

Executive Council Minutes

April 21, 2020

Meeting held over Zoom

Attendance: Present Absent Excused

Officers:

The Rt. Rev. Dr. Marc Handley Andrus Bishop and President **P**

The Rev. Jane Stratford Chair, Class of 2020 **P**

Richard Patenaude Vice Chair, Class of 2021 **P**

Mees Tielens Secretary, Class of 2021 **P**

Class of 2020:

The Rev. Debra Low-Skinner **P**

Aidan Jobe Sea **P**

Thomas LaFrance **P**

Charles Mader **P**

Patrick Anderson **P**

Class of 2021:

Bruce Morrow **P**

Eleanor Prugh **P**

Don Miller **P**

The Rev. Merry Chan Ong **P**

Class of 2022:

Marj Leeds **P**

The Rev. Ginger Strickland **P**

Tom Matthews **P**

Anna Haight **P**

Birgit Eschmann **P**

Bishop's Appointees:

Robyn Amos **P**

Miguel Bustos **A**

The Rev. Liz Tichenor **P**

Ex-officio members:

The Rev. Richard Edward Helmer Secretary of the Convention **P**

Brad Barber Treasurer of the Diocese **P**

Diocesan Staff:

The Rev. Canon Abbott Bailey Canon to the Ordinary **P**

Tom Ferguson CFO **P**

Stephanie Martin Taylor Working Group Head for Communication **A**

Other attendees:

Christopher Hayes, Esq. Chancellor of the Diocese **P**

Albe Larsen Standing Committee **P**

4:33 PM Call to Order and Opening Prayer (Richard Patenaude)**4:37 PM Approve Minutes 2/18 and 4/7**

February 18 and April 7 minutes approved as amended.

4:42 PM Norms (Richard Patenaude)

Richard reviews the norms about the importance of transparency.

4:44 PM Bishop's Time

The 50th anniversary of Earth Day is this week. The national Episcopal Church and our own diocese have both put together a series of events to celebrate. The Bishop remarks how heartening it is to see the many ways the people of the diocese care for God's earth.

COVID-19 updates and guidelines

Churches all across the diocese are serving more people, including people who do not regularly attend church. Grace Cathedral's Easter service was 'attended' by 5000, about double its normal attendance. The pandemic is bringing people together and the diocese commits to taking the lessons of the pandemic to heart and understanding our familial relationships differently now. We are anticipating a slow re-entry back to 'normal' life to prevent resurgence; the current policy is to not have in-person services until at least May 10.

The Rev. Matthew Dutton-Gillett has been placed on administrative leave from his role as rector of Trinity Church in Menlo Park and a Title 4 process (clergy discipline) has been opened. Title 4 is an in-church process that is reconciliatory rather than punitive in nature. It does not preclude the involvement of law enforcement. Canon Abbott adds that processes of clergy discipline are confidential, but any lessons or best practices around financial controls will be extracted and shared more widely. All questions are to be referred to Stephanie Martin Taylor.

5:08 PM Key Initiatives Update (DioCal Staff)

- Ministry in the time of pandemic

The COVID19 response team is still meeting 3x a week, as are various subteams, and developing and curating resources for the diocese.

5:09 PM Financial Reports (Tom Ferguson/Brad Barber)

The Finance Committee met on April 15. Brad Barber reports:

Income/expenditure report: there is currently a surplus of \$107,000, mainly due to extraordinary non-recurring items.

Aging and arrears report: this report does not show a marked increase of congregations that have fallen behind on payroll. The next report will be run on April 30th and we will know if there is a trend at that point.

The diocesan line of credit remains available as a resource for congregations and institutions (almost 9 million dollars available). The only significant change comes from Transfiguration, who as anticipated drew down the entire amount of their loan.

St Paul's Burlingame requested a \$360,000 loan to finance a necessary roof repair. The committee recommends the Council approve that loan request on the condition that a security interest is offered by the congregation to serve as a secondary source of repayment if necessary. Christopher Hayes was asked to work with the congregation on this matter.

St Augustine's Oakland requested \$50,000 in order to be able to improve the rectory. The Finance Committee recommends approval, subject to the satisfactory resolution of the ongoing discussion between the bishop and the leadership of St Augustine's.

The Bishop's Ranch requested a \$500,000 loan. The Ranch has lost the income summer camps would otherwise provide and will need cash to avoid layoffs and continue maintaining the property while there are no campers. The Ranch is likely in the queue to be funded through an SBA loan. They applied and were accepted but the funds ran out before they received payment. The Finance Committee is cognizant of the uncertain status of the SBA loan but does recommend approval of the LOC.

Bishop Marc moves that the Council approve St Paul's Burlingame's \$360,000 LOC application, contingent on a security interest or a satisfactory alternative. All vote in favor. Motion passes.

Bishop Marc moves that the Council approve St. Augustine's \$50,000 LOC application. All vote in favor. The motion passes.

Charles Mader moves that the Council approve the Bishop's Ranch's \$500,000 LOC application. All vote in favor. The motion passes.

The Diocese asked for a PPP loan through its bank of a maximum of \$376,000. It was unfortunately denied; only 25% of first-round applicants were approved.

There have been several proposals for the diocese around assessment relief: to change the formula, defer assessment, or forgive it altogether. The Diocesan Convention sets the assessment rate and formula and the Bishop or Executive Council do not have the authority to change the rate or amount assessed outside of the normal assessment relief process. Deferring or forgiving assessment wouldn't necessarily be advisable, as the diocese operates on a break-even budget as it is. Proactively reducing assessment across the board isn't advisable considering how congregations are affected differently by the pandemic. The possibility of recommending the convention reduce the assessment rate of 17% was raised but that would favor wealthier

congregations as less wealthy congregations pay 5%. The Finance Committee recommends keeping the existing assessment relief process in place and publicizing the process, including deadlines, widely, and taking care to grant assessment relief in an expeditious and equitable manner.

5:36 Break

5:44 PM Matters before Council

--Assessment Appeals Committee

Jane runs through the requirements for the composition of the assessment appeals committee (including the criterion of 2 members from congregations with below average income and two members from congregations with above average income. Tom F. will provide a list of congregations split by income to make identifying potential members easier).

The committee is small and will require some extra help given how likely it is that the number of appeals will go up. Debbie Low-Skinner is continuing as chair of the committee, Bruce and Richard are continuing their work on the committee, and Donald Miller and Tom Matthews are interested as well. The council will confirm the members of the committee at the May meeting.

--St. Dorothy's update

Waiting to hear whether SDR's PPP loan has been approved.

5:56 PM Chancellor's Time

In light of the pending Title 4 process, Christopher encourages all diocesan leadership to familiarize themselves with canon 1.7 on business methods. He recommends the Manual of Business Methods in Church Affairs (published by the national Episcopal Church and available on the national church's website) as it offers guidance on best practices, including financial controls.

6:01 PM Standing Committee Report (A. Larsen)

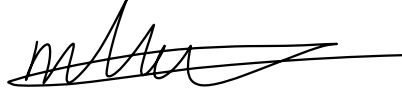
The Standing Committee met on April 2 to approve new bylaws for the School for Deacons and new trustees for the School. The Committee approved the election of the bishop of Minnesota and the ordination of 2 candidates to the diaconate and 1 candidate to the priesthood. 2 members of the Committee on Governance were also approved.

6:25 PM Deanery Reports

Virtual meetings scheduled for some deaneries; other deaneries have postponed meetings for the time being.

6:11 PM Closing Prayer (Thomas LaFrance) and meeting is adjourned

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mees Tielens', with a long horizontal flourish extending to the right.

Mees Tielens
Secretary of Executive Council