

Diocesan Council Report to Deanery
June 2, 2016

March 17 Highlights

John Koch, BCH Camp Director, gave a report.

Bishop's Time

Bp Alan has narrowed down to the last few candidates for the Canon to the Ordinary..

Mission Strategy Phase III Team – The bishops are almost finished appointing the remaining members.

Anglican Communion - PB Curry shared with the House of Bishops his experience at the primates meeting. The primates meeting is not a constitutional body of the Anglican Communion and thus does not speak for the Anglican Communion.

Hub Budgets

Three Mission Hub budgets were approved – Merrimack Valley, Cape and the Islands, and Metrowest.

Treasurer's report – Lisa Garcia

The assessment formula for 2017 will be remain the same, with the stipulation that they will be doing more research on changing the formula in the future and budgetary impacts of doing that. They will also be increasing the reserve that goes to the Assessment Adjustment Committee for parishes who need assistance paying their assessments.

2015 actuals show a pre-audit surplus.

Charlie Jordan, our new comptroller, with Lisa and Jerry will begin working on the 2017 budget.

IT intrusion evaluation – after some upgrades and software installation, this process has begun and the results will be presented at the next meeting.

Benchmarking for audits – canonically, churches are required to do an audit, but auditing firms are less inclined to work on smaller audits because they won't make enough money to cover their costs. The Treasurer's office is working on

alternate options for parishes. There was a suggestion to make costs for audits deductible from Line 14.

Closing and Merging Parishes Taskforce

Report presented by Winn Treese. The team has met twice so far to begin discussing what happens before a parish closes/merges, the process during a closing/merger and what happens afterwards (Use of Proceeds process). They have decided they do not want to focus on the Use of Proceeds. The two things they have focused on so far is better an appropriate staff liaison to the Standing Committee and a better relationship between Council and the Standing Committee so both committees can be on the same page.

Mission Strategy Update

Billy Boyce and Karen Coleman reported that he team has completed all of the open and targeted listening sessions (19 total). At the transcription reading day all the material was analyzed and coded. An initial report will be coming out in the beginning of April. After it comes out, there will be four feedback sessions to hear from people what they think was missed or needs to be added. A revised report will then be posted - the phase III team will take over at this point.

Global Missions Update

Several new members were presented and approved for appointment and reappointment to the Jubilee Mission Committee of Council: Douglas Huber, The Rev. Maggie Geller, Natalie Finstead, Mary Beth Mills-Curran, the Rev. Kate Cress, and the Rev. Noble Schheepers.

Mission Hub Information Review

The Council voted to create an ad hoc committee made up of members of Council that will work with the Mission Hub Implementation Committee to efficiently evaluate hub ministries and create a process for reviewing and presenting information.

April 28th Highlights

Bishop's Time

The new Canon to the Ordinary, Bill Parnell, will begin at the diocesan offices on June 1. Bp Gates passed around a new organizational chart which included Bill and shows how the "Chief of Staff" duties have been divided between Bill and Bp Harris. Sam Rodman, Acting Chief of Staff, will overlap with Bill for about a month of the transition. Sam will then stay on for an additional period of time serving as a "Special Projects Officer."

Mission Strategy Update

Team II Report

Karen Coleman gave the report. The initial report was published by the Phase II team which was followed by four feedback sessions. The revised report will be published Sunday based on the feedback heard at those sessions as well as the online survey that was provided. The Phase II team “passed the baton” to the Phase III team this past week.

Team III Co-Chair

Bp Gates nominated Win Treese to be the co-chair which Council approved.

Summer date for DC to reviews draft Mission Strategy

Because of deadlines needing to be met, the Council voted to meet on August 18 to review the draft Mission Strategy. The Council will then vote on the proposed Mission Strategy at the Saturday retreat meeting in September.

How will the developing Mission Strategy affect the 2017 diocesan budget?

For the most part, the Mission Strategy can't affect the 2017 budget since the budget for 2017 will be approved at the same time as the Mission Strategy. The plan, therefore, is to put aside a “pot” of money (not from the core or supplemental budgets, but from another source” to begin funding the new Mission Strategy in 2017 without putting money towards specific programming since we won't know what that programming is until the Mission Strategy is approved. This will give the team the opportunity to moved forward with the Mission Strategy with this “start -up” fund in 2017, with full programming in 2018. Lisa and Gerry should have some options for where the money will come from and how much they will be looking for at the May meeting.

How will the bishops and DC provide for the “implementation phase” of Mission Strategy?

This includes the implementation process, timetable, communications plan for roll out and ongoing and evaluation mechanisms. What is the structure and who is responsible for oversight of the implementation phase? In the next several months, Council and the bishops will work with a consultant to name a Phase IV team who are responsible for these tasks once Phase III is complete.

Treasurer's Report

As presented at the March meeting, it was voted to keep the Assessment Formula the same of 2017. The Council voted to authorize the Assessment Coordinating Committee (ACC) to consider and receive requests from congregations to the 2017 scheduled assessments. The ACC will present its recommendations to the Council for approval. The recommended adjustments are not to exceed \$75,000.

Assessment Formula Review for 2018

The Treasurer's office is preparing to review the assessment formula in order to determine if it continues to be in the best interest of all those in the diocese. They are imagining a committee of 8-10 to review this (made up of Budget Committee, Council, FAC and Lisa & Gerry). Lisa outlined four phases for the committee's work.

The general feel of Council was that it was hard to put a dollar amount on what the assessments should generate without knowing what the new Mission Strategy is and how it will impact the budget – the timeline for this process as well as the Mission Strategy process should be in sync. Council agreed that either level funding or a decrease in assessments would be preferable to any increase in parish assessments.

Connie Melahoures, Ted Ts'o, Rob Kelleher, Dan Clevenger and Karen Coleman agreed to be on the committee.

Financial Performance y-t-d

It's still early in the year to see any trends. Any variances shown are likely timing issues between expenses incurred and revenue received.

Timeline for 2017 Budget and Assumptions Used

A draft budget will go to the Budget Committee in May.

Members from Grace Chapel, Brockton gave a presentation to the Executive Committee – beginning the process for determining their funding over the next year and beyond.

Mission Hub Information Review Update

Joe Robinson reported that this group will begin its work soon and bring an update to Council.

May 19th Highlights

Bishop's Time

New Canon of the Ordinary, Bill Parnell, will begin on June 1 overlapping with Sam Rodman for a month. Sam will then become the Special Projects Consultant.

The Cathedral safety and security issues, particularly on the front porch and steps, are being assessed and addressed. Dean Jep Streit is in conversation with security advisors and other City of Boston officials to figure out the best way to remain hospitable while offering a safe environment for the staff and visitors to the building.

ECM will be having a night of witness, worship and celebration (in lieu of their annual dinner) on June 14 from 6-9pm at the Cathedral. They will also be welcoming new Executive Director, Arrington Chambliss.

Bp Gates reported that he is concerned about the policy (or lack thereof) around alcohol at church events – recently attending a few that did not offer enough non-alcoholic options. Any suggestions for how to regulate this or enforce the policy can be sent to Bp Gates through Diane Pound.

Mission Strategy Update

Phase III team has had two meetings since last Council meeting at which they discussed the initial and revised reports. They brainstormed about the following questions: what would you like to see in the Mission Strategy? What would it be incomplete without? What characteristics are you hoping that the Mission Strategy will have? They also discussed what the Phase IV Implementation team might look like. It would be responsible for overseeing the process, not necessarily doing the work.

Mission Strategy and 2017 Budget

Lisa and Gerry proposed that Council consider using Use of Proceeds money (somewhere between \$50-75k) to fund costs associated with the process and implementation instead of putting in a cost center line in either the core or supplemental budget. After the sale of Wayland and its rectory, there will be about \$1.4mil in the Use of Proceeds. In the 2016 budget, \$40,000 was allocated for the listening process, of which, the team has spent about \$15,000. Some of the remainder of this will be used by the Phase III team for their consultant and other expenses. They will be coming to Council in June with a more concrete proposal. If Council agrees with this proposal, they will need to vote to change or suspend the current policy for disbursing funds from the Use of Proceeds fund.

Discussion: what form and/or shape of Phase III work does Council expect - what should the Mission Strategy draft look like? What would be most helpful going forward?

- Include an Executive Summary
- The spirit of the MS is more important the presentation – would like it to have a “vision that grabs us”
- Easily communicated
- Three parts – motto, mission statement, strategy
- “sense of poetry” is necessary – narrative, not outline
- Invites rather than instructs
- Look at what we already have and build a mission statement based on that
- Use language that is accessible to all people
- Speaks to the whole diocese and individual parishes – how to be directive and also provide the tools to follow the direction?

- Something that ties us to the Episcopal Church and where it is today

General Discussion

- How can we make the MS process and draft understood to people who are just “coming to the table” now or later down the line?
- Leave room for possibilities and “surprises” as we are figuring out what we want
- A note to consider - this is being presented three days after the national election

Treasurer’s Report

The first draft of the 2017 budget was distributed to Council along with a memo dated May 7 which includes the following:

- Updated draw amounts at 4% and quarterly balances rolled forward though 3/31/16. The TOD is looking at changing this draw rate – possibly by 2017.
- Salaries were adjusted to a 2% cost of living for all staff, as well as minor adjustments for certain positions. The COLA recommended by the Comp & Benefit committee was 3%. Council asked for a numbers comparison between the 2% and 3% increase.
- Medical Insurance was budgeted at an 8% increase and reflects changes in dependents as appropriate. Life and disability were increased by 2%.
- Property insurance reflects the new rates and was increased by \$6,500.00
- The Episcopal Church “ask” reflects the average rate of 16.5% of the three year deduction begun in 2016. The credit used in 2016 will be offset in 2018.
- The credit that Bishop Gates asked be shared with the parishes as a result of the Episcopal “ask” decrease is shown as an \$80,000 expense on line 4011.
- No changes have been made to program expenses or ministry grants and payments – the hearings for budget requests were May 10 and May 18.
- Further discussion and approval is needed regarding funding startup costs for the new Mission Strategy.
- At this point no discussions regarding the budget have been had with department managers.
- As of this iteration the budget indicates a deficit of just over \$75,000.

The Budget Committee will be having a half-day retreat on Saturday, June 11. There are two vacancies for three-year terms on the Budget Committee.

Lisa handed out an update on the Assessment Formula Review Committee. The members have been named and the committee will have their first meeting in June.

Other Business

Libby Berman reported that Grace Chapel, Brockton has left the South Shore Mission Hub. The board, Jin Min Lee and HR director, Cindy Cushman, are working together to figure out what will happen to the hub programming, particularly the Brigade - a program through Grace Chapel.

It would be helpful to hear what the diocese has accomplished under the old Mission Strategy - this was done at Convention a few years ago.

Respectfully submitted by:

Connie Melahoures
Diocesan Council Representative