

THE DIOCESE OF NEWARK  
OUR DIOCESAN COUNCIL  
Wednesday, October 10, 2012  
Grace Episcopal Church, Nutley, NJ  
Draft Minutes of Meeting

**The next meeting will be held on Wednesday, November 14 at St. Agnes' Church, Little Falls**

Officers Present: The Rt. Rev. Mark Beckwith, President; Mr. Michael Francaviglia, Secretary; Mr. Paul Shackford, Treasurer; Diane Sammons, Esq., Chancellor

Elected by Districts: The Rev. Barrie Bates, Mr. Alan Bowen, The Rev. Tim Burger, The Rev. Deborah Drake, The Rev. Charles Hatfield, Ms. Naomi Horsky, Ms. Lorraine Jones, The Rev. Anne Koehler, The Rev. Thomas Mathews, Jr., Ms. Martha Reiner, The Rev. Robert Rhodes, The Rev. William Thiele, The Rev. Canon Dr. Sandye Wilson

Bishop's Appointments: Ms. Gail Barkley, The Rev. Ginny Dinsmore, The Rev. Joseph Harmon, The Rev. Allison Moore, The Rev. Manoj Zacharia

Absent: Mr. Thomas Bisdale, Mr. T. Donald Cairns, Ms. Edith Gallimore, Ms. Barbara Piccirillo, The Rev. Dean Weber

Staff: The Rev. Canon Greg Jacobs, Ms. Kai Alston, Ms. Kitty Kawecki, Ms. Kay Lark, Ms. Nina Nicholson, Ms. Sarah Rosen, Mr. Noel Garcia

Others: The Rev. Carol Gadsden (for the budget request presentation); Ms. Mary Sundén, member of the Budget & Finance Committee and The Rev. John Mennell, chair of the Budget & Finance Committee (for the budget review forum)

The meeting was opened with a prayer by Bishop Beckwith.

**AGENDA**

The agenda was adopted with the addition of the Requirements for Annual Financial Audits and the deletion of Grant Protocols.

**MINUTES**

**Motion:** It was moved and seconded to accept the minutes for the meeting of September 8, 2012. The motion was adopted.

**EPISCOPAL COMMUNICATIONS**

Bishop Beckwith's comments included:

- Welcomed The Rev. Carol Gadsden
- Will travel to Israel this Sunday with others as part of the Interfaith Coalition for Hope and Peace pilgrimage.
- This fall the Sunday visits have been Signs of God's Grace.
- After several meetings with leaders and congregants of St. Barnabas' Church in Newark it was decided to close the church and the final service will be held on Sunday, November 11.
- Meetings continued to be held with the principals in a project for the development of Military Park in Newark, the site of the Cathedral. The cathedral was intended to be a constituent part of the development.
- St. Philip's Academy received charter school status from the state and will become known as Philip's Academy starting next September. The new designation will greatly reduce the funds needed to be raised each year.

#### ACCOMPLISHMENTS OF DIOCESAN COUNCIL

The Rev. Ginny Dinsmore commented on the distributed list of accomplishments, decisions and actions by Diocesan Council and the actions teams during the past two years. The list was provided for information and for the purpose of letting others know about the work of Council. The document will be used as part of the future orientation sessions in a visually appealing manner.

#### ALLELUIA FUND GRANT RECOMMENDATIONS

**Motion:** It was moved by The Rev. Ginny Dinsmore and seconded that the Alleluia Fund grant recommendations be adopted. The motion was adopted with three abstentions.

Name	Requested	Awarded
Concrete Roses	\$5,000.00	\$-
Family Promise of Sussex County	\$5,000.00	\$4,000.00
Montclair Protestant Foundation	\$5,000.00	\$4,000.00
Interfaith Hospitality Network of Essex County	\$7,500.00	\$5,500.00
GSECDC (JCECDC)	\$10,000.00	\$7,100.00
Holy Trinity, West Orange -- Food Pantry	\$5,000.00	\$3,500.00
Horizons at St. Philip's Academy	\$10,000.00	\$7,000.00
Good Shepherd Food Collection Program	\$2,500.00	\$-
St. Paul's After School & Discovery Camp	\$15,000.00	\$9,500.00
Shepherd's Haven Adult Day Center	\$4,000.00	\$3,051.00
Family Promise of Bergen County	\$10,000.00	\$7,500.00
Choristers of Grace Church in Newark	\$8,000.00	\$-
All Saints CSDC, Hoboken	\$10,000.00	\$7,100.00
La Puerta Abierta Center	\$8,000.00	\$5,700.00
St. Peter's Haven	\$8,300.00	\$6,300.00
Cedar Hills CDC	\$4,500.00	\$3,500.00
Korean Culture School Program	\$13,358.00	\$-

Montclair Emergency Services for the Homeless	\$15,000.00	\$7,500.00
Care on the Corner Community Service Center	\$5,000.00	\$4,000.00
Interweave	\$2,500.00	\$-
Toni's Kitchen	\$5,000.00	\$5,000.00
Greater Life, Inc.	\$5,000.00	\$4,000.00
Episcopal Community Development	\$10,000.00	\$7,500.00
Christ Church CDC	\$10,000.00	\$7,500.00
Epiphany Food Pantry	\$5,000.00	\$4,000.00
Senior Resource Center	\$5,000.00	\$4,000.00
Haven of Hope for Kids	\$10,000.00	\$7,000.00
Newark ACTS	\$5,000.00	\$4,000.00
<b>Total Domestic</b>	<b>\$208,658.00</b>	<b>\$128,251.00</b>
Liberia Clinic	\$19,000.00	\$16,320.00
St. Luke's Church Afghan School Project	\$1,000.00	\$750.00
<b>Total International</b>	<b>\$20,000.00</b>	<b>\$17,070.00</b>

#### TREASURER'S REPORT

Mr. Paul Shackford presented the finance report for the period ending September 30, 2012.

##### Rental of Episcopal House:

The lease with Victoria Foundation has an initial term of ten years. Cash will be received as follows: there will be no cash receipts in the first four months, followed by 24 months of at reduced payments, and then the balance of payments over the remainder of the ten-year lease will be received at rates that escalate on an annual basis. Accounting procedures, however, require that the amount reflected as income in the financial statements not be determined by the amount of cash to be received in that period, but is to be determined by dividing the total cash to be received over the ten year period by 120 months, which results in an average monthly rental income of \$4,147 (\$49,760 for a full year). Therefore the income reflected in the monthly financial statement will reflect the average \$4,147 income, while the cash received will be lower than that at the beginning of the lease term, and higher than that in the latter months of the ten-year lease. Actual cash that will be received in 2012 under this lease will total \$12,000.

Because of these accounting requirements, there will be a difference in 2012 between (a) the *income* that will be recorded and reflected in the financial statement relating to leases with both tenants, and (b) the amount of *cash* that will be received in 2012 from both tenants. The amount of *income* that will be reflected in the full year financial statement (for both tenants) will approximate \$42,000; the amount of *cash* that will be received will approximate \$25,000. (When the 2012 budget was developed, it was assumed that we would earn income and receive cash, each equal to \$25,000, for the year.)

Renovations are required to other floors to provide offices for the relocated staff, and that construction will begin during the latter months of the year.

There are other items of note that are included in the financial report.

*Key revenue items:*

- a. *Pledge Revenue* (line 1) for the first eight months was \$40,560 ahead of budget. The 2012 monthly budget was principally developed based on the actual pattern of pledge receipts in 2011. Efforts to contact congregations that are behind in the payment of pledges may be leading to the positive variance. It is difficult to judge if this positive variance will continue for the remainder of the year, since (a) many congregations do not pay one-twelfth of their annual pledge each month, and (b) a significant portion (between 20% and 25%) of the full year pledges are received in December and the beginning months of the following year. So, while it is better to be in a favorable-versus-budget position at this time of year, we cannot at this point conclude that full year receipts will also be equal to or better than the amount budgeted for the full year.
- b. *Other Sources: Development Advisor* (line 6) - the income to support the Advisor to the Bishop for Development equals the amount of the corresponding expense (line 13) as that expense will be paid from funds outside the Diocesan budget.
- c. *Alleluia Fund* (line 7) - Contributions to the Alleluia Fund were \$14,075 below amounts budgeted to be received. The full year budget for contributions is \$90,000; there are plans to promote this fund during the fourth quarter, being careful not to promote it during the normal congregational stewardship period.
- d. *Rental Income* (line 10) - As noted above, the income to be recorded for the full year for both tenants will approximate \$42,000 which will show a favorable variance of about \$17,000. The actual cash to be received of about \$25,000 will be in line with the \$25,000 that was budgeted for the full year.

*Expense items were mostly at or below budget:*

- a. *Staff expense* (lines 12, 18, 29, and 46) - The compensation of Diocesan staff, including benefits, is in line with the budget for 2012.
- b. *Development Advisor* (line 13) - reflects the consulting costs for the Advisor to the Bishop for Development. This expense is offset by income in line 6.
- c. *Congregation/Clergy/Ministry Development* (line 16) reflects a positive variance. A portion of this is a timing difference, but the variance is timing and is expected to reverse by year-end. Costs associated with the work of the Mission Strategy Committee are included in this line item.
- d. *TEC 2008 Pledge Arrears* (line 31) - the annual payment of \$10,000 is paid on a quarterly basis during the year.
- e. *General Convention* (line 35) reflects a positive variance versus budget. Following the 2009 General Convention, an estimate of the expenses relating to 2012 General Convention was made, and that total estimate of \$51 ,000 was accrued in the 2010, 2011, and 2012 budgets in the amount of \$17,000 each year. Total expenses will be lower than budgeted, and we expect a favorable variance for the full year 2012.
- f. *Communications/Voice* (line 36) reflects a positive variance versus budget. A portion

- of this variance is a timing difference which is expected to be offset in future months, but we expect most to be favorable for the remainder of the year.
- g. *Insurance-Retired Lay and Clergy* (line 47) - Following the adoption of the 2012 budget the diocese's actuary provided information that the contribution to the lay pension plan in 2012 should be approximately \$36,000 higher. This amount is being accrued from August through December at a rate of \$7,200 per month.
  - h. *Administration & Finance* (line 48) - This line item reflects a favorable variance from budget. Part of that variance is a timing difference, but a portion relating to equipment leases and office expenses is expected to be under budget for the full year.
  - i. *Information Technology* (line 49) - It is expected that a portion of the favorable variance will continue as certain costs relating to training and support are expected to be lower than anticipated in the budget.
  - j. *Bishop's Office* (line 50) - expenses associated with the work of the Mission Strategy Committee, which had not been included in the 2012 budget, have been reclassified in August and are now included in line 16. Other expenses are close to budget.
  - k. *Bishop's Expenses* (line 51) - While most of the favorable variance is due to the timing of expenses, we expect there will be a favorable variance for the full year.

*Bottom Line:*

At this point many of the favorable and unfavorable variances are considered to be timing differences. As part of the 2013 budget process, which has just begun, we will review all expenses and project the amounts expected to be incurred for the full year to determine whether the variances are in fact timing differences. Based on the higher than budgeted pledge receipts and lower than expected expenses through the end of September, the bottom line reflects a favorable variance of \$94,313 as compared with budget; it is not expected that the net result for the full year will be that favorable.

*Other:*

The final amount of pledge income in 2011 included an accrual of \$170,000, which represented the estimated amount of pledges for 2011 that are expected to be collected in 2012. Of that accrued amount, we have collected \$167,000 through the end of September.

**Motion:** It was moved and seconded to accept the Treasurer's Report. The motion was adopted.

**FINANCE REPORT – DISTRIBUTION OF ASSETS: TRINITY, IRVINGTON**

Mr. Paul Shackford reported the property of Trinity, Irvington had been sold and after the settling of any debts or other monies owed there were \$125,000 available for distribution under the previous Asset Allocation Policy. Two changes were proposed to the standard distribution of the proceeds. One was that the amount allocated to the Ward J. Herbert Fund (18%) instead be allocated to the Trustee Property Maintenance Fund (from 18% to 36%) for paying construction costs at Episcopal House and the Diocesan Emergency Fund allocation (18%) be given to the Trustees for paying costs associated with mission

churches. There were continuing costs for mission churches, including post-closing costs such as All Saints', Bergenfield.

The distribution would be:

Marge Christie Fund for Congregational Vitality	18% - \$22,500
Capital Improvements (WJH Fund)	0%
Trustee Property Maintenance Fund	36% - \$45,000
New Ministry Initiatives	18% - \$22,500
Diocesan Emergency Fund	18% - \$22,500
District Covenant Partnership (District 4)	10% - \$12,500

**Motion:** It was moved and seconded to accept the proposed distribution of the \$125,000 from the sale of the Trinity, Irvington property. The motion was adopted.

#### PRESENTATIONS ON BUDGET REQUESTS

Mr. Paul Shackford reported three budget requests were submitted by September 24th in accordance with the 2013 Budget Process that Council adopted earlier this year. The requests were seeking funds for a regional ministry work in Districts 1 and 2 and in Districts 2, 3 and 10 for \$30,000), The Apostles' House (\$10,000) and retiree health benefits (approximately \$14,000).

The Budget & Finance Committee decided to include the requested amounts for the regional ministry and the retiree health benefits in the budget version two and invited the proponents to the meeting. The committee decided the request from TAH was more appropriate for the Alleluia Fund or ACTS/VIM since it was seeking support for operating expenses.

The presenters were The Rev. Carol Gadsden for the regional ministry request and The Rev. Tom Mathews for the retiree health benefits.

The Rev. Tom Mathews spoke on behalf of the retiree health benefits inclusion. The intent was to eliminate the 20% cost sharing for medical insurance coverage for spouses under the age of 65 of those clergy retired and 65 or older. (The spouses were not Medicare eligible because of their age.) The cost sharing began this year. There were stories of hardships from some of those affected. The expected budget amount was \$14,000.

Comments:

- Reluctant to change an earlier decision of Council.
- Budget is tight.
- This appears to be a justice issue.
- The bishop was in communication with the six clergy couples who were involved.

The Rev. Carol Gadsden spoke on behalf of the support for regional ministry in the northwest section of the diocese and also in those areas that were saturated with Episcopal

churches. The request would fund a pilot program to train 20 people who in turn can start helping in the districts. She defined the working of cluster ministry that she had experienced – assists churches to pool resources that strengthens the ministries that exist in each church. For example, one administrative person for several congregations, or providing resources to a church that has a strong youth ministry program that can assist the others.

Comments and questions:

- The expense for the consultant? Was expected to be \$500 a day for the five days of initial training, \$600 for accommodations, and then \$1000 a month for about eleven months.
- Have grants been sought for regional ministry or available? No other sources were sought.

Mr. Shackford reported that the request from The Apostles' House was rejected by the Budget & Finance Committee. The request was to support the organization's operating expenses.

**Motion:** It was moved and seconded to ratify the recommendation of the Budget & Finance Committee to remove the budget request of The Apostles' House that sought funding for its operating expenses from consideration for diocesan budget support. The motion was adopted.

AUDIT PROCEDURES

Mr. Paul Shackford presented the proposed Requirement for Financial Audits with a recommended checklist for parish committee audits. The document included guidance and a checklist that congregations can use to fulfill their canonical requirement for annual audits. He sought Council's support on the requirements and the use of the checklist. He noted that congregations are required by The Episcopal Church to have an audit completed each year. Many times we regard an audit as an obligation, an arbitrary requirement that puts an undue and unfair burden on congregations, many of which may feel they don't have the resources needed to comply. In some cases, it may not even be clear why congregations are required to comply.

The recommended checklist would determine who can conduct the audit, establishes standards and a standard format, indicates the most important aspects to be covered, lists the documents that should be reviewed, provides forms for the church committees to report and highlight any concerns they have to report to their Vestries, and would allow all congregations to conduct an audit with a parish committee. The checklist doesn't need a CPA to complete. Right now the checklist would be available for all congregations regardless of size. Perhaps in the future a mandated CPA audit may be required based on size as happens in some dioceses. Other dioceses also require audits when clergy or treasurers leave.

The requirement for each congregation to conduct an audit each year, however, is more appropriately considered to be a part of our stewardship of the assets given to us to manage. Each of us is a steward of the many assets that God has given to us and, as stewards, we need to effectively exercise our responsibilities.

Exercising good stewardship begins with being accountable for the assets God has entrusted to our care, and an annual audit helps all of us to be accountable.

The primary purpose of an audit is to assure that financial statements are fairly stated. Any person handling the monies or investments of the church needs an audit to protect the church assets and him or her against suspicion of mishandling those assets. Similarly, Clergy, Vestries, Treasurers and other persons in positions of responsibility may be liable for any losses which would have been discovered by an ordinary audit but were not discovered because they failed to have an audit conducted.

In addition, an announcement to the congregation that a completed audit revealed that all monies and investments have been properly accounted for can have a positive impact on stewardship, as well as their confidence in the leadership of the church.

While the Canons permit audits ("Committee Audits") to be performed by members of the church (the "Parish Audit Committee") – there are certain churches that, due to their size or complexity of operations (e.g., those with schools), should have an audit performed by an independent CPA because such an audit will generally provide a higher level of assurance than a Committee Audit.

Note that CPAs that perform audits may also provide other types of services, including ones termed "reviews" or "compilations." Note that neither reviews nor compilations are acceptable as substitutes for an audit, as they do not include steps required such as routine audit procedures; in fact, the CPAs themselves will issue a report that specifically indicates that such a service is not an audit. If a church determines that it would still like to retain the services of a CPA firm to perform a review or compilation, please note that it must also have the CPA complete the Audit Checklist (see below) or have a Parish Audit Committee complete the Audit Checklist.

Audits of any church by independent CPAs are certainly allowed. CPAs should be provided the Audit Checklist and should be advised that they should ensure that their work includes those procedures included in the Audit Checklist.

#### Audits by Parish Audits Committees

Committee Audits may be performed by Parish Audit Committees. The diocese has prepared Alternative Audit Procedures that are to be followed whenever the audit is performed by a Parish Audit Committee.

## Audit Checklist

In order to assist churches perform a Committee Audit, the Diocese has prepared a Diocese of Newark Audit Checklist ("Audit Checklist") that is to be used. Additional procedures may be performed, of course, but the Committee Audit must use the Audit Checklist.

The Audit Checklist indicates the documents that must be submitted to evidence completion of the audit.

To assist in the performance of the audit, we have created an Annotated Audit Checklist which includes explanations where this might be helpful. The Annotated Audit Checklist is for reference only, and need not be submitted to the Diocese.

The Audit Checklist may be found on the Diocesan website. [Note that we expect to update and revise it periodically, so please obtain the current version in order to conduct the audit.]

## Members of the Parish Audit Committee

Parish Audit Committee members should be independent of the decision-making and financial record keeping functions of the congregation. The audit may be completed by an accountant who is competent to perform an audit alone (e.g., a person who has past auditing experience) or it should be performed by two or more members, at least one of whom is a financial expert. You may find it preferable to have three or more members, depending on the size, number, and complexity of the accounts to be audited. Individuals who were members of the vestry or executive committee during the year being audited should not be members of the Parish Audit committee.

## Accounts to be Audited

All accounts must be audited. This audit requirement covers not only the operating accounts of the church, but all of its restricted, endowment, property, and other funds. No church money is exempt from the requirement of an audit. As an example, some churches have an Altar Guild account, an ECW account, a rector's discretionary account, and the like. All of these accounts are to be audited.

## Deadline for Submission of Completed Audits

Completed audits, whether a Committee Audit or one performed by independent CPAs, are due to be submitted no later than September 1st of each year. In order for the audit to be considered complete, there are certain forms and documents that must be submitted.

**Motion:** It was moved and seconded to accept the report and endorse the requirements as set forth for congregational audits and the use of a checklist for parish committee audits. The motion was adopted.

## ACTION TEAM SESSIONS & ISSUES OF ACCOUNTABILITY

During the action team time, the members reviewed the Issues of Accountability between congregations, individuals and the diocese in the areas of sexual exploitation, sexual harassment; and accountability for the protection of children and youth. Additionally the teams reviewed a draft proposal on the protocol for approving grant recommendations and the Listserv Terms of Use draft policy.

**Sexual Harassment and Sexual Exploitation** - The policies on Prevention of Sexual Harassment and Sexual Exploitation were first presented to Council during the business session of the September retreat with the intent that further discussion would take place in October for adoption in November.

**Protection of Children and Youth** - The policy on the Protection of Children and Youth (preventing child abuse) was adopted by the Council in 2008 but there needed to be a discussion on what to do about people who did not comply with the policy and take the Child Abuse Awareness training (a computer based program that took less than two hours to complete).

**Term of Use for Listservs** - The draft policy on the Terms of Use for the Newark List was first presented during the business session of the September retreat with the intent for further discussion in October and adoption in November.

**Action Team Definitions** - Revised definitions of the action teams had been earlier distributed for review and any editing by the teams.

- EQUIPPING TEAM - "To creatively develop and discover ways to provide local congregations with training, people, and financial resources necessary to *EQUIP* and advance their unique ministries."
- EMPOWERING TEAM - "To creatively develop or discover resources that will spiritually *EMPOWER* individuals and congregations to fully live out their mission and calling within and outside of the Diocese of Newark."
- ENGAGING TEAM - "To creatively develop or discover resources that equip and empower individuals and congregations to *ENGAGE* the world around them and beyond with the hope and justice of Jesus."

**Re-visioning Districts** – With the intent to restart the conversation on districts and how their work and purpose could be modified the members were provided with a document that addressed revisions to diocesan canons for use in the discussion.

## ACTION TEAM REPORT BACK

Equipping: The Rev. Barrie Bates reported

- Most of the time was spent on the listserv policy.

Engaging: The Rev. Joseph Harmon reported

- The team was supportive of the policies.
- On the listserv policy it was recommended that to help keep it in front of people was to include the notice when the monthly reminder was sent to subscribers; Nina responded that unfortunately that automated message cannot be edited. She was thinking of adding it to the footer of each email.
- On child abuse awareness training: for clergy and probably others the recommendation was to send a letter from the chancellor to the wardens that the clergy were not in compliance or have a convention workshop for those not in compliance to complete the training

Empowering: The Rev. Ginny Dinsmore and Ms. Martha Reiner reported

- On the child abuse awareness training: a letter to the clergy and the wardens from the bishop was recommended.
- On the sexual exploitation prevention: how will that be policed and enforced?
- Support the listserv policy.

**Motion:** It was moved and seconded to endorse the bishop's outreach to the thirteen clergy who were not in compliance with the child abuse awareness training. The motion was adopted.

## **BUDGET FORUM REVIEW**

Bishop Beckwith welcomed the attendees (1, the Rev. Allen Hinman) who joined the members of the Diocesan Council and The Rev. John Mennell, chair of the Budget and Finance Committee, and Ms. Mary Sundén, member of the committee. Mr. Paul Shackford, CFO, presented the review of the 2012 budget and provided an initial look at the 2013 budget. Members of the committee were introduced.

Mr. Shackford presented an initial look at the 2013 diocesan budget and commented on the revised budget request process. Under the revised budget process funding requests submitted by September 24 were considered by the Budget & Finance Committee. There were three funding requests received: 1) regional ministry initiative; 2) The Apostles' House; and 3) retiree health benefits (for spouses under the age of 65 of retired clergy).

The topics included explanations of the income and expense lines.

Income:

- There was a two percent decline in anticipated pledge revenue for 2013.
- Alleluia Fund was expected to grow with more individual donors.
- Investment income wasn't expected to change.
- Bishop Discretionary Funds contribution had been continued.
- Other sources – Development will continue at a lower amount; part time position.
- Other sources – Missioner for a new position.

Expenses:

- Compensation was fifty percent of the expenses. Compensation included a three percent increase for the staff. There was a five percent increase in the medical coverage costs. There was a 3.7% (included 3% salary increase plus associated costs such as FICA) increase in the overall staff compensation.
- Missional church support – new line for consulting costs to work with the Council and Mission Strategy Committee
- Missional church initiative – new line that was the regional ministry initiative presented this evening.
- Convention fee will remain the same as last year.
- In 2010 the decision was made to pay off the 2008 pledge to the national church at the rate of \$10,000 a year.
- Domestic & International outreach grants will increase slightly.
- The post-retirement pension and insurance line was increasing significantly – for post-retirement insurance; underfunded lay pension plan (\$1.5 million assets currently but \$1 million short according to the actuary); adjustment for current contribution to the lay pension plan; and the request to restore full health insurance coverage to the spouses under the age of 65 and not Medicare eligible of retired clergy (the cost sharing of 20% was decided to start in 2009 but didn't get implemented until this year).
- A reserve was started for the costs of the call of the next bishop in about five years or so.
- The preliminary deficit in the initial 2013 budget was \$226,961. The deficit was comprised of: missional initiative and support, \$30,000; lay pension plan underfunding, \$111,000; restoration of retiree health benefits, \$14,000; and the search expenses for the next bishop, \$30,000.

Ms. Mary Sunden noted that the committee was supportive of the proposals for the missioner, the regional ministry and The Apostles' House (although this was not recommended for diocesan funding) but was divided on the restoration of the retiree health benefits. While the committee was supportive of the regional ministry proposal it was not the committee's position to determine how regional ministry was implemented.

Comments:

- Are there other sources for assistance? Is it easier to find sources for missional work versus the underfunded lay pension plan?
- Perhaps church property sales could be used for the underfunded lay pension plan.
- The bishop and the fund development officer were meeting with potential donors for various areas of support.
- What is the intended return of investment on the missional support (\$70,000)? There need to be metrics or evaluation but not known when to decide that. The outcomes are not detailed.
- Two commitments of the bishop were to maintain outreach and the level of staffing.
- The missioner expense would be an investment in our congregations and their vitality.

- What will the diocese look like in two years if the missional work goes well and as planned? How will success be reported?
- What does Council want to uphold and what do we want the diocese to do?

The meeting was adjourned with prayer at 8:30p.m.

Respectfully submitted,

*Michael Francaviglia*