

Diocesan Council - Christ Church, Gardiner - September 7, 2013

Members Present: Mark Spahr, George Sheats, David Wells, Doug Mayer, Tim Higgins, Liz Graves, Dick Rozene, Nancy Moore, Brenda Hamilton, Stephen Lane, Fred Fowler, Tim Walmer, Jeff Prozzo, Linda Cappers, Elizabeth Miller, Judy Burleigh, Claudia Smith, Elizabeth Phipps, Rebecca Grant, Joseph Riddick

Members Excused: Doug Reighley, John Burgess, John Rafter, Jane Schroeder

Staff Present: Terry Reimer, Jane Hartwell, Heidi Shott

Staff Excused: Vicki Wiederkehr

Meeting called to order at 8:55. Open with prayer and discussion "Considering Prayerfully Those in Poverty."

Review of meeting minutes of May 10-11, 2013 and June 12, 2013

Finance Committee Report:

Treasurer Dick Rozene reported on the second quarter financial report. The diocese is in about the same shape as this time last year.

Congregational transitions line (191500) is significantly over-budget, related to Seeds of Hope Jubilee Center and Christ Church, Biddeford. Terry expensed entire benefits line for the year. Much of that will be reimbursable in consultation with Seeds of Hope board of directors.

The line also covers St. Luke's, Woodland/Baileyville, and St. Matthias, Richmond. We continue to carry property insurance on Christ Church, Biddeford, because the relationship between the Diocese of Maine and the Biddeford Housing Authority is still in process. The Town of Richmond has now received the St. Matthias property, so no further expenses will be incurred.

Assessment payments - Running about \$80,000 arrears on assessments as of July 31. We usually catch up by the end of the year. Churches are contacted by the finance office when they are three months in arrears.

Claudia Smith moved and Nancy Moore seconded the acceptance of the report pending audit.

Presentation of the proposed Episcopal Diocese of Maine 2014 Budget.

Finance Committee Chair Doug Mayer presented a powerpoint report introducing the budget. See Attachment #1 (Powerpoint PDF and Doug's Convention script).

Discussion ensued:

Question of change in payroll service fees for congregations using the TEC vendor. Currently working through fee schedule. It won't look different to congregations. 250 employees will allow us to negotiate as a larger group so the per check fee will be lower. The fees should be very close to what they've been.

Bishop Steve: Difficulties of being a large employer under the Affordable Care Act are still being revealed.

Ordination process: Big increase. Standing Committee and Committee on Ministry have been in conversation for several years. A new model would commit to seminarian in our ordination process by providing support for seminary and a paid internship, covering five years - three years of seminary and two years of Maine-based internship. Hoping to reduce average \$46,000 debt for seminary graduates. There is no one in the priesthood process right now but hope to build this fund to support future ordinands.

Doug: With this new budget, there is hope that budget lines won't ossify. For example, once the roof is on Loring House, that line can go away and the assessment rate can be reduced.

Communications/Website: Increase reflects cost of fully equipping four to five churches with web-conferencing equipment in 2014 to become regional communication hubs.

Congregational Transitions: Question of it moving to zero. For some congregations, the cost of maintaining the buildings in transition will be offset by the ultimate sale of the building. Trustees will cover carrying costs in the transition, especially for missions (which they already own.)

Question: Did the Finance Committee consider moving the assessment rate to zero for congregations with a NOI under \$50,000. Answer: When that prospect was floated, some church leaders whose congregations would bear a large share of assessment said they would fight it at convention. Mayer said he thinks there are enough changes in this budget for this year, but it will be considered in the future after gauging the response of the diocese. Rozene: We need a year to work both the assessment formula for small congregations and re-vision the strategic grants in aid process for 2015.

Emmanuel Chapel changes in the budget: A more direct payment from endowments directly to the Cathedral for Trustee-owned property. Budget line now called, "Diocesan Use of the Cathedral. 191800.

Phase II Committee: Nancy Moore - It was a very good process with ten groups requesting funding. Every group needs a Seven Criteria mentor, so more people need to become involved. This - whether it's called Phase II or not - will become a permanent feature of Council and the funding process.

Compensation Committee Recommendations: A Convention resolution from St. Anne's, Calais, in 2012, charged the Compensation Committee to review the current

mechanism for determining minimum clergy compensation. In doing the research among other dioceses, members determined that using education guidelines (teachers/administrators) was cutting edge and very fair for clergy. They determined to stay with the process used in the past several years. Two resolutions setting compensation for 2014 - lay and clergy - will go before Convention. A Compensation Committee report will also be presented to Convention.

Claudia Smith raises question of fairness for those communities with town academies where the town academy average is not used in the calculation for towns where the K-8 is used. Terry Reimer suggests that these are minimums. If a congregation feels that the formula does not reflect local realities, it should go to before the Compensation Committee.

Lovett Fund application from St. John's, Brownville Junction to install a heat pump in the sanctuary to reduce fuel costs including a programmable thermostat to regulate temperature of non-use.

Motion from the Finance Committee: Not to exceed \$3000 to cover up to 2/3rds of the cost. Approved.

Convention: Speaker will be the Rev. Melanie Wright of the Diocese of Fort Worth on being the church without a church. Many workshops will be offered on Friday a.m. including a New Delegates Orientation. Midcoast congregations will plan and conduct many of the worship services.

Only three or four resolutions - one is a first reading of a constitutional amendment to allow for a biennial convention, two are on compensation. A fourth, from the International Partnership Task Force, would reestablish the companion diocese relationship between the Diocese of Maine and the Diocese of Haiti for a third five-year term. The Task Force has requested that Council endorse the resolution.

Motion: Claudia Smith moves, Tim Higgins second, that Diocesan Council endorses the resolution. Approved.

Employee benefits: ACA and TEC Denominational Health Plan (DHP) will supersede local canons/laws.

One difference: Sharing of premium costs. We pay no less than 90% of premium costs. For a half time employee, we would pay 50% of 90% of the premium. ACA's definition of full-time at 75%. That would impact congregations.

Going forward anyone at 75% or more will be treated differently in the future...as a full-time employee. We can't discriminate between employees with gradations above that.

At some point we will need to change the Canons to comply but at this point, without all the information in, we are not prepared to suggest what changes will be.

Churches will have to certify hours actually worked by employees.

Bishop's Report:

Claudia Smith is about to go on sabbatical from St. Francis, Blue Hill

Rita Steadman is back from sabbatical at St. John's, Bangor

Larry Weeks is about to return from sabbatical to Trinity, Portland

Tim Higgins is back from sabbatical at St. Ann's, Windham

Bill Blaine Wallace - started at All Saints, Skowhegan

Carolyn Eklund - Nov. 1 - St. Paul's, Brunswick

Dan Warren - started at St. Michael's, Auburn

Congregational Life: Hard to answer the question: "How is the diocese doing?" It depends on where you are.

Two new buildings St. Brendan's, Deer Isle

St. Mary's, Falmouth

Capital campaign at St. Ann's, Windham

St. Stephen's, Waterboro, is beginning the process of closing. They are talking with St. George's, Sanford, which is the closest Maine congregation. Other members are closer to churches in New Hampshire.

Christ Church, Biddeford, is stalled in the process of transferring property to the Biddeford Housing Authority. It will not be closed by Convention.

St. Matthias, Richmond, has been deconsecrated and turned over to the town of Richmond.

St. Aidan's, Machias, Dick Gilchrist will retire and they will likely join forces with Christ Church, Eastport, now that Lynn Rutledge has been ordained to the priesthood.

Christ Church, Norway, and the Lutheran congregation have now had one meeting of the join calling committee. They will proceed once Vicki Wiederkehr returns from sabbatical.

Church of our Father, Hulls Cove is doing their self-study.

St. Dunstan's, Ellsworth, is in search for a part-time rector.

The Rev. Caroline Hines is the transition minister at St. Mary and St. Jude, Northeast Harbor. They will do a shortlist process.

Aroostook Cluster: They are considering a number of plans for the future developed by the Bishop's office. The Cluster has set deadlines for itself.

The Kennebec 5 continues to meet. Five congregations are in very different places so it is a very complicated conversation. Lisa Meeder Turnbull, who has been the convener, is moving to Cincinnati. (This will also impact stewardship efforts.) Michael Ambler has agreed to lead the K5 process and that transition is ongoing.

New conversation emerging between St. Luke's, Wilton; St. Barnabas', Rumford; and Good Shepherd, Rangeley. Tim Parsons has announced his retirement. Important conversation in a remote part of the Diocese. Vestries will gather soon after many clergy/wardens discussions.

1. There is good spirit. People don't always like these conversations but recognize they need to happen.
2. Change is hard. Everyone's reference point is their own congregation and their loyalty to it. However, the conversations are still on-going.

Staff Restructuring - Jane Hartwell started her new position as missionary on Tuesday and Teresa Pinney, the new staff assistant, also started this week.

Vicki Wiederkehr is on sabbatical until September 15.

Shirley Bowen is on a terminal sabbatical until December 31.

Three employees will continue their work until December 31. Jan Lewis and Sherry Sivret in the youth ministries. Mary Lee Wile of the Deacon Formation Program.

Elizabeth Ring retired after 26 years and maintained a great spirit upon leaving. Pam McLellan has started at a better position.

We have had to give up someone answering the telephone. The Bishop urges Council members to be in touch if they have concerns.

Holy Conversations work is progressing across the Diocese at a various pace depending on the place. Some places are really excited, St. Paul's, Brunswick, Grace Church, Bath, and St. David's, Kennebunk, for example.

It will go well beyond 2013 in some places.

The Holy Conversations website has not become a forum for gathering data and wisdom. Not sure if people don't have things to say or feel they have the authority to say it about the conversations in their congregation. The WebEx conversations have been well-attended.

Sabbatical -The Bishop will be on sabbatical from December 15, 2013 to April 15, 2014. He will study missiology, will meet with the author, Dwight Zschiele, and visit the Diocese of Minnesota and its bishop, Brian Prior.

Pre-Convention Hearings -

All Council elections this year will be clergy for a two-year term. Anyone who is present from an area congregation is eligible to vote, not only convention delegates.

Guidelines for elections will be shared with each convener.

Nominations are open until October 1.

Resolutions and Finance Committee representatives will attend each meeting.

Proposed 2014 Budget to be presented to Diocesan Convention:

Presented by Finance Committee so no motion or second is needed. Approved.

MDG Funding: Two proposals: One to support St. George's, Baghdad and another to support Al Alhi Gaza Hospital.

Guidance from the Presiding Bishop: To be used for causes to relieve extreme poverty beyond our shores.

David Wells moves, Claudia Smith second, to provide \$6,500 to each organization. Approved 10-8.

Other Business: Thank you to outgoing members Judy Burleigh, David Wells, George Sheats, and Brenda Hamilton.

There was a unanimous vote of thanks to E. Ring: "We express our thanks to Elizabeth Ring for her many years of dedicated service and wish her well in her retirement." The Bishop's office will pass that message along.

David Wells requested that all the reports be available sooner on Basecamp. The Bishop noted that reports are sent in late, and said that we'll try to get them sooner.