

# DIOCESAN COUNCIL

June 25, 2009

St. Paul's, Minneapolis

**Present:** Bishop Jelinek, Karen Olson, Secretary

**Region 1** Lisa White Smith

**Region 2** Susan Dusek, Bill Van Oss

**Region 3** John Husband

**Region 4** Bill Gray, Winnie Mitchell

**Region 5** Pat Dibble, Doug Sparks

**Region 6** Martha Beckwith, Mark Kelm

**Region 7** Doug Franzen, Rex McKee

**Region 8** Gary Aamodt, Theo Park

**Region 9** Stacy Abena, John Peters

**Guests:** Jim Pavlik, Principal Financial Officer; Kevin Shaw, Development Director; Marilyn Clinton, Karen Dingle, Good Governance working group; Jon Tuttle, Chancellor and Constitution and Canons Committee; Jim Delamater, Trustees of the Diocese, Inc.; Susan Barksdale, Recorder

## Executive Summary of June 25, 2009, meeting

*(Details in body of minutes)*

Diocesan Council:

- Approved the move of Holy Trinity, International Falls, from Region 1 to Region 2
- Continued discussion on the working group's recommendations in regard to Resolution 4 of the 2008 Diocesan Convention, along with input and reactions from Chancellor Jon Tuttle and the Constitution and Canons Committee
- Passed a motion that the document titled "Good Governance Canons" as proposed by the Constitution and Canons Committee and the working group be approved as amended by this Council, and referred to Diocesan Convention
- Passed a motion to strike item 5 from the document titled "Improving Governance, Processes and Procedures within the Episcopal Diocese of Minnesota" and dated June 22, 2009
- Passed, with one opposed, a motion that the draft resolution [2009-02] of Diocesan Council roles and responsibilities [Resolution of Diocesan Council of the Diocese of Minnesota Committee Guidelines and Responsibilities] be tabled and the exhibits be referred to the appropriate committees of Council for return action
- Passed a motion that the council approve and embrace the plan brought forward by the bishop for mutual ministry of congregations in this diocese, using money from the remainder of Canon Missioner Bronwyn Clark Skov's salary and benefits
- Approved, with one abstention, the bishop's recommendations for members of new committees of Diocesan Council
- Heard a report from Jim Delamater on the financial status of the Trustees of the Diocese of Minnesota, Inc., and implications for the Trustees as a result of certain financial decisions of the Diocese of Minnesota
- Approved the draft budget time line for 2010
- Discussed, with Minnesota deputation lay chair Sally Johnson, the decision to reduce the Diocese of Minnesota's apportionment payment to the Episcopal Church in 2009
- Spent the final half hour of the meeting in executive session

The meeting was chaired by Doug Franzen, First Vice President of Council.

The meeting began with Gospel-based discipleship. Rector Marlene Jacobs welcomed Council to St. Paul's Church.

The agenda was approved with several changes. The April 23, 2009 minutes were approved as corrected (Bill Gray had not been in attendance).

### **REQUEST FOR REGION CHANGE**

Holy Trinity, International Falls has requested to move from Region 1 to Region 2. The congregation was originally in Region 2, but moved to Region 1 when it shared clergy with St. Peter's, Warroad (in Region 1). This partnering has been over for some time, and Holy Trinity is located closer to Region 2. It was noted in the discussion that Council member Carole Johnson, Region 1 lay representative to Council and a member of Holy Trinity, will lose her seat at a result of this move. Lisa White Smith noted that an alternate will fill in. **It was moved and seconded that Council approve the move of Holy Trinity, International Falls, from Region 1 to Region 2; passed.**

### **RECOMMENDATIONS REGARDING RESOLUTION 4: JON TUTTLE AND OTHERS**

Chancellor Jon Tuttle is the chair of the Constitution and Canons Committee. This group had several meetings regarding the recommendations from the working group regarding Resolution 4 from the 2008 Diocesan Convention. They evaluated the format of the proposed canons to be sure it corresponded to constitutional language and compared the language with comparable points of secular law, where applicable. Jon noted that he was glad that Council was taking this responsibility, and expressed his appreciation to the working group. He added that the duties of the various Council committees had been removed from the proposed canons. Karen Dingle, member of the working group, noted that the working meetings had been quite productive. She said that she believed that the group had now given Council clean canons whose details could be completed by way of resolutions.

Doug Sparks moved suspension of Roberts Rules of Order for one hour for the purposes of discussion; passed unanimously.

During the discussion, members of Council individually offered their reactions to the proposed canons. Most expressed approval of the reduction of guidelines in the canonical language, noting that these canons now seemed more manageable and therefore more likely to be implemented. Questions on clarification were answered, and several possible changes were discussed. These would be dealt with in an amendment process at the end of the discussion period.

Doug Sparks moved that the document titled "Good Governance Canons" as proposed by the Constitution and Canons Committee and the working group be approved as amended by this Council, and referred to Diocesan Convention. A proposed amendment from Rex McKee that Council examine and approve the items one at a time was defeated. Further discussion and consideration of amendments would take place after lunch.

### **LUNCH**

As discussion resumed on the proposed canon changes, the following amendments were proposed and approved:

- **Item 6 (Canon 218.6):** Replace "Terms of office" sentence with the following: "Terms of office for members of permanent committees shall be staggered and shall be no more than two consecutive three-year terms"
- **Item 8 (Canon 218.8):** Sentence 1, line 2, following the words "consist of": insert "the Treasurer of the Diocese"

- **Item 8 (Canon 218.8):** sentence 3, line 5: Delete the words “Along with the Diocesan Treasurer” and begin sentence with the word “These”
- **Item 8 (Canon 218.8):** sentence 3, line 6: Substitute the words “Diocesan Council” for the words “Finance Committee” and change the word “subcommittee” to “committee”
- **Item 6 (Canon 218.6):** Replace “Council may also appoint other persons, not members of Council” with “Council may also appoint past committee members and other persons, not members of Council”
- **Amend other sections with like language** to conform to the amendments above
- In the relevant paragraphs in **218.7, 218.8, and 218.9**, beginning with “roles and responsibilities” add the words “as amended from time to time” after “Resolution on Committee Guidelines and Responsibilities”

With the above amendments, Council voted on the main motion: **That the document titled “Good Governance Canons” as proposed by the Constitution and Canons Committee and the working group be approved as amended by this Council, and referred to Diocesan Convention; passed.**

Doug Sparks took a moment of personal privilege to thank those who worked on the document, including the working group, Constitution and Canons Committee, the chancellors, and Diocesan Council.

Council then discussed and voted on other materials from the working group.

**Doug Sparks moved that Item 5 be struck from the document titled “Improving Governance, Processes and Procedures within the Episcopal Diocese of Minnesota” and dated June 22, 2009; seconded and passed.**

**Gary Aamodt moved that the draft resolution [2009-02] of Diocesan Council roles and responsibilities [Resolution of Diocesan Council of the Diocese of Minnesota Committee Guidelines and Responsibilities] be tabled and the exhibits be referred to the appropriate committees of Council for return action; seconded and passed, with one opposed.**

#### **BISHOP’S REPORT**

Bishop Jelinek thanked all who participated in the **visit of Presiding Bishop Katharine Jefferts Schori to Minnesota** in early May, noting that she had a “wonderful time” in the diocese.

The bishop participated in **commencement ceremonies** at both Breck and Shattuck/St. Mary’s Schools this spring.

**Bishop Dan Swenson** fell in mid-May, but did not break or tear anything. Bishop Jelinek visited him after the Shattuck-St. Mary’s commencement.

**Recent ordinations** include five in Grand Rapids on June 21 and two in Hastings on June 24. There will be two additional ordinations on June 27 during the Convocation of the Minnesota Committee on Indian Work.

The bishop is continuing conversations about **new ministries in greater Minnesota**. Although there are now clergy living in several places where none clergy available before, there are still some problems with sustainability. The bishop has suggested that some congregations begin thinking of moving to shared ministry or Total Ministry.

The bishop has met and conversed with the diocese's **General Convention deputies**, and plans to meet with them regularly during the convention.

Conversations about the **sale of Cass Lake Episcopal Camp** to the Leech Lake Band are proceeding.

**Canon Missioner Bronwyn Clark Skov left the diocesan staff** to accept the post of Program Officer, Lifelong Christian Formation and Youth, for the national church. Her departure is "good and right for her but sad for us," the bishop said. Canon Missioner Sandi Holmberg has relationships with diocesan congregations engaged in or investigating Total Ministry, Robert Two Bulls is responsible for the Department of Indian Work congregations, and the bishop and Karen Olson have responsibility for the remaining 59 congregations. The bishop noted that "some things are falling through the cracks" and expressed concern about the consequences for the financial path we have chosen.

Although it seems inappropriate to hire anyone new after Bronwyn's departure, the bishop added, he would like to use the remainder of her salary and benefits this year to do a congregational development project. This would entail hiring a team of people and a coordinator, all on a per-job contract basis, to do mutual ministry reviews of every congregation in the diocese. This will produce a clear picture of every congregation (done by every congregation), help congregations to look at their mission and ministry goals and how they are functioning in regard to them, and will be the best gift that can be given to the IX Bishop of Minnesota. This work can also incorporate material from the recent State of the Diocese report prepared by the canon missioners. Bishop Jelinek noted that every letter of agreement calls for period mutual ministry reviews, but they are rarely done. Those congregations that do conduct an annual review may ask about submitting a recent review. Council members expressed approval of this plan, offered some suggestions, and noted that it was consistent with the ongoing mission strategy work.

**Stacy Abena moved that Council approve and embrace the plan brought forward by the bishop for mutual ministry reviews of congregations in this diocese; Mark Kelm added an amendment that this plan would use money from the remainder of Canon Missioner Bronwyn Clark Skov's salary and benefits; seconded and passed unanimously.**

#### **BISHOP'S NOMINATIONS FOR COMMITTEE MEMBERSHIP**

The bishop distributed names and biographical information on the following proposed committee members:

**Personnel Committee:** Sara McGinley (to join Mary Heiserman and Jerry Woelful, nominated and ratified at the March 26, 2009, Council meeting; *Ex Officio:* Karen Olson)

**Audit Committee:** Philip Vander Haar, David I. Nordling, Thomas M. Abts (*Ex Officio:* Jim Pavlik, Jeff Langaard)

**Finance Committee:** Paul Double, William G. Gray, Lynn Schaefer, Stacy Abena, Ann Lanoue (also on committee: Joe Dusek, diocesan treasurer; *Ex Officio:* Karen Olson, Jim Pavlik, Jeff Langaard)

The recommendations were ratified with one abstention.

#### **FINANCE: JIM PAVLIK**

Revenues for the first four months of 2009 were \$77,000 below budget, and expenses were \$55,000 below, resulting in an excess so far of \$14,000. Although there has been some slowness in receiving ACG revenues (typical at the beginning of the year as congregations wait for review and also during the summer months), there are still hopes of being able to hold the budget.

Bill Gray pointed out that the committee is watching closely the timing of receiving ACG payments. Last year only about three congregations did not fulfill their original or revised ACG commitments. Collections from 2009 are all below the ones from 2008, but there was quite a spike in December 2008.

Jim Delamater of the Trustees noted that ACG relief means less revenue for the Diocesan budget,

and the Trustees who provide almost \$200,000 in management fees to the Diocese are having difficulty generating enough revenue to pay the fees. The Trustees, in essence, have had to borrow from other funds to balance their budget for several years. Jim added that he did not see anything in the diocesan 2010 budget time line about coordinating with the Trustees, noting that the Trustees must now determine how to fund a potential short-fall in their budget of \$50,000 for this year.

#### **BUDGET TIME LINE**

Gary Aamodt offered to coordinate with the Trustees regarding budgets. Doug Sparks noted that Trustee contribution information (partial pay for some staff, rent offset, etc) has been included in the diocesan budget detail for some years, and this is not a new piece of information. Rex replied that what was new information was the fact that the Trustees were using other funds to be able to make such payments.

**Stacy Abena moved approval of the draft budget time line for 2010; seconded and passed unanimously.** Further discussion between Council and the Trustees will be reported on at the next Council meeting.

#### **NATIONAL CHURCH ASSESSMENT**

For years, the Diocese of Minnesota has paid the required amount of 21%. This year, however, it reduced its payment by \$50,000 to cover a budget deficit. General Convention meets in July, and the diocesan deputation will be required to vote on the national budget for the coming triennium while paying just 18.9% of the 21% assessment. Sally Johnson, a deputy since 1994, reported that a number of the deputies were quite concerned at learning of Minnesota's reduction in assessment payment. She noted that Minnesota's historical payment of the full 21% asking provides "a fair amount of moral standing." The national church budget will be voted on July 16, and the Episcopal Church is already looking at a number of drastic cuts, many in areas that are better done at the national level.

Gary Aamodt replied that this had been a very difficult decision to make; the Diocese of Minnesota has been faithful for as long as anyone could remember but simply could not pay the full assessment this year and deeply regretted the decision. Doug Sparks suggested that Council state that as a result of discussion, it regrets taking this action but it is our commitment to remain faithful. Bishop Jelinek added that Council could say that it is reengaging that topic. At one earlier time it could not pay its entire assessment, it carried it over and paid the balance in a later year; this is a process sometimes followed in congregations. It was suggested that further discussion take place with the General Convention deputies outside of Council meeting time.

The regular business meeting ended at 3 pm. Council then continued in executive session until session until 3:30 pm

Respectfully submitted,

Karen Olson, Secretary of Council  
Susan Barksdale, recorder