two Logan Square

Philadelphia, PA 19103-2799

## *Actuary*

CPS Actuaries

## *Certified Public Accountants*

Briggs, Bunting & Dougherty, LLP

## *Nominating Committee*

The Reverend Donald T. Graff, Chair

The Reverend Dr. Theodore Babcock

The Reverend Rodger C. Broadley

The Reverend E. Clifford Cutler

Shirley R. Gracie

The Reverend Thomas L. McClellan

Roderic H. Ross, CLU, CHFC

## *Chaplain*

The Reverend Sherry A. Deets

610-213-7843 or 215-557-6960

[chaplain@thewidowscorporation.org](mailto:chaplain@thewidowscorporation.org)

## *Treasurer & Executive Director*

John A. Miller

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## *Solicitor*

Laura N. Solomon, Esquire

