

**Minutes of the
Executive Council Meeting of the Episcopal Diocese of San Diego (EDSD)
Held July 15, 2017**

This meeting of the Diocesan Executive Council (EC) was called to order by Ms. Judy Cater, 1st Vice President, at 8:05 a.m. July 15, 2017.

Place: Christ Church, Coronado

Members Present: Ms. Judy Cater, 1st Vice President
Ms. Pat Carson
Ms. Martha Curatolo
Mr. Chuck Dick, Chancellor
Rev. Joe Dirbas
Ms. Terry Farrelly
Mr. Rom Ituarte, 2nd Vice President
Ms. Gail Jones
Ms. Verdery Kassebaum
Mr. Darryl Peralta, Secretary
Rev. Pam Rieger
Mr. Jim Stiven, Standing Committee (SC) President
Rev. Tom Wilson
Canon Julie Young, Treasurer

Members Absent: Ms. Judy Brown
Ms. Susan Hulbert
Rev. Jeff Martinhauk
Dr. Michael Reichle
Rev. Canon Allisyn Thomas, Assistant Secretary
Rev. Timothy True

Others Present: Rev. Canon Nancy Holland, Canon to the Ordinary

Welcome: The Rev. Ann Bridges, Rector of Christ Church Coronado, warmly greeted EC members and invited all to taste the complementary food and drinks that was so graciously provided. This meeting convened an hour earlier than normal, which required an even earlier arrival for Rev. Bridges and Facilities Manager, Mr. Dan Tugend. The EC deeply appreciates their efforts to provide the best of hospitality despite the early hour. Thank you Christ Church, Coronado!

Opening Reflection/Prayer: Mr. Darryl Peralta provided a brief personal story as an opening reflection. The story illustrated that blessings can flow out of your obedience to the leadings of the spirit even in the most common of circumstances. God is indeed good all of the time!

Book Selection, *Switch* (Chap. 10 – 11): Ms. Judy Cater, 1st Vice President led a short discussion on the final chapters of this book. Some thoughts expressed during the discussion included:

- Us versus Them and other identity conflicts are signs of progress in changing behaviors
- Peer perceptions and challenging Group Think are ways to change behavior
- Making free space for reformers can induce change that is evolutionary rather than revolutionary.

The discussion ended with the EC 1st Vice President and other members thanking The Rev. Canon Nancy Holland for her efforts in making the book selection discussion of each meeting an enlightening experience for all EC members. These discussions will restart with the initial EC meeting of 2018.

Consent Agenda: The Rev. Tom Wilson requested that the Minutes of the EC Meeting of June 3, 2017 be removed from the Consent Agenda. The EC 1st Vice President granted his request and subsequently it was moved (Ms. Carson) and seconded (Mr. Ituarte) that the Consent Agenda as modified be passed. The motion was passed and the below actions were approved:

- Committee Reports:
 - Advocacy Team Minutes of June 25, 2017
 - Finance Committee Minutes of May 25, 2017
 - Formation Team Minutes of June 16, 2017
 - Property Committee Meeting of May 23, 2017
- Canon to the Ordinary Report
- Resolution 2017-07-01: Acceptance of Audit Report

**RESOLUTION 2017-07-01
RECOMMENDED BY AUDIT COMMITTEE**

Resolved: That the Executive Council of The Episcopal Diocese of San Diego accept the 2016 audited financial statements prepared by Moss Adams LLP.

- Resolution 2017-07-02: Housing Allowance for Katharine Jefferts Schori

RESOLUTION 2017-07-02

WHEREAS, section 107 of the Internal Revenue Code permits a minister to exclude from gross income a church-designated allowance paid to him or her as part of his or her compensation for services as a minister, to the extent used by him or her for actual expenses in owning or renting a home; therefore, it is hereby

RESOLVED, that the compensation for 2017 for the clergy person listed below be designated, all or in part as indicated by amount in the listing, to be an allowance for providing a home for himself/herself and his/her family, pursuant to section 107 of the Internal Revenue Code; and it is further

RESOLVED, that the amounts designated as housing allowance shall apply to calendar year 2017 and all future years unless amended by the Board of Directors.

The Right Reverend Katharine Jefferts Schori	\$40,000
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- Resolution 2017-07-04: Repurposing Hispanic Ministry Funds

**RESOLUTION 2017--07-04
Repurposing Hispanic Ministry Funds**

Be it resolved that the executive council allocate up to \$60,000 for Hispanic/Latino ministry development grants not to exceed \$25,000 each from funds earmarked in the 2017 budget to hire a Latino missionary.

Upon recognition by the 1st Vice President, The Rev. Tom Wilson stated that the ministry Vida Joven is misspelled in the text of Resolution 2017-06-03, which is shown on Page 4 of the EC Meeting Minutes of June 3, 2017. A motion to approve these minutes as corrected was made (Ms. Kassebaum), seconded (Rev. Dirbas), and passed by voice vote.

The Rt. Rev. Katharine Jefferts Schori Letter of Agreement: Mr. Jim Stiven, SC President, was called upon to briefly summarize the Assisting Bishop Letter of Agreement being presented to the EC for approval. The essence of his remarks included:

- EC approval is required because the letter establishes an annual salary for the position of Assisting Bishop
- The agreement outlines the division of responsibilities between the Assisting Bishop and the Standing Committee to include:
 - Time be spent performing Assisting Bishop duties
 - The number of Sundays the Assisting Bishop spends in the Diocese each month
 - Methodology for the accounting of travel, lodging and other ancillary costs
 - Establishment of an annual salary
- The letter's contents will be reviewed periodically to ensure its requirements remain fair to all involved parties.

Mr. Stiven concluded his remarks by stating the SC remains committed to transparency in its actions, to moving the Diocese forward yet maintain continuity in purpose and operations during the transition period, and providing advice and consent support for diocesan governing organizations when deemed appropriate or necessary.

A motion to approve the The Rt. Rev. Katharine Jefferts Schori Letter of Agreement with EDSD was made (Rev. Wilson), seconded (Ms. Kassebaum), and passed by voice vote. Subsequently, the letter was signed by the EC 1st and 2nd Vice Presidents in the spaces provided for in the document.

Advocacy Report: The Rev. Pam Rieger provided a report on her impressions gained while attending a diversity training seminar conducted by Visions, Inc. in Oakland, California. Specific points she made included:

- Forty (40) persons attended the seminar, she was the only participant associated with a Church denomination
- Much of the content is focused on understanding and changing long-term generational behavior i.e. how we view people from other nations
- Many behavioral change concepts contained in the book *Switch* were discussed in the seminar
- Small group sessions were introspective, very personal, and life changing in Rev. Rieger's case
- Because of its cost, she recommends that Diversity Training initially begin with members of EDSD staff and other governing body members.

She ended the discussion by stating that her research prior to attending the seminar revealed that other dioceses have sponsored similar workshops, numerous EDSD staff and clergy have attended previous Visions Inc. seminars, and that all data gathered thus far indicate that this type of training has produced positive results.

It should be noted that funding for the initial EDSD diversity training effort is contained as a line item in the preliminary 2018 Budget.

Budget 2018: The EC efforts to assist in the generation of the 2018 Budget began with a Budget Prioritization Exercise. As explained by Canon Julie Young, the purpose of the exercise was to gather EC member feelings regarding whether budget amounts and the relative weighting between items in the initial budget draft were appropriate. Prior to the start of the exercise, Canon Young and the Rev. Canon Nancy Holland, Canon to the Ordinary, explained what was covered in the initial fourteen (14) budget amounts presented.

The EC membership then was given time to express their thoughts by indicating a no change, increase, or decrease vote for each budget item amount. Upon completion, Canon Julie Young summarized the results to ensure she understood the reasons for the trends she perceived. The session ended with an assurance that the results of the exercise will be used to generate a second draft of the 2018 Budget, which is the next step in the budget development process.

Resolutions:

- Resolution 2017-07-03: St. John's Chula Vista Loan

**RESOLUTION 2017--07-03
St. John's Chula Vista Loan**

Resolved: That the Executive Council of The Diocese of San Diego authorize an additional \$300,000 loan to St. John's Episcopal Church, Chula Vista bringing the total 2017 loan authorization to \$950,000.

Interest will accrue at 5% per year. The diocese will not take title to the property at this time.

In response to the 1st Vice President's call, a motion to accept this resolution was made (Rev. Dirbas), seconded (Ms. Carson), and passed by voice vote.

Treasurer's Report: The Canon Julie Young, Treasurer, report was most brief since she had nothing new to report other than generation of the initial 2018 Budget. She stated that EDSD's financial performance year to date remains most positive with no problems foreseen in the near future.

Other Business: The EC 1st Vice President took this opportunity to recognize and congratulate Mr. Chuck Dick for his many years of dedicated service as Diocesan Chancellor. Mr. Dick thanked EC members and said that his work with EC and its predecessor groups over the years has proved to be a challenging and mind expanding experience. As a result, he believed that he has benefitted more from the experience than the organizations he sought to serve. Chancellor Dick, your wise and measured advice will be most missed as we face the continuing challenges of being "the Church" in the 21st Century!

Closing Prayer/Adjournment: Mr. Darryl Peralta closed the EC meeting with the prayer "for the Diocese" (BCP Page 817). The meeting adjourned at 10:12 a.m. July 15, 2017.

Submitted:

Approved:

Mr. Darryl E. Peralta
Secretary of Convention

Ms. Judy Cater
1st Vice President