

Diocesan Council
July 23, 2009
Christ Church, Woodbury

Present: Bishop Jelinek; Karen Olson, Secretary of Council

Region 1	Lisa White Smith	Region 6	Martha Beckwith
Region 2	Susan Dusek, Bill Van Oss	Region 7	Doug Franzen, Rex McKee
Region 3	John Husband	Region 8	Gary Aamodt, Marlene Jacobs
Region 4	Chuck Johnson, John Robertson	Region 9	Mike Hepperlen
Region 5	Doug Sparks		

Guests: Jim Pavlik, chief financial officer; Kevin Shaw, Development Director; Jim Delamater, Trustees of the Diocese, Inc.; Bill Gray, Chair, Diocesan Finance Committee; Susan Barksdale, Recorder

Executive Summary of July 23, 2009, meeting
(Details in body of minutes)

Diocesan Council:

- Voted to refer the remaining four items from the document titled “Improving Governance, Processes and Procedures within the Episcopal Diocese of Minnesota” and dated June 22, 2009, to Council’s Steering Committee to bring back for discussion in September
- Accepted the Finance Committee recommendations as amended
- Heard reports from Holy Apostles, St. Paul and La Misión el Santo Niño Jesús, St. Paul
- Passed a motion that Diocesan Council stand in support of the Mission Strategy Network resolution submitted to the 2009 Diocesan Convention
- Accepted the report of the Diocesan Finance Committee
- Voted that a narrative be prepared of the conversation of the committee of the whole on 2010 draft budgets A and B
- Passed a motion that a third column be added to the budget which incorporates the budget narrative; in addition, to include a revenue page to include five columns: 2008 actual, 2009 forecast, 14.5% ACG reduction, 12-14% ACG, 10-12% ACG
- Voted to include in the narrative an explanation of the revenue side
- Voted that the draft of the 2010 diocesan budget be transmitted to the Trustees for review and comment
- Passed a motion to coordinate the Finance Committee with the Trustees of the Diocese, Inc. by appropriate liaisons serving on each other’s finance committees

The meeting opened with Gospel-Based Discipleship on the story of the feeding of the five thousand, followed by an opening prayer from Bishop Jelinek.

Marlene Jacobs was welcomed as the new clergy representative from Region 8, replacing Theo Park. Michael Hepperlen, lay alternate from Region 9, was also welcomed.

The agenda was approved unanimously. The minutes from the June 25, 2009, meeting were approved unanimously.

STEERING COMMITTEE: DOUG SPARKS

The recent Steering Committee meeting included Doug Franzen, Doug Sparks, and Karen Olson. **It was moved and seconded to remove from the table the items from Proposal 2 from the Good Governance working group that were tabled at Council's June 25 meeting; passed unanimously.**

Doug Sparks noted that the document titled "Good Governance Canons" as proposed by the Constitution and Canons Committee and the working group had been approved as amended by Council, and referred to Diocesan Convention. Item 5 had been removed and Council would now consider the other four items. Doug now proposed to refer these four items to the Steering Committee to bring back for discussion in September. He noted that these are Council issues that are not subject to convention deadlines. Discussing them later relieves time pressure. **It was moved and seconded to refer the remaining four items from the document titled "Improving Governance, Processes and Procedures within the Episcopal Diocese of Minnesota" and dated June 22, 2009, to Council's Steering Committee to bring back for discussion in September; passed.**

FINANCE: JIM PAVLIK

Jim recapped a few YTD items. The ACG report noted that most were only one to two payments in arrears; this is usually a timing issue. Work is still ongoing with some congregations on ACG reduction and payments in arrears. Jim noted that it is not uncommon for some congregations to fall behind and catch up later. A one-page summary activity statement through June showed that revenues for the first six months of 2009 were below budget, but expenses were also slightly lower. A balanced budget is still projected. Gary Aamodt observed that the diocese is already behind in relation to the adjusted figure after six months. He noted that the 2008 and 2009 budgets are virtually identical, but that the diocese is significantly farther behind this year than last (last year there was a huge spike in December). **The June financial report was received unanimously.**

FINANCE COMMITTEE RESPONSIBILITIES

Doug Sparks thanked Jim Pavlik, Jeff Langaard, and others in the Finance Department for their assistance. The committee had its first meeting in June, and another on July 15. It had been charged with reviewing the responsibilities forwarded to them by the working group (Exhibit A: Finance Committee Responsibilities, dated June 11, 2009). Doug read the changes the committee had made.

Several members noted that this document did not reflect wording changes made at the June Council meeting. **Gary Aamodt moved to change the language of the document to conform to the June meeting amendments; seconded.** In addition, this motion, including amendments, called for the following changes: Item D: delete "complete" from "complete transparency"; Item G: replace "Set Diocesan" with "Recommend to Diocesan Council"; spell out the phrases represented by GAAP and GAAS. **The amendments were passed unanimously; the original motion with amendments also passed unanimously.**

Jim Delamater of the Trustees stressed that closer collaboration is needed between the Trustees the Finance Committee of the diocese, considering how this work affects Trustee funds. The chairs of each group's finance committees could be involved ad hoc with each other in the same way as the vice chairs of Council and Trustees do now. Combining everything into one entity is not the answer, Jim said, but communication needs to be improved. Doug Sparks noted that for a time the Finance/Audit Committees of the Trustees have met with the Diocesan Finance/Audit Committees; this hasn't happened recently because of the committee restructuring. **It was moved and seconded to coordinate the Finance Committee with the Trustees of the Diocese, Inc. by appropriate liaisons serving on each other's finance committees; passed unanimously.**

It was also moved and seconded to change the date and remove the question marks from the document; passed unanimously.

In response to a request from John Robertson on receiving updated documents after they have been amended, Bishop Jelinek suggested that the September agenda include the establishment of a procedure for posting updates and notifying the appropriate people of their location.

Gary Aamodt moved to accept the Finance Committee recommendations as amended; passed unanimously.

Jim Pavlik noted that the budget time line (attached) now includes times and places of the August budget hearings. He added that the August 18 hearing at St. Mark's Cathedral will be simultaneously webcast via the diocesan website (www.episcopalmn.org).

2010 DIOCESAN BUDGET

The Finance Committee presented a draft containing a Budget A (slightly smaller than the 2009 budget) and a Budget B (considerably smaller). **Doug Franzen moved that the draft of the 2010 budget be transmitted to the Trustees for review and comment; passed unanimously.** It was then voted (12-1) that Roberts Rules of Order be suspended for up to one hour, and the remainder of the morning was spent in open discussion of the budget proposals. They would be considered further following the reports scheduled immediately after lunch.

LUNCH

REPORTS TO COUNCIL: MULTICULTURAL NETWORK UPDATE

CHURCH OF THE HOLY APOSTLES, ST. PAUL:

LETHA WILSON-BARNARD, MARIA MERRILL, LEE THAO

Membership at Holy Apostles had been dwindling until about five years ago, when approximately 500 Hmong people came to the congregation. It is now a unique Hmong-majority Episcopal congregation and has been enthusiastically welcomed into the Episcopal Church's Asiamerican Ministry. However, the congregation also includes Anglos, Liberians, Filipinos, and Hispanics. The Rev. Letha Wilson-Barnard is the new vicar of Holy Apostles, following the recent departure of the Rev. Bill Bulson. The Holy Apostles group expressed its gratitude for the congregational development grants it has received over the previous two years. A summary of the congregation's work and ministry is attached.

LA MISIÓN EL SANTO NIÑO JESÚS, ST. PAUL:

SUSAN MOSS, MIGUEL TALAVERA, NEPTALI RODRIGUEZ, NEWELL SEARLE

This mission congregation, now in its 16th year, began when a place was needed to hold a service following the death of an infant girl of Native American and Mexican ancestry. The representatives thanked Bishop Jelinek for his support throughout its history. The congregation has faced challenges, especially on two occasions when its vicars left. It is working on strengthening its lay leadership in order to maintain a strong continuity. Other challenges are raised because of the uncertain immigrant status of many Hispanic people in the area, who fear to provide names and addresses for membership rolls, or to engage in other open participation. A report from La Misión el Santo Niño Jesús is attached.

MISSION STRATEGY NETWORK: JIM HUBER

Jim, a co-chair of the Mission Strategy Network (MSN), noted that the Multicultural Network Update was “a hard act to follow but a glorious one; we’ve just been hearing about mission.” He shared with Council a resolution that MSN was proposed for Diocesan Convention, outlining the work MSN had done over the past year and resolving that Convention direct Council, in consultation with the Bishop and Bishop-Elect, continue to utilize the full MSN report of April 2009, continue to pursue full implementation of the report’s recommendations, appoint a continuing MSN leadership team during 2009-2010, and work in partnership with the appointed MSN leadership team to pursue implementation of specifically-listed action steps. **Doug Franzen moved that Diocesan Council stand in support of the Diocesan Convention resolution presented by the Mission Strategy Network; seconded and passed.**

FURTHER 2010 BUDGET DISCUSSION

Rex McKee moved that Council accept the report of the Diocesan Finance Committee regarding 2010 budget proposals and move through it department by department to offer recommendations to the Finance Committee; seconded and passed.

Following more open discussion, there was a question on what would happen to the recommendations proposed in that discussion. It was also noted that Council would be adopting a budget at its September meeting for recommendation to Diocesan Convention. **Doug Sparks moved that a narrative be prepared of the conversation of the committee of the whole on budgets A and B; seconded and passed.**

After further discussion, the following motion by Susan Dusek and Doug Sparks was moved and seconded: **That a third column be added to the budget which incorporates the budget narrative; and that a revenue page also be added to include five columns: 2008 actual, 2009 forecast, 14.5% ACG reduction, 12-14% ACG, 10-12% ACG; passed unanimously. Doug Sparks moved to include in the narrative an explanation of the revenue side; seconded and passed.**

Bishop Jelinek suggested that work on the narrative begin with Jim Pavlik and then go to the Finance Committee before being sent to Council and the general diocese.

SECRETARY’S REPORT: KAREN OLSON

Diocesan Convention will meet October 30-31 at the Marriott City in Minneapolis. The business meeting will take place on Friday, October 30, from 1-6 pm. The business meeting will include three resolutions, the budget, a General Convention update from the deputation, canonical changes, and elections to diocesan organizations. There has been a good response to the call for nominations this year. In addition, a little over half of the delegate registrations have been received. The election of the IX Bishop of Minnesota will take place on Saturday, October 31.

Two handouts from the Communication Department were distributed: a brochure on the Presiding Bishop’s visit to Minnesota in May 2009, and a list of General Convention resolution highlights plus a reflection from Bishop Jelinek. These handouts will also be delivered to the churches in the diocese.

The Personnel Committee has had one meeting.

BISHOP'S REPORT

Bishop Jelinek spoke briefly of the recently-concluded General Convention.

The meeting was adjourned at 4:30 pm.

Respectfully submitted,

Karen Olson, Secretary of Council
Susan Barksdale, recorder



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2010 Budget Process Timeline **Approved by Diocesan Council June 25, 2009**

Updated July 17, 2009

- 1) Diocesan Finance Committee (DFC) Meeting,
Thursday, June 11, 2 – 4 PM, Episcopal Center**
Began 2010 budget discussions – DFC makes recommendation to Council on 2010 budget revenue and expense assumptions and timeline
- 2) Diocesan Council Meeting, Thursday, June 25, 10 AM – 3 PM, St. Paul's,
Minneapolis**
Council approves expense and revenue assumptions, and timeline and gives charge and guidance to 2010 budget process
- 3) DFC Meeting, Wednesday, July 15, 2009, 2 – 5 PM, Episcopal Center**
DFC develops 1st draft 2010 budget
- 4) Diocesan Council Meeting, Thursday, July 23, 9:30 AM – 5 PM,
Christ Church, Woodbury**
Council approves 1st draft 2010 budget
- 5) DFC hosts three 2010 budget discussions in August:**
1 in metro area – St. Mark's, Minneapolis, Tuesday, August 18, 7–9 PM;
Will also be simultaneously webcast on the diocesan website
1 in northern Minnesota – Christ Church, Grand Rapids, Thursday, August 20, 7-9 PM
1 in southern Minnesota – Our Merciful Savior, Faribault, Tuesday, August 25, 7-9 PM
- 6) DFC Meeting, Thursday, September 10, 2009, 2 – 4 PM, Episcopal Center**
DFC develops final draft 2010 budget for Council and Convention
- 7) Diocesan Council Meeting, Thursday, September 17, 10 AM – 3 PM, TBD**
Council approves final draft 2010 budget for Convention
- 8) Episcopal Diocese of MN Convention, Friday, October 30, Minneapolis**
Approval of 2010 Budget

Report from Holy Apostles, St. Paul

- The first Hmong-American postulant, Toua Vang, is pursuing the priesthood; he is bi-lingual and bi-cultural, and begins seminary Fall 2009.
- Twelve youth completed confirmation.
- We began the Catechesis of the Good Shepherd program, a Montessori-based program, for children ages 3-12, Fall 2008.
- A family of nine converted to Christianity, attended our catechism program, and were baptized at the Easter Vigil. In addition, more than 20 children were baptized last year.
- We began a small group ministry, with people meeting in homes for prayer and Bible study.
- We helped with Project Home, a homeless shelter; formed a partnership with Community School of Excellence, a Hmong charter school where HA members tutored children throughout the school year; and we have collected hundreds of pounds of food for a local food-shelf.
- We continue to work on translating the Book of Common Prayer into Hmong with the support of a United Thank Offering grant.
- We are launching the Hmong American Anglican Resource Center, a non-profit organization to develop and distribute resources and support leadership for Hmong ministry.
- Fr. Bill Bulson has accepted a call at St. David's in Minnetonka, his last day was July 19th. The Bishop has appointed the Rev. Letha Wilson-Barnard to be the next vicar. She has worked side-by-side with Fr. Bill for the past 1-1/2 years as an assistant priest through the support of the Partners with Apostles campaign (90 donors from around the diocese and nation, whose support will enable a smooth transition of leadership at Holy Apostles). Thanks be to God.

Snapshot of impact of recession

As elsewhere, the recession has had a significant impact on the Holy Apostles' community. Many families are trying to make ends meet while experiencing job loss, decreased wages, home foreclosures, and doubling up to stretch and share family resources. While the number of pledges remained the same, the dollar amount decreased by 25% from 2008. The greatest impact on the budget was that the Rev. Bill Bulson had to decrease his percentage appointment from full-time to 75% in May. The second priest, the Rev. Letha Wilson-Barnard, who was supported through the Partners with Apostles campaign, was full-time in 2008 and went to half-time in 2009. The diocesan grant has offered Holy Apostles greater financial stability, especially during these challenging financial times. We give thanks to the diocese for the grant.

Holy Apostles Budget 2009

REVENUE	Dollars	Percentage
100 Pledges	\$63,348	45%
Loose Offerings	\$1,000	1%
Special Offerings	\$1,580	1%
Rent	\$300	0%
Fundraising	\$15,000	11%
Diocesan Grant	\$37,500	27%
Other grants/gifts	\$17,500	12%
Designated Gift	\$5,000	4%
	\$141,228	100%
EXPENSES		
ACG	\$11,580	8%
Providing Priest	\$79,167	57%
Building	\$17,700	13%
Parish Admin & Programs	\$29,250	21%
	\$137,697	100%

La Misión el Santo Niño Jesús—Update for Diocesan Council July 2009

The Rev. Susan Moss, Vicar, wardens Miguel Talavera and Neptali Rodriguez and the Bishop's Committee of El Santo Niño give thanks for our 2009 diocesan congregational development grant of 37,500.

Our mission, now in its 16th year, is to form hospitable communities of faith that nourish, strengthen, and develop disciples of Christ in the Anglican tradition.

This summer: our Sunday attendance is between 50 and 60 people, mostly families with children; we will have two Quinceañera celebrations, two baptisms and one wedding. An estimated 150 Latinos consider El Santo Niño Jesus their home congregation.

On Easter Sunday we presented 12 boys and girls for "First Communion". The preparation was done by one of our members and this group has now become the nucleus of a youth ministry. Classes were Sunday morning at the same time their parents received instruction, led by a lay person, using The Discovery Series (in Spanish) from the Diocese of Texas.

Several Santo Niño members are in the core ministry team of the seasonal workers ministry in Montgomery, San Jose Obrero. Another is a trainer in the Anti-Racism work of the diocese. Two members are bi-lingual Safe Church trainers. Neptali Rodriguez, formerly a Roman Catholic priest from Colombia, together with his wife, was received into the Anglican Communion last November. He is now in the canonical process towards reception of his Orders.

Each year, on December 12, Santo Niño reaches out to Mexican community in the greater metro area, opening our doors wide to celebrate La Fiesta de la Nuestra Senora de Guadalupe. This event typically draws 400-500 people.

Currently five people including the vicar comprise our Sunday preaching team. There are also teams of lectors, chalice bearers and lay eucharistic visitors. Evening Prayer is frequently scheduled on Friday night at a lay woman's home.

In Latin America most Roman Catholic churches receive funds from several sources including the government. Pledging is not a common practice and members are not fully responsible for the stewardship of their church's work and clergy compensation. This is one of our major leadership challenges.

Several of our members have more than one job which restricts the time they can give to the church. We have no retired members.

The economic downturn and the complexities of the immigration issues deeply affect the lives of our members. Some have lost jobs or are receiving less income. Others face the real possibility of separation from their families. Nearly all of the members are sending financial support to entire families in their home countries.

The diocesan grant enables us to pay the vicar part time (plus required pension benefit). We pay Carlos Diaz, our musician, \$150.00 per Sunday. We do not have a secretary.

30 junio 2009

Estado de las Finanzas de La Misión de Él Santo Niño Jesús
junio 2009

	mes Actual	mes Presupuesto	Año hasta fin de mes	Presupuesto fin de mes	Presupuesto anual
Ingresos					
Plato de la ofrenda	\$578.05	\$670.00	\$2,520.41	\$4,020.00	\$8,040.00
Promesas	\$840.00	\$600.00	\$3,840.60	\$3,600.00	\$15,000.00
Misas especiales	\$100.00	\$83.33	\$1,194.33	\$800.02	\$1,500.00
Otros ingresos	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Donaciones competitivas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interés	\$266.08	(\$22.50)	\$534.88	(\$35.00)	\$0.00
Recaudación de fondos	\$0.00	\$16.66	\$0.00	\$100.04	\$4,250.00
Gastos de Recaudación	\$0.00	(\$8.32)	(\$250.00)	(\$50.08)	(\$2,620.00)
Apoyo desde la Diócesis	\$2,160.00	\$0.00	\$20,910.00	\$18,750.00	\$37,500.00
Total del ingreso	\$3,944.13	\$1,339.17	\$28,750.22	\$27,184.98	\$63,670.00
Gastos					
Edificio (contribucion)	\$200.00	\$487.18	\$2,423.97	\$2,194.53	\$3,765.00
Renta/Seguro/Calor/Electricidad	\$2,500.00	\$2,500.00	\$15,000.00	\$15,000.00	\$30,000.00
Apoyo (Hershler Fund)	(\$2,500.00)	(\$2,500.00)	(\$15,000.00)	(\$15,000.00)	(\$30,000.00)
Administración	\$55.99	\$243.30	\$648.85	\$1,460.20	\$2,920.00
Teléfono	\$45.02	\$45.83	\$274.18	\$275.02	\$550.00
Compensación por empleados					
Vicaria	\$2,451.27	\$2,451.27	\$13,481.99	\$14,707.62	\$29,415.24
Músico	\$550.00	\$666.66	\$3,650.00	\$4,000.04	\$8,000.00
Sacerdotes	\$150.00	\$166.66	\$825.90	\$1,000.04	\$2,000.00
Otros	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Beneficios	\$452.89	\$724.72	\$4,000.74	\$4,590.42	\$8,938.74
Actividades caritativas a la comunidad	\$0.00	\$16.66	\$15.32	\$100.04	\$200.00
Fondo del bien común	\$108.00	\$108.00	\$648.00	\$648.00	\$1,296.00
Educación	\$0.00	\$8.33	\$99.02	\$50.02	\$100.00
Adoración	\$12.99	\$16.66	\$57.49	\$100.04	\$200.00
Total del Gasto	\$4,026.16	\$4,935.27	\$26,125.46	\$29,125.97	\$57,384.98
Superávit (o Déficit)	(\$82.03)	(\$3,596.10)	\$2,624.76	(\$1,940.99)	\$6,285.02