

**Diocesan Council Report to Deanery
September 22, 2016**

June Highlights

Bishops' Time

Bishop Gates introduced Bill Parnell as the new Canon to the Ordinary.

Mission Hub Review Summit

Members of the staff, Mission Hub Implementation Committee, Budget Committee and Council (including some of the Ad Hoc Committee members). the hubs' responsibilities are, what the authority of the hubs vs. the hub director on staff is, who the MHIC reports to, etc. Among this group were many different understandings. Out of this came a discussion about what would be best the best processes going forward instead of looking backwards. Some of their recommendations include:

- The Budget Committee should not have separate approval/oversight of hub budgets. Instead this should be the responsibility of the MHIC. If the MHIC needs more members to be able to take on this task, that will be addressed.
- The MHIC should have at least three members from Council and should report regularly to Council. There are currently 11 members of the MHIC plus ex officio.

Council voted that the Mission Hub Implementation Committee, which reports to Diocesan Council, be comprised of at least 10, but not more than 15 individuals from the clergy and laity designated by the Bishop and approved by Diocesan Council who reflect the overall diversity of the Diocese, including at least three members of the Diocesan Council (at least one of whom is clergy), at least one volunteer representative from a mission hub, a representative from the Diocesan Congregational Development staff (ex officio) and a representative of the Mission Institute (ex officio). The chair of the committee will be designated by the Bishop and approved by Diocesan Council. The Diocesan Council will review the membership of the MHIC at least annually.

Treasurer's Report

There are three vacancies on the Budget Committee. The Budget Committee met for a half-day retreat on June 11.

2017 Budget Draft

Stephen Voysey, Chair of the Budget Committee, was present to answer questions about the budget draft. The numbers on the draft have not changed since the last meeting, but work is ongoing. Most of the Strategic Ministry requests were for level funding. A subcommittee of the Budget Committee will review those requests and input them into the budget draft. The current budget has a deficit of \$150k. A balanced budget draft will be presented to Council in September.

Delinquent Audits

Gerry reviewed a document that shows parishes that have not sent in audits since 2013 for the Council's information. The most recent audit received by the diocese is from 2014, so there are several that are only one year behind. It was suggested that members of Council contact parishes on this list that are in

their deaneries to let them know their audit is missing and find out why that may be. Gerry will send the list to deanery reps.

Assessment Arrearages

Gerry also reviewed a list of parishes that are behind in their assessments. The list is from May 31, so there have been some updates on payments since then.

Council voted to restore Grace Church, Salem's Convention vote which was removed in October 2013. There was a discussion about the procedure for taking away that vote and whether it was properly followed. Review of the Canon 9 Section IV suggests that proper procedure was followed – notices are given to congregations who fall behind. If a parish falls behind for more than two years, the Secretary of the Diocese shall remove the vote of that parish unless otherwise instructed by Convention. Council agreed that Grace's vote should be restored as well as St. Elizabeth's in Wilmington who lost their vote at the same time and have also been working to repay their assessment arrearages.

Mission Strategy Update

Consultant

Win Treese introduced Kristin Hendler, consultant for the Phase III team, who described her background in consulting.

Team Meetings/General Process

Meghan Sweeney reported that team meetings have been going well. They are meeting every one-two weeks. Bps Alan and Gayle met with the team last week and offered some theological visioning for the Mission Strategy. The team is working on dates for the forums they will host in mid-August after the draft Mission Strategy has been published. Council will be having a special meeting on Thursday, August 18 at the normal Council time to discuss the draft of the Mission Strategy.

Implementation Team Proposal

A draft proposal for a Phase IV team was distributed for Council. It outlines the team charter, scope & authority (which will be more detailed in August & September), and how the team will be named. The Council members on the Phase III team will serve as the nominating committee for the Phase IV team. They will receive names from Council until August 18. Council agreed that the Phase IV Team Charter and the Clarifying Scope & Authority sections were heading in the right direction and can be voted on in September. Council thanked the Phase III team for their work and clear reporting.

Council voted to adopt the process for naming the Phase IV team as described in the "Naming the Team" section of the document titled Proposal for Phase IV Implementation Team dated 14 June 2016.

Other Business/Updates

Closings/Mergers Task Force Update

Win Treese went through the report of the Parish Mergers, Closings and Related Disposition of Diocesan Parish Properties Task Force and asked for feedback from Council before a final version goes to the Bishop for his consideration. The Standing Committee has reviewed this document and submitted their comments which have been incorporated.

Wayland Memorial Garden

Because the property in Wayland was sold to the Coptic Church, the memorial garden for the interment of cremated remains must be moved because cremation is not a part of Coptic Orthodox tradition. There are a few families

who have a strong objection to their family member's remains being moved and are insisting that the memorial garden stay where it is. They have threatened law suits and/or getting the media involved. Bill Parnell has been in touch with most of these families to try to reach some kind of agreement that will be suitable for everyone.

September Retreat Highlights – Trinity Church, Concord

Bishops' Time

Bishop Gates thanked for the opportunity to be away in August. He thanked the Phase III Mission Strategy team for their work over the summer. At the next Bishops' meeting, they will be electing the Suffragan Bishop for the Armed Forces and Federal Ministries. The diocesan staff were to be going on retreat. Bishop Gates gave an update on EDS and how they will be transitioning this coming year.

Mission Strategy Discussion

Proposed Mission Strategy

The Council reviewed the latest draft of the proposed Mission Strategy. Council members commended the Mission Strategy team for their work and offered their feedback on the content of the document. There was a discussion about using language that is more inclusive, that all people attending Convention will understand. Council also discussed how daunting implementing this new Mission Strategy can seem both financially and logistically without keeping in mind that current programming and priorities will have to change and not all of that change will happen at once. There was a suggestion to include some kind of prelude that shows what the last mission strategy accomplished so that people can see what can be done and a comparison of the past mission strategies of what has been carried through in the last several iterations/what worked and what didn't. Council recommended that instead of editing the text to include some of these new insights, that the team could create either an overview document or include some of this information in the presentation at Convention. The MS team agreed that adding some language to the actual document that clarifies that adding new initiatives and programs means taking away or drastically changing some of the current initiatives and programming was critical.

Kristin Hendler asked the Council which section of the proposed Mission Strategy they thought was the most important and followed that by asking them what each would do to "champion" and role model the Mission Strategy in their own communities and congregations.

It was voted to receive the slightly amended Mission Strategy.

Evaluation Process

In order to prepare for the 2018 budget, an evaluation process for the mission strategy needs to be in place by January, with evaluations completed by April of 2017. The team is proposing an evaluation process created by a subcommittee of Council which will complete their work this October-December and present a proposal to the January Council retreat for adoption.

Report to Convention

Phase III team will now transition to planning their report and presentation to Convention. 3-5 people from Council are invited to participate in Convention planning along with the Phase III team. A report to Convention, in addition to the proposed Mission Strategy, will include a larger scope of the process, gratitude to everyone involved, etc.

Election of Phase IV Team

After much discussion it was voted to reopen nominations for the Phase IV Team as there were not sufficient nominees to offer up for a vote. The new deadline is Oct 14.

Approval of Evaluation Process

The evaluation process belongs to Council, and they will work with the Phase IV team once they are named. Work on this should begin as soon as possible, so the subcommittee of Council needs to be named. Executive Committee will discuss this at their next meeting

2017 Budget Review

The Budget Committee reviewed the 2017 budget draft. The Committee has worked to narrow a gap in funding based on more accurate numbers so that they are now able to present a balanced budget. A rough draft of the budget book text was also provided for Council. Overall, there have been very few substantial changes from the 2016 budget to the 2017 budget because of the impending implementation of the Mission Strategy in the 2018 budget. Major changes are in staff salaries and potentially in health insurance costs, which are still unknown. Certain budget line structures have changed based on the new operating structure of the building, but this didn't affect actual numbers. The overall budget has increased by a little less than 2% from 2016. There was a discussion about the differences between the core and supplemental budgets and the idea of moving towards one consolidated budget.

2017 Budget Vote

Assessment Adjustment Committee Report

This year there were 21 inquiries and 16 completed applications (about the same as last year). 10 out of these 16 parishes are returning applicants. Three were referred for adjustments to their formulas. Two parishes were denied adjustments based on the fact that they were making a request for the philosophical reason that assessments should be no more than 10%.

The Council voted to approve the Assessment Adjustment Report and to endorse the Proposed 2017 as presented.

Treasurer's Report

Assessment Formula Review Committee - They have met three times since the June Council meeting. So far, they have reviewed the current formula and prior evaluations of it; obtained and reviewed assessment methodology from other dioceses; proposed alternatives and developed templates for calculations. They are meeting again in the coming week to look at what their end goal is (increasing, keeping level or reducing assessment revenue) and will solicit diocesan input upon greater clarity about Mission Strategy needs.

Holy Spirit, Orleans – they sent a letter to Bishop Gates stating that they were setting their assessment rate at 10% and were not interested in going through the adjustment process to lower their assessment for the coming year. Bill Parnell went to Orleans last week to meet with the wardens and treasurer to

hear some of the history behind their decision. Two other parishes in the Cape & Islands deanery sent similar letters. It was recommended that a deanery wide conversation be had because this is something that is coming up at deanery and clericus meetings.

Budget Committee vacancies – Stephen Voysey, current chair, is ending his term on the committee and subsequently as chair. There are then three vacancies for terms ending in 2019 and one vacancy for a term ending in 2018. Stephen recommends that going forward, the chair of the Budget Committee should have seat and voice at Council to keep communication clear and open.

Convention Update

Nominations have been received for all available positions with the exception of the Standing Committee which still has vacancies for a 1 year lay position and a 4 year clerical position. Four resolutions have been submitted and will be reviewed by the Resolutions Committee and two proposed amendments to the Constitution will be considered by the Constitutions and Canons committee .

Respectfully submitted by:
Connie Melahuer
Diocesan Council Rep