

**Minutes of the
Executive Council Meeting of the Episcopal Diocese of San Diego (EDSD)
Held September 9, 2017**

This meeting of the Diocesan Executive Council (EC) was called to order by Ms. Judy Cater, 1st Vice President, at 9:03 a.m. September 9, 2017.

Place: St. John's, Fallbrook

Members Present: Rt. Rev. Katharine Jefferts Schori, Assisting Bishop
Ms. Judy Brown
Ms. Judy Cater, 1st Vice President
Ms. Pat Carson
Ms. Martha Curatolo
Rev. Joe Dirbas
Ms. Terry Farrelly
Ms. Susan Hulbert
Mr. Rom Ituarte, 2nd Vice President
Ms. Gail Jones
Ms. Verdery Kassebaum
Rev. Gwynn Lynch, Standing Committee (SC) President (Designate)
Rev. Jeff Martinhauk
Mr. Darryl Peralta, Secretary
Dr. Michael Reichle
Rev. Pam Rieger
Rev. Timothy True
Rev. Tom Wilson
Canon Julie Young, Treasurer

Members Absent: Mr. David Bagley, Chancellor
Mr. Jim Stiven, SC President
Rev. Canon Allisyn Thomas, Assistant Secretary

Others Present: Rev. Canon Nancy Holland, Canon to the Ordinary
Ms. Lisa Dumolt, RefugeeNet Representative

Welcome: The Rev. Leland Jones', Rector of St. John's, Fallbrook, welcoming remarks included a snapshot of the church's history. That history spans 126 years of effort and is the reason why St. John's is much loved in the community. Fr. Leland, you have every right to be not only proud of a Church that has been serving the needs of Fallbrook since 1891, but also of its present efforts to fulfill needs such as:

- Programs that steer youth away from the influence of local gangs
- Providing a Thrift Shop to serve those around you who are less fortunate
- And, promoting attendance at local schools by providing backpacks filled with school supplies for young people who otherwise would not have them.

We are sure that St. John's long history of service to its neighbors is in good hands because today's congregation is contributing to that legacy on a daily basis. The EC would especially like to thank parishioners Ms. Diana Barrows and Ms. Gail Jones for being such gracious hosts during this meeting, which included making homemade orange juice and muffins.

Opening Prayer: The Rt. Rev. Katharine Jefferts Schori, Assistant Bishop, opened the meeting with a prayer for all those who dedicate themselves to being good neighbors and for the lifting up of those

brothers and sisters in the world who are in danger due to weather or political strife. The bishop ended her prayer by asking that the Lord please “equip us to serve your people.” Amen.

Transition Report: Rev. Gwynn Lynch’s remarks concerning the transition progress centered on actions focused on recruiting and electing the next diocesan bishop. Specific items she covered included the:

- Name and background of the 18 individuals (9 clergy, 9 lay) who will serve on the Nominating Committee
- General timeline established for the selection process (currently ends in early Summer 2019)
- Status of the transition period budget.

She ended her remarks by stating that more definitive information concerning the Nominating Committee membership and tasking will be released on Monday, September 11, 2017.

Consent Agenda: It was moved (Ms. Carson) and seconded (Dr. Reichle) that the Consent Agenda be passed. The motion was passed and the below actions were approved:

- EC Meeting Minutes of July 15 and August 3, 2017
- Committee Reports:
 - Advocacy Team Minutes of September 5, 2017
 - Development Committee Notes of July 12 and August 10, 2017
 - Finance Committee Minutes of June 22, 2017
 - Formation Team Minutes of August 11, 2017
 - Investment Committee Minutes of October 20, 2016; January 19 and April 20, 2017
 - Property Committee Meeting of June 27 and July 25, 2017.
- Canon to the Ordinary Report
- Resolution 2017-09-01: St. Timothy’s Lease Extension

RESOLUTION 2017-02-01
Authorize St. Timothy’s Lease Extension with Nobel Learning Center

Resolved: That the Executive Council of The Diocese authorizes a 10 year extension of the Nobel Learning Center Lease starting August 2018 for a starting rent of \$8,200 per month and a 2 % increase per year or the CPI increase is whichever is less.

Executive Council further authorizes that Julie Young, Treasurer and/or Darryl Peralta, Secretary sign the amendment to the lease.

RufugeeNet Presentation: This presentation was given by Ms. Lisa Dumolt, a longtime volunteer and supporter of RefugeeNet. Based upon the handouts she brought and her own statements, the subject of refugee care is complex, filled with erroneous information and wrong associations by the public, and vast in scope in terms of needs. This subject’s greatest challenge she stated was educating the public, which is the reason for her visit to the EC today. Some of the key concepts and facts contained in her presentation included:

- Refugees are people who have fled from their home country and cannot return because of a well-founded fear of persecution based on religion, race, political opinion, nationality, etc.
- Refugees are initially interred in camps located in nearby countries, integration of these refugees into the countries they have fled to is usually not desired by either the refugee or the host country.
- The average refugee lives in a camp for 17 years before being selected for 3rd country resettlement
- Less than 1% of refugees are selected for resettlement. Each selectee must complete a rigorous 18 – 24 month vetting process prior to being allowed to relocate to another country

- San Diego County has four agencies tasked with funding and supporting the resettlement of over 100,000 refugees
- Most recently, highest number of refugee arrivals are from the Middle East
- RefugeeNet's goal is to help refugees in San Diego become self-sustaining and productive members of society
- RefugeeNet's primary focus is on refugees who are no longer eligible for assistance from federally-funded Resettlement Agencies or on the gaps in agency assistance programs.

Ms. Dumolt completed her presentation with an appeal for volunteer help followed by a short Q&A session. The EC has gained further insight into the plight and challenges our refugees face and has pledged its assistance in disseminating information about refugees and refugee assistance programs throughout the diocese.

Budget 2018 Review: Discussion for this part of the agenda was led by Canon Julie Young, Treasurer. While she attempted to provide a comprehensive brief of the highlights of the EDSD 2018 Budget, the thrust of the presentation moved to the subject of property maintenance funding. More specifically, the difficulty of the Property Committee to clearly identify which requests should have priority for funding. As explained by Rev. Tom Wilson, this proves even more difficult when there are insufficient funds to satisfy all requests and identified needs. Blend in factors such as safety of life issues, parish and diocese having differences of opinion as to what is the priority need, the growing practice of deferring needed repairs in smaller less wealthy congregations, and the lack of comprehensive accountability measures all combine to make this an issue of growing importance. While this issue is not a matter that can be resolved solely by budget actions, Canon Young pledged that every consideration will be made during the budget preparation and implementation phases to provide the resources needed to reduce the number of deferred property repair and upkeep requirements.

Common Life Share Plus Exercise: The Rev. Canon Nancy Holland stated that recent events have revealed new insights into this topic that need to be fully explored. As a result, she asked that this topic be tabled until the next EC Meeting.

Bishop's Report: Bishop Schori's report was given with enthusiasm and gave all the impression that our Assistant Bishop has hit the deck running. Specific activities she has accomplished during the 3 weeks she has been in the diocese included:

- Completed visitations to churches in Idyllwild and Escondido, St. Paul's Cathedral is next
- Attended a briefing on the School for Ministry
- Made efforts to connect with retired bishops who have remained in the area
- Working to eventually enable engagement with the United Methodist Church

She ended the discussion by describing her planned activities for October to include visitations, an effort to meet clergy serving desert communities, and attending a Cursillo Closura, something she has not attended in a long time.

Upon completion of her report, Ms. Judy Cater, 1st Vice President, informed us that Bishop Schori's picture will be on the cover of Time Magazine. Ms. Cater stated that Time Magazine considers her one of the top 50 most influential women in the world. Welcome aboard Bishop Schori!

Treasurer's Report: Canon Julie Young's, Treasurer, report was again brief and most positive. Key budget item variances remain on the plus side and work on the EDSD 2018 Budget is nearly complete. She anticipates that this budget will be presented to EC for passage at the next meeting.

Resolutions:

- Resolution 2017-09-02: St. John's Chula Vista Loan Terms

RESOLUTION 2017-09-02
St. John's Chula Vista Loan Terms

Resolved: That the Executive Council of The Diocese of San Diego enter into a loan agreement with St. John's Episcopal Church in Chula Vista with the following terms:

Interest will accrue at 5% per year for the total loan including monies loaned prior to this year. Accrued interest on the prior loan will be forgiven.

Interest only payments on the total loan will begin October 1, 2017. Beginning January 2018, loan will be fully amortized over twelve years.

Executive Council further authorizes that the \$25,000 listing fee that is due in 2017 be paid from diocesan loan.

A motion to accept this resolution was made and seconded but subsequent discussion deemed it necessary to include some limits regarding the amount of the loan/s. A motion to amend the resolution to read That the Diocese of San Diego enter into a loan agreement with St. John's Episcopal Church in Chula Vista in the amount as authorized by the Executive Council and with the following was made (Dr. Reichie), seconded (Ms. Kassebaum), and passed. Subsequently, the resolution as amended was passed by voice vote.

- Resolution 2017-09-03: Budget Assumptions

RESOLUTION 2017-09-03: Endorse Key 2018 Budget Assumptions
Recommended by EDSD Finance Committee

Resolved: That the Executive Council of the Diocese of San Diego endorses the following budget assumptions for the 2018 budget:

- 4 % payout of investments based on 12 quarter average through second quarter 2017
- \$60,000 of Hispanic missionary 2017 budget to be rolled over to 2018
- Clergy Mentoring and capital campaign payout from 2017 to be combined with 2018 payout to allow for a \$15,000 clergy mentoring grant in 2018

Since the passing of this resolution was recommended by a body integral to the EC, the motion (Rev. Dirbas) to accept this resolution did not require a second and was passed by voice vote.

- Resolution 2017-09-04: Approval of the Sale of Santa Rosa Del Mar

RESOLUTION 2017-09-04
SALE OF SANTA ROSA DEL MAR PROPERTY IN DESERT SHORES
RECOMMENDED BY FINANCE COMMITTEE

Resolved: That the Executive Council of The Episcopal Diocese of San Diego authorize the sale of diocesan property located at 17, 20, 25, 27, 29 Monterey Avenue in Desert Shores with the following terms:

1. Purchase Price is \$100,000 (for all of the parcels)
2. Down Pmt: \$30,000 down payment
3. Financing: Buyer requesting Seller to finance \$70,000, 5% interest for 10 year term, due in 5 years

4. Contingency period to be 17 days
5. Close of Escrow to be 21 days after acceptance

Since the passing of this resolution was recommended by a body integral to the EC, the motion (Rev. Dirbas) to accept this resolution did not require a second and was passed by voice vote.

Prior to the vote, Canon Julie Young provided the EC with a synopsis of the circumstances surrounding the sale of this property. During that discussion, the Rev. Tom Wilson requested that the proceeds of this sale be earmarked for use by the Property Committee to defray the cost of outstanding property upkeep requirements. His request was positively received but action to amend this resolution was tabled pending completion of the sale and the receipt of monies.

- Resolution 2017-09-05: Executive Council Election of Officers

**RESOLUTION 2017-09-05
Election of Officers of Executive Council**

Resolved: That the Executive Council of The Diocese of San Diego change the date for electing its vice presidents from December of the preceding year to September/October of the preceding year, with the election of the vice presidents subject to ratification by the full board in December (i.e., after convention) when any newly elected directors have taken office. The secretary and treasurer will continue to be elected at convention.

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

- Convention Resolution 17-01: Bylaws Article VI The President

**RESOLUTION 17-01
THE EPISCOPAL DIOCESE OF SAN DIEGO
44th ANNUAL DIOCESAN CONVENTION, November 10-11, 2017**

Title: AMENDED RESTATED BYLAWS – Article VI The President

Proposed By: The Executive Council

Name, Address, Phone Number of Delegate: The Rev. Joe Dirbas, 1475 Catalina Blvd, San Diego, CA 92107, 619-223-6394; Ms. Judy Cater, 2386 Botella Place, Carlsbad, CA 92009, 619-823-7773

Date: August 4, 2017

BE IT RESOLVED, that Article VI - The President, of the Amended Restated Bylaws of the Episcopal Diocese of San Diego, be amended as follows:

**ARTICLE VI
The President**

The President shall be the Bishop or, when the Ecclesiastical Authority is the Standing Committee, the President of the Standing Committee. The President, or in the President's absence, the First Vice President, or in the absence of both the President and the first Vice President, then the Second Vice President shall:

1. Preside over all the meetings of the Board, unless the President, although present, elects to delegate this duty to either of the Vice Presidents.
2. Call special meetings of the Directors whenever the President may deem it necessary, or whenever requested to do so by two members of the Board.
3. The President shall, with the Secretary, sign and acknowledge all instruments affecting real property made by the order of the Board. In their absence, the Treasurer or Assistant Secretary may also sign with prior authorization from the Board.
4. The President shall be one of the signatories authorized to sign checks for money drawn upon the Corporation by order of the Board.
5. The President shall vote, represent, and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this Corporation.
6. The President shall discharge such other duties for and on behalf of the Board as the Board may authorize.

After a short explanation by The Rev. Canon Nancy Holland, which provided context for why this resolution is needed, a motion was made asking that the EC submit this resolution for passage during the 44th Diocesan Convention. This motion was seconded and passed.

Other Business: The Rev. Canon Nancy Holland, Canon to the Ordinary, took just a few moments to amend her report (contained in the Consent Agenda) to inform EC members of the following:

- Rev. Canon Allisyn Thomas duties will soon include a 25% allocation of her time, which will be used to serve the needs of the parish at All Souls' Episcopal Church
- Canon Julie Young and Ms. Bobbi Hoff, key staff members, have stated that they are planning to retire within the next year.

Closing Prayer/Adjournment: Bishop Schori closed the meeting with prayer. The EC Meeting adjourned at 11:07 a.m. September 9, 2017.

Submitted:

Approved:

Mr. Darryl E. Peralta
Secretary of Convention

Ms. Judy Cater
1st Vice President