

**Diocesan Council**  
**May 4, 2006**  
**St. Stephen's, Edina**

Present: Bishop Jelinek; Gary Gleason, Secretary of Council

<b>Region 1:</b> Carole Johnson	<b>Region 6:</b> Rosemary Sobalvarro, Mark Kelm
<b>Region 2:</b> Susan Dusek, Margaret Thomas	<b>Region 7:</b> LeeAnne Watkins, Doug Rude
<b>Region 3:</b> Noel Rich	<b>Region 8:</b> Tom Eklo, Rex McKee
<b>Region 4:</b> Dottie Whipple, Paul Rider	<b>Region 9:</b> Stacy Abena, Andrew Waldo
<b>Region 5:</b> Pat Dibble, Doug Sparks	

**Guests:** Dan Swenson, Assisting Bishop; Irma Wyman, Archdeacon for the Diaconate; Canon Missioners Sandi Holmberg, Susan Moss, Steve Schaitberger, and Bronwyn Clark Skov; Marilyn Clinton, Chair, Personnel Committee; Karen Olson, Assistant Secretary of Council; Gordon Thomas, Director of Communications; Jim Pavlik, Principal Financial Officer; Malcolm McDonald, Trustee Representative; Susan Barksdale, recorder

**Executive Summary of May 4, 2006, meeting**  
*(Details in body of minutes)*

**Diocesan Council:**

Heard an update from Marilyn Clinton on evaluation process for Bishop Jelinek
Unanimously approved Resolution 2006-03 (attached), concerning a highway right of way on diocesan property in Mahnommen County.
Discussed aspects of a strategic health plan for the diocese, both in small groups and as a body.

This business meeting occurred after a day-and-a-half retreat, at which Council, Regional Deans, members of the Bishop's Advisory Committee, the co-chairs of the Commission on Ministry and Program Staff explored the concepts of Family Systems. Susan Pye-Brokaw was the presenter for these sessions.

The minutes for March 16, 2006, were accepted with several clarifications. The Finance/Audit Committee had agreed with the Triennial Budget Committee's recommendation for a one-year transitional budget and the continuation of the Apportionment for the Common (ACG) formula. However, it was noted that a stated recommendation to reduce the circuit breaker from 10% to 5% was *not* being implemented at this time, but simply taken under advisement.

**BISHOP'S EVALUATION: MARILYN CLINTON**

Marilyn reviewed the process that had been followed. In 2003, evaluation questionnaires were sent to staff. In 2004, they were sent to diocesan boards, commissions, and schools were contacted. Finally, in 2005, questionnaires were sent to all the clergy of the diocese.

The questionnaires included rating of leadership competencies, listing of major accomplishments, and listing of goals along with specific suggestions on how to accomplish them. Of the 178 questionnaire that were sent, 42 were completed and returned.

Marilyn summarized the results, noting that improvement was suggested in relationship and

leadership, encouraging collaborative behavior; church development, and clergy development and pastoral support. Marilyn said these were excellent responses and that they helped with the formulation of goals for 2006. In conclusion, Marilyn said that this bishop evaluation process is “cutting edge” and is being recognized by the national church. She noted that she has been receiving numerous requests from other dioceses about this process.

Stacy Abena thanked Marilyn on behalf of all of Council for her evaluation work.

#### **FINANCE REPORT: JIM PAVLIK**

**Jim summarized the financial information:** budgeted revenues through March 31 were \$622,517 and actual revenues were \$588,883, leaving a deficit of \$33,634. However, expenses during the first quarter were \$583,590 compared to a budget of \$622,516 even though Jim noted that there had been three payroll periods in March. For the first quarter of 2006, reduced expense levels have more than offset the less than budgeted revenue levels producing a small excess of \$5,294.

In the past, Jim added, the diocese has covered end-of-year deficits from endowment money. Effective with the end of 2005, however, all deficits will be carried forward. Expenditures in several departments are projected to be under budget for the year which will offset the deficits by the end of 2006 producing a balanced budget.

Jim read **Resolution 2006-03 (attached), concerning a highway right of way in Mahnomon County.** This resolution came to Council rather than the Trustees because the property in question is vested in the diocese; Malcolm McDonald noted that it was originally part of the former Diocese of Duluth and did not get transferred to the Trustees when that diocese merged back in to the Diocese of Minnesota. An Indian mission that was on this property is now closed, but there is still a cemetery there. Steve Schaitberger noted that the new road does not affect the cemetery proper. Andrew Waldo moved approval; second by Rex McKee; approved unanimously.

Jim reported that the **First Stop Committee has finished its work for 2006 on Apportionment for the Common Good adjustments.** A total of 13 congregations applied for adjustments; of these, 7 were approved for a total of \$62,301 in grants. Letters were sent to all congregations at the end of March. Stacy noted that the committee had endeavored to adhere as closely as possible to the written diocesan guidelines. Jim Pavlik added that there had been an in-depth discussion of each request. Malcolm added that the chair of the Trustees’ Loan Committee sits on the ACG committee to insure good coordination between the two groups. The financial report was accepted unanimously. The report for March 2006 was accepted as well.

#### **TRUSTEES UPDATE: MALCOLM McDONALD**

Malcolm reported that the closing on the sale of 1730 Clifton Place to Hunt Associates is proceeding and will be accomplished as soon as possible.

Malcolm said that the Trustees will welcome metro mission strategy as it applies to the acts of the Trustees. Malcolm added that the Trustees want to know what Council wants them to think about in regard to funds generated from sales of properties.

**STRATEGIC HEALTH PLAN FOR THE DIOCESE: BISHOP JELINEK AND CANON MISSIONERS SANDI HOLMBERG, SUSAN MOSS, STEVE SCHAITBERGER, AND BRONWYN CLARK SKOV**

This session began with the reading of portions of Bishop Jelinek's letter in regard to an assessment of the state of the diocese in terms of congregations. The letter reads:

"The Strategic Health Plan recalls our commitment to congregational development as our primary mission strategy such that we can be a diocese of strong, healthy, sustainable congregations that support our common work as Episcopalians, exercise fiscal responsibility, develop and encourage leadership lay and ordained, and show forth a Spirit-filled way that God is calling us to be communities of Christ.

"At the first discussion of this issue at the May 19, 2005 Council meeting, members stated some of the following reactions to the Health Plan – 'very brave,' 'it's immoral to spend down our ancestors' money without a plan,' 'what kind of hardships might this place on congregations in the Department of Indian Work and other smaller, rural congregations,' 'gratitude at seeing issues of accountability stated specifically and concisely,' 'expressed a desire that the end document reflect a tone of faith and hope,' and 'how do we address enforceability.'

"At the same May 19, 2005 meeting, Diocesan Council unanimously concurred with the recommendations from the First Stop Committee and asked that an implementation plan be put in place. I asked our canon missionaries to work on this on our behalf. Canon Missioners – Sandi Holmberg, Susan Moss, Steve Schaitberger and Bronwyn Skov – have the unique perspective of understanding both the needs and the 'as is' activity of each congregation for which they have oversight in my name. We are blessed to have canon missionaries of their caliber, attentiveness, and skills – all with a clear passion for ministry and the Church. They serve us well.

"Their first commitment was to live according to the canons we have adopted as the Church. They have assessed each of our congregations accordingly as the first step in moving forward. This work is summarized in material that will be handed out at the May 4, 2006, Council meeting. It is intentionally not attached in advance for reasons of confidentiality.

"I believe this work is an accurate assessment and I will ask for your concurrence as we move forward. This will be vital to the Bishop's Commission for Metro Mission Strategy, budget planning for 2007 and a triennial budget for 2008-2010, creation of a Development Office, sale of real estate properties and our family systems work. It will also help us to know where to concentrate our efforts so that we can reflect the societal norms of our culture in the midst of enduring history, tradition and reason of our Church."

Bishop Jelinek noted that "this is about strong healthy and sustainable congregations" and that he wanted each canon missionary to work with his or her regional council members to determine the most appropriate way to present this work to our congregations "in order to ensure a unified effort as we move forward." He had asked the missionaries to work together to present this report to Council. They have spent a year performing an assessment of each congregation of the diocese, and are in the process of evaluating their findings.

The strategic health plan was re-read aloud around the table. Bishop Jelinek reminded the group that Council had unanimously concurred with these recommendations from the First Stop Committee on dealing with health and vitality of diocesan congregations at its May 19, 2005 meeting. Furthermore, this plan was published in the 2005 Diocesan Convention booklet.

Each canon missionary spoke of his or her concerns, stressing that they want to encourage healthy congregations and help them "be the church" to the best degree possible through our

collective stewardship of both our resources and energies.

The missioners noted that “We are the Episcopal Church; the diocese is the body” and reminded Council that they are the elected members of a region. They stated that the congregational analyses are “the best we can give you with what we know” and are still a work in progress.

After the assessment packets were distributed, Council divided into four groups, each with one canon missioner, to discuss the congregational analysis sheets that had been distributed. At the end of this discussion time, the groups shared their reactions.

Canon Missioner Susan Moss strongly recommended that all Council members participate in the May 20 Shareholders’ Retreat at Breck School, where the preliminary findings of the Metro Mission Strategy Committee would be discussed. The congregational assessment packets were turned back in at the end of the meeting.

Council thanked the Canon Missioners with applause.

The meeting was adjourned at 3.15 pm.

Respectfully submitted,

Gary Gleason  
Secretary of Council

Susan Barksdale, recorder