

Diocesan Council
September 21, 2006
St. John the Evangelist, St. Paul

Present: Bishop Jelinek

Region 1: Carole Johnson

Region 2: Susan Dusek, Alice Olson

Region 3: *none present*

Region 4: Dottie Whipple, Paul Rider

Region 5: Pat Dibble, Doug Sparks

Region 6: Rosemary Sobalvarro, Mark Kelm

Region 7: Doug Rude

Region 8: Rex McKee

Region 9: Stacy Abena, Andrew Waldo

Guests: Jim Pavlik, Principal Financial Officer; Karen Olson, Executive Administrator; Bill Gray, Region 4 alternate and Finance Committee chair; Susan Barksdale, Recorder

Executive Summary of September 21, 2006, meeting
(Details in body of minutes)

Diocesan Council:

Heard updates from Bishop Jelinek on the affiliation of the Church of the Messiah, St. Paul, with the Anglican Communion Network; and on Cass Lake Episcopal Camp

Heard a report from Bishop Jelinek on reactions from the Anglican Communion regarding the 2006 General Convention

Unanimously passed Resolution 2006-06, authorizing a Housing Allowance of \$15,200 for the Rev. Robert Two Bulls for the remainder of 2006
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The minutes of the July 27, 2006, meeting were approved unanimously with the following corrections: in the “God in the Regions” section, Alice Olson was a trainer, not a participant, in a successful Safe Church training session; and youth at St. Andrew’s by-the-Lake in Duluth had an “urban adventure.”

BISHOP’S REPORT

The Church of the Messiah in St. Paul has affiliated itself with the Anglican Communion Network, but emphasizes that it is retaining its affiliation with the Episcopal Church and the Diocese of Minnesota, and will continue to pay its Apportionment for the Common Good (ACG). Bishop Jelinek has asked Messiah’s rector, John Newton, to prepare a written document explaining what went into this decision and what it means.

Cass Lake Episcopal Camp: The bishop announced that Episcopal Community Services (ECS) has been authorized to assume the management of Cass Lake Episcopal Camp (CLEC), effective August 1, 2006; explaining that ECS has the leadership and staff available to manage the camp; CLEC and the diocese do not. Stacy thanked the bishop for the transparency of his messages to Council, noting that time and energy that might have spent on speculation could now be used more productively.

Reactions from the Anglican Communion regarding General Convention: In this time of tenuous emotions within the life of the Anglican Communion regarding ongoing reactions to outcomes of both the 2003 and 2006 General Conventions, the bishop urged members of the joint bodies to resist overreacting to any one piece of communication or reporting. Members of the General Convention deputation will be presenting information at a series of Fall Forums and reporting to Diocesan Convention. The bishop and deputation is committed to finding ways to facilitate ongoing discussions.

DIOCESAN CONVENTION UPDATE: GARY GLEASON AND SUSAN DUSEK

Fall Forums: Gary reminded Council of the October forums, stating that Council members should attend the forum in their areas and encourage their congregations to attend as well. If people cannot attend a forum in their region or area, they are welcome to attend another one.

Silent Auction: Susan Dusek is co-chair of this new event. She asked Council members to call each church in their regions and ask for one item from each for the auction. Churches could try for things reflecting their area. "Destinations" or other services are also welcome. Organizers will need a description and approximate value for each item so they can set minimum bids. The auction will conclude on Saturday, October 28, at 1 pm.

FINANCE REPORT: JIM PAVLIK

The gross ACG collections and aggregate are up \$85,000 from 2005. The financial report for the first eight months of 2006 shows revenues of \$118,000 below budget, but much of this should be made up with large amounts still to come in from some ACGs. Jim noted that late payments from the Department of Indian Work (DIW) churches are often a timing issue.

Some savings will be realized by the end of the year. The amount budgeted for the diocesan apportionment to the national church is higher than the actual apportionment. In addition, the audit fees were over-accrued. As a result of these factors, Jim projects a year-end deficit of just \$20,000.

The finance report was accepted unanimously.

Resolution 2006-06 (*attached*) authorizes a Housing Allowance of \$15,200 for the Rev. Robert Two Bulls for the remainder of 2006. The resolution was passed unanimously.

The meeting was adjourned at 3 pm.

Respectfully submitted,

Gary Gleason
Secretary of Council

Susan Barksdale, recorder

**RESOLUTION OF THE DIOCESAN COUNCIL
OF THE EPISCOPAL DIOCESE OF MINNESOTA**

2006 HOUSING ALLOWANCE FOR THE REV. ROBERT TWO BULLS

WHEREAS, Section 107 of the Internal Revenue Code permits a “minister of the gospel” to exclude from his or her gross income a housing allowance (a/k/a “rental allowance”) paid to the person as compensation to the extent it is used by him or her to rent or provide a home (“Housing Allowance”), which includes in part amounts spent for structural repairs and improvements; and

WHEREAS, Internal Revenue Service regulation #1.107-1 provides that any compensation which is to be designated as Housing Allowance pursuant to Section 107 be designated as such by the employing church or other qualified organization by official action adopted in advance of such payments and reflected in the minutes of the organization; and

WHEREAS, The Episcopal Diocese of Minnesota (the “Diocese”) has employed the Rev. Robert Two Bulls as of September 1, 2006 with the compensation to be paid to him to include in part amounts paid as salary and Housing Allowance; and

WHEREAS, the Housing Allowance to be paid to the Rev. Two Bulls for the remainder of 2006 shall be \$15,200.00; and

WHEREAS, the Finance Committee hereby recommends that Diocesan Council authorize \$15,200.00 as the Housing Allowance for the Rev. Two Bulls for the remainder of 2006;

THEREFORE BE IT RESOLVED THAT, pursuant to Section 107 of the Internal Revenue Code and upon the recommendation of the Finance Committee, Diocesan Council authorizes the Housing Allowance paid to the Rev. Robert Two Bulls for the remainder of 2006 to be \$15,200.00.

Date: _____

Secretary _____