

Diocesan Council
December 16, 2010
St. Mark's Cathedral, Minneapolis

Present: Bishop Prior; Karen Olson, Secretary of Council

Region 1 Georgia Hecock

Region 6 Mike Anders

Region 2 Susan Dusek, Bill Van Oss

Region 7 Doug Franzen

Region 3

Region 8 Gary Aamodt, Marlene Jacobs

Region 4 Winnie Mitchell

Region 9 Bob Sykes, Nancy Brantingham

Region 5 Doug Sparks

Guests: Richard Norman, Region 8 Dean; Robert Two Bulls, Missioner for Indian Work and Multicultural Ministry; Timothy Hodapp, Missioner for Mission; Susan Barksdale, Recorder

Executive Summary of December 16, 2010, meeting
(Details in body of minutes)

Diocesan Council:

- Spent the morning session in conversations with Bishop Prior about the vision for engaging God's mission in the Episcopal Church in Minnesota
- Discussed Council goals for 2011
- Heard reports from Bishop Prior and the Audit, Finance and Personnel Committees
- Shared impressions of the October Diocesan Convention
- Unanimously approved Martha Allen to a vacant lay seat on Standing Committee
- Unanimously approved Resolution 2010-04 for 2011 housing allowances

BISHOP'S REPORT

The Episcopal Church in Minnesota continues to function through the lens of Mission, Ministry, and Management.

Mission: Bishop Prior had a great trip to Cuba recently to attend the installation of the Rt. Rev. Griselda Delgado del Carpio as bishop. He traveled with several other Minnesota clergy, Dean Spenser Simrill and members of St. Mark's Cathedral.

The bishop's visitation schedule now includes four-day regional gatherings, providing more opportunity to be out and about with planning done locally. A new *Episcopal Exchange* described as a kind of Craigslist for Episcopalians, is coming together. Work is ongoing on a communication strategy that is "more push than pull."

The Nets for Life project will take place in Lent. The goal of this program is to have each Episcopalian in Minnesota provide one mosquito net to be sent to Africa to be used for malaria prevention. Some people are starting already; more information will be available after Christmas.

Ministry: Bishop Prior has met with various members of our Episcopal affiliated organizations, with plans to gather the leaders together for further networking in 2011. The college and university chaplains are forming a collaborative network. A follow-up camping ministry meeting is scheduled for January.

The groundwork of the School for Formation has been laid. Bishop Prior stressed that this is meant for *all* the baptized, not just for those in formation for ordination. A first collaborative class with Seabury Western Theological Seminary will take place in the winter/spring of 2011.

A Peer Ministry gathering for young people was held in December.

Karen Olson is developing a Fresh Start program for clergy in transition of any kind. Upcoming clergy events include a February retreat with former Presiding Bishop Frank Griswold, Episcopal Preaching Foundation representatives at the Spring Clergy Conference in May, and a Bishop's Family Day for clergy families in the spring.

Some Council members discussed how to timely disseminate information on these and other topics for those not on the Internet. Suggestions included production of bulletin inserts such as the ones issued by Episcopal News Online, ensuring that website news stories printer friendly so that churches can print and distribute them, or the setting up of a computer in church fellowship areas on Sundays.

Management: There has been a change in insurance providers. Significant conversations are going on about the timing and communication of the changes and how to improve such announcements of changes in the future.

A strategic group is exploring role and relationship between Diocesan Council and the Trustees of the Diocese. Group members are looking at overall structures and doing historical and legal fact-finding. They will meet next in mid-January and hope to present a report in March.

Another strategic group is talking about finances in the Episcopal Church in Minnesota, taking in all available information and working on the most efficient way to handle the finances. This group hopes to have a report ready in March as well.

DIOCESAN CONVENTION RECAP

Bishop Prior asked Council members to share their impressions of the October convention in Duluth. What things were particularly challenging? What things did you find to be productive and helpful? Challenges included a few organizational issues. Several members noted the upbeat atmosphere; the great work on a "transparent" budget; keynote speaker Stephanie Spellers, the simplicity of worship, and the fact that people felt engaged.

STANDING COMMITTEE APPOINTMENT

The slate for Standing Committee was not complete at Diocesan Convention, and **Martha Allen of All Saints Indian Mission in Minneapolis has been recommended to fill this vacancy; approved unanimously.**

FINANCE COMMITTEE: DOUG SPARKS

The committee had to cancel its recent meeting, so will provide a report at a later date.

Doug presented Resolution 2010-04, the annually-required housing allowance resolution for diocesan-employed clergy (*attached*): passed unanimously.

AUDIT COMMITTEE; BILL VAN OSS

The committee is on track for audits for Council and Trustees. It is also engaged in conversations about the advantages and disadvantages of changing to auditing on a cash basis.

Mike Anders spoke briefly of how Ascension in Stillwater and Ss. Martha and Mary in Eagan are doing reciprocal peer audits this year.

PERSONNEL COMMITTEE: KAREN OLSON

The three new hires this year are all doing great jobs, and the interview and hiring process worked wonderfully. The committee will start looking at potential changes in the personnel manual beginning in 2011.

OTHER BUSINESS

The minutes of September 23, 2010, meeting were approved unanimously.

Karen announced that regions 1, 4, and 7 are scheduled to elect representatives to Council this year.

Bishop Prior noted that the conference room at the Episcopal Center will soon have a larger table and a flat screen television wired for teleconferencing.

Beginning in March 2011, Council, Trustees, Standing Committee, and the Commission on Ministry will hold joint quarterly meetings on a Saturday. These meetings will allow time for the groups to meet individually for their particular business, but will also include time for collaborative conversation, worship, and a meal together. The 2011 dates are March 12, June 4, September 10, and December 10.

The meeting was adjourned with prayer at 1:55 pm.

Respectfully submitted,



Karen Olson, Secretary of Council

Susan Barksdale, recorder

**RESOLUTION OF THE DIOCESAN COUNCIL
OF THE EPISCOPAL DIOCESE OF MINNESOTA**

2011 HOUSING ALLOWANCE FOR DIOCESAN EMPLOYED CLERGY

WHEREAS, Section 107 of the Internal Revenue Code permits a “minister of the gospel” to exclude from his or her gross income a rental allowance (a/k/a “housing allowance”) paid to the person as compensation to the extent it is used by him or her to rent or provide a home (“Rental Allowance”), which includes in part amounts spent for structural repairs and improvements; and

WHEREAS, Internal Revenue Service regulation #1.107-1 provides that any compensation which is to be designated as Rental Allowance pursuant to Section 107 be designated as such by the employing church or other qualified organization by official action adopted in advance of such payments and reflected in the minutes of the organization; and

WHEREAS, The Episcopal Diocese of Minnesota (the “Diocese”) employs certain clergy members with the compensation paid to each including in part amounts paid as salary and Rental Allowance; and

WHEREAS, the clergy members employed by the Diocese are set forth in Exhibit A attached hereto which includes the annualized Rental Allowance to be paid to each in 2011; and

WHEREAS, the Diocesan Finance Committee hereby recommends that Diocesan Council authorize the amounts set forth in Exhibit A to be the designated 2011 Rental Allowances for each respective clergy member;

THEREFORE BE IT RESOLVED THAT, pursuant to Section 107 of the Internal Revenue Code and upon the recommendation of the Diocesan Finance Committee, Diocesan Council authorizes the annualized Rental Allowances paid to the clergy members employed by The Episcopal Diocese of Minnesota as set forth in Exhibit A attached hereto for 2011.

Date: Dec. 16, 2010

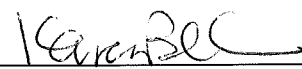

Secretary

Exhibit A

**Annualized Housing Allowances
Year ending December 31, 2011**

Eaglebull, Harold	\$ 9,000.00
Hodapp, Tim	\$35,000.00
Holmberg, Sandra	\$30,000.00
Loud, Johnson	\$15,000.00
Prior, Brian	\$32,000.00
Robertson, John	\$12,000.00
Smith, Alissa	\$20,000.00
Two Bulls, Robert	\$32,000.00