



The Episcopal Church in the San Francisco Bay Area

Executive Council Agenda - provisional
Tuesday, July 17, 2018
4:30 PM to 6:30 PM
Grace Cathedral - Wilsey A/B Conference Rooms

Toll-free Conference Call-In Number: [866-572-8315](tel:866-572-8315)
Conference Code: [9313086845](tel:9313086845)

Snacks provided by: D. Frangquist

- 4:30 PM Call to Order and Opening Prayer (S. Whitaker)
- 4:35 PM Approval of
- Meeting Agenda
 - Minutes of June 19, 2018
- 4:40 PM Report on ministry of Oasis (Tom Jackson)
- 4:55 PM Bishop's Time
- 5:10 PM Finance Report (Bob McCaskill)
- 5:20 PM Chancellor's Report
- 5:35 PM Break
- 5:45 PM St. Johns preschool (EC Subcommittee)
- 6:00 PM Discussion of *Agile Church*: chapter 4 (Canon Abbott Bailey)
- 6:15 PM Capital Campaign update (Davey Gerhard)
- 6:20 PM Deanery Reports
- 6:25 PM Talking Points for the month
- 6:30 PM Closing Prayer (M. Trezevant) and Adjournment

Next meeting: Tuesday, August 21, 2018



Executive Council Minutes
June 19, 2018
Grace Cathedral - Wilsey A/B Conference Rooms

The Rev. Deborah Hawkins, Chair of Executive Council (EC) called the meeting to order at 4:33pm. The Rev. Deborah Hawkins offered the opening prayer. Snack Providers: Debbie Low-Skinner, Robyn Amos.

Attendance: *p=present, a=absent, t=telephone*

Officers:

The Rt. Rev. Marc Handley Andrus **a**
Bishop and President
The Rev. Deborah Hawkins **p**
Chair
Lane Ringlee **p**
Vice Chair
The Rev. Matthew Woodward **p**
Secretary

Ex-Officio Members:

David Frangquist **p**
Secretary of Convention
Robert McCaskill **p**
Treasurer of the Diocese

Other Attendees:

Christopher Hayes, Esq. **p**
Chancellor of the Diocese
Dorothy Tsuruda **t**
Standing Committee Representative
Mary Louise Gotthold **p**
Recording Secretary

Class of 2018:

Wendy Olson **p**
Bruce Morrow **p**
Scott Whitaker **p**
Robert Middleton **p**

Class of 2019:

Ronald C. Johnson **p**
Jim Wiant **t**
The Rev. Margaret Trezevant **p**
Scott Buckingham **a**
Susan MacKenzie **p**

Diocesan Staff:

Canon Abbott Bailey **p**
Canon to the Ordinary
Tom Ferguson **p**
CFO
Stephanie Martin-Taylor **a**
Working Group Head for Communications
Davey Gerhard **a**
Director of Development
Amy Cook **a**
Working Group Head for Faith Formation
Jennifer Seaman **a**
Bishop's Assistant

Class of 2020:

The Rev. Jane Stratford **p**
The Rev. Debra Low-Skinner **p**
Thomas LaFrance **p**
Charles Mader **a**
Patrick Andersen **p**

Bishop's Appointees:

Brad Barber **a**
Robyn Amos **p**
Miguel Bustos **p**

Guests:

Business:4:33pm **Agenda and Minutes**

- The Meeting Agenda was approved.
- The minutes of May 15, 2018 were accepted and approved as presented.

4:34pm **Finance Report and 2019 Diocesan Budget (Bob McCaskill)****Finance Report**

- **The income statement**
 - Year to date to May 31st there was a small surplus. Although we expect to see deficits later in the year due to the ESC legal expenses.
- **Line of Credit Report**
 - No significant issues from this report to discuss.
- **The Ageing report**
 - St Michael and All Angels and St John's Crediton are the only parishes in arrears, but apart from that it is a very clean report.

Budget

- The Budget process was explained by Bob McCaskill. The program and budget committee having approved a budget, it was passed to the Finance Committee and approved last week. Then the Executive Council approve the budget, and it will be passed to the Deaneries. Finally it is brought to convention in October where it is adopted for the next year.
- This is a very similar budget to the prior years. The main increases are COLA increases for staff and health insurance costs.
- The budget balances with a surplus of \$2800.
- Margaret Trezevant asked why diocesan assessment revenue was increasing by four percent for 2019. Tom responded that the assessment is calculated on congregational operating expense for the year two years preceding the budget year, and that congregational operating expense grew in 2017. Tom noted that this system exempts from assessment all congregational revenues received in excess of operating expenses, allowing congregations to save for capital expenditures and endowment without those revenues being assessed.
- Debbie Low-Skinner asked why the provincial assessment paid by the Diocese was reduced. Tom responded that, as noted in his cover memo, the provincial assessment is voluntary. The Diocese has been the highest contributing diocese in the province and is lowering its contribution to be in line with what other diocese are contributing.
- Lane Ringlee asked a question about the Executive Council expenses. Tom responded that we have expenses in parking, a meal once a year and our retreat.
- David Frangquist asked a question about not seeing previous year's actuals during the budget setting process. Tom responded that both program and budget and finance committee see actuals, but when it is brought here some of those details are left out for wider distribution. Details can be provided on request.

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- Patrick Anderson asked questions about 2 communications expense lines. The Communications Program Expense and Communications Expense. Tom Responded that the communications program expense are items Stephanie spends through the year. The Communications expense are to do with the costs of the services we purchase, such as our web site.
- The budget was proposed by Lane Ringlee, seconded and approved unanimously.

4:49pm

Diocesan House Staff (Canon Abbott Bailey)

- Brentwood Project in Contra Costa Deanery.
 - \$75,000 was released by the EC a few months ago to explore ministry options on that property. This project is intertwined with St George's and St Albans' - Jeremy Clark-King was contracted to undertake consultancy work on this project. Firstly, to work with Jill Honodel at St Alban's and St Georges on the redevelopment of that community. As well as the development possibilities on the Brentwood Site. These two communities have begun worshipping together, and they have begun meeting as Bishops' Committees together. They are exploring how to be an episcopal presence in that location. They are contemplating merging in a more formal way, Christopher Hayes, Abbot Bailey and Bishop Marc will engage with them on that question. The idea of a traditional church plant on Brentwood happening at the same time as this work was creating a pull on this project of merging two parishes.
 - So we decided to change the approach to the Brentwood property. A two pronged phase has been proposed. Firstly, could short term rental options be possible on that site. Secondly, in a longer term phase, what could be possible on this site. The property will be valued in order to help make the best decision about long term uses of this site.
 - We hope to have further updates on this early in the fall.
- A number of parishes are thinking of ways to use their properties creatively to generate income. Essential housing is a subject that has been discussed as a possibility. DCG and Episcopal Impact Fund have engaged in these conversations. DCG look at possible development options including all legal research. A memorandum of understanding has now been entered into by DCG, EIF and the Diocese. This is a soft agreement which says that the Diocese will direct parishes towards DCG if they are interested in this kind of development. There are 5-6 congregations who are interested in this kind of project.
- Some mission congregations are engaged in substantial projects with either their projects, or restructuring their budgets. 2 missions and 1 parish are engaged in processes of this kind. The Congregational Development Committee has usually had oversight of processes like this, but it has not been meeting recently. Abbott noted that this committee needs to be reconstituted and could be discussed in the fullness of time. But as an interim measure these projects would be brought to the Executive Council in order to get approval.
- St John's in Clayton sold property in December 2017. They have been discerning what possibilities there might be for ministry redevelopment there. There is a very high need for pre-school places in Contra Costa County. They

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could use some of their hall. St John's is linked to St Michael and All Angels - which has a successful pre-school. They want to draw on the experience of this established pre-school to help them set up their own pre-school. They have asked for a release of their funds in order to develop and pursue licensing for this pre-school. They would like to have \$143,000 released for this purpose which requires our approval. The pre-school will be their own, and not contracted out. They want to start this fall so time is of the essence. Bruce Morrow asked if they had done a cost benefit analysis. Canon Bailey answered that they had. They want to start with 15 children but are looking for licensing up to 60 children at any one time. 15 is the minimum viable number. At full capacity it will be a \$60k net income per year. Bruce Morrow requested sight of a business plan in order to approve the release of these expenses. Canon Bailey offered to distribute the business plan as provided by St John's. Tom Ferguson emphasized that this pre-school would be under the oversight of an experienced pre-school at St Michael and All Angels. We will postpone discussion of this issue further until we have seen the document provided by St John's. Dave Frangquist did not believe that we could analyse the numbers in this meeting but felt it important that we see evidence that their background work has been done.

- Amy Cooke, the working group head for Christian Formation, and Canon Abbot Bailey as working group head for Congregational Development have both started touring deaneries, for a listening exercise in how their working groups can support parishes.

5:24 pm **Chancellor's Report (Christopher Hayes):**

- Executive session was entered into at 5:25pm. Executive session ended at 5:30pm
- The Chancellor asked the council to approve the settlement agreement between *Hodges* and *St Dorothy's Rest*. It was proposed by Lane Ringlee, seconded and approved unanimously.
- The Chancellor drew the attention of the EC to a chart of license agreements for mission's in the diocese. The Chancellor proposed the following Resolution:

Resolved, pursuant to Canon 19.01, that the Executive Council hereby consents to the license agreements by The Episcopal Bishop of California, a Corporation Sole, with the following major terms, with all other terms to be subject to the approval of the Chancellor:

1. Good Shepherd, Berkeley, with Iglesia Ortodoxa Catolica de America, from August 1, 2018 to July 31, 2019, monthly license fee of \$1,000.00 for use of sanctuary and office space, deposit \$500.00, and renewable for one-year terms by mutual agreement.
2. St. Bartholomew's, Livermore, with Room to Grow Preschool, from July 1, 2018 to June 30, 2019, monthly license fee of \$1,250.00 for exclusive use of classrooms and adjacent fenced outdoor play area plus shared use of

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kitchen, lounge, restrooms, and hallways, deposit \$1,000.00, renewable for one-year terms with monthly license fee to increase by \$75.00 upon each renewal.

3. St. Cuthbert's, Oakland, with Las Semillitas Preschool, from July 1, 2018 to June 30, 2021, monthly license fee of \$2,900.00 plus utilities, deposit to be determined, for use of parish hall on weekdays, including supplemental exclusive and shared use areas, with two-year extension by mutual agreement.

- This resolution was proposed by David Frangquist, seconded and was approved unanimously.
- There is a discussion on the Finance Committee which is incomplete, but Christopher wishes to raise it with us today. Other Diocese have policies of minimum insurance coverage. What we have traditionally done is to have all churches insured by Church insurance. Church insurance has changed its property umbrella coverage. St Luke's San Francisco have shifted to Church Mutual, they did so without the prior approval of the Finance Committee. Additional information has been submitted, and will be submitted to the Finance Committee. Our finance committee will consider a canon change to bring us in line with other Diocese on this issue.

5:42 pm **Break**

5:54 pm **Return from Break**

5:54 pm **Changes to Canon 18.04 Assessment Appeals (David Frangquist)**

David moved that the EC be a sponsor of this canon change. This motion was seconded. This amendment changes the word "President" to "Chair." The motion was approved unanimously.

5:58 pm **Deanery Reports**

- Alameda - no report
 - Southern Alameda - no report
 - Marin - they had a meeting and talked about grant making. One thing they have been doing is spiritual reflection at the end. There has been a lot of participation in this.
 - Contra Costa - they will meet this Thursday.
 - Peninsula - Canon Bailey has met with the Peninsula Deanery and a follow up meeting is planned to discuss the future of the deanery and its leadership.
 - San Francisco - no report
- There may be a proposal for deaneries to meet twice a year as a canon change to the upcoming convention. A discussion continued about the number of deanery meetings that is meaningful during a year.

6:14 pm **St John's Episcopal Church Preschool Development, return to discussion.**

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- Canon Bailey appreciates the ECs due diligence on this subject and invited us to review the document.
- A discussion was undertaken on the basis of the document Canon Bailey provided.
- Two motions were proposed.
- First, The Executive Council approves the release of \$143,550 for capital improvements as cited in the proposal.
- This motion was adopted.
- Second, The chair will appoint a committee of up to 4 people to review a budget from the pre-school, with a business plan to be commended to the EC at its next meeting before approval of material changes to their operating budget is approved. The EC also requires that the Vicar cease as Bookkeeper for the church by the end of July, and that a budget for a bookkeeper be proposed to the July EC meeting.
- This motion was adopted.

7:03pm **Closing Prayer was offered by Thomas LaFrance and the meeting was adjourned.**

Respectfully submitted:

The Rev, Matthew Woodward
Secretary of Executive Council

Mary Louise Gotthold
Recording Secretary

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