



Diocese of Missouri
THE EPISCOPAL CHURCH

The Minutes of the
Trustees of the Corporation of the Episcopal Diocese of Missouri
Meeting as
Diocesan Council
Sisters of St. Joseph of Carondolet Motherhouse
6400 Minnesota Ave.
St. Louis, MO 63111
September 18 & 19, 2009

Members present: Bishop Smith (Saturday), Alisa Barnes, Rick Braznell, Mary Ann Cook, Peg Cooper (Saturday), Don Esbenshade, Pat Glenn, Thom Gross, Tom Hedrick (Treasurer), Mary Jane Kuhn, Teresa Mithen, Norm Moenkhaus, John Musgrave, Harry Richter, Beverly Van Horne

Staff present: Dan Smith, Desiree Viliocco

The meeting was called to order at 6:55 pm and opened with prayer by Dan Smith who informed the Council that the Bishop was ill and that the vice chair, Bob Towner, was at a wedding rehearsal. Dan called for a member of the Council to be nominated and elected as chair pro tem. Teresa Mithen was nominated and elected to chair the meeting of the Diocesan Council.

It was moved to accept the minutes of the June meeting of the Council. Passed by voice vote.

Tom Hedrick and Desiree Viliocco presented the year to date financial report. The commitment amount from congregations is behind at this point, but some of this is a timing issue. It is believed that the commitments will be made. There is also a variance on White Fund loan income based on one parish not having the ability to meet their White Fund payments. The expense side of the budget is coming under budget by approximately \$95,000. There will be a shortfall at year end. The majority of the shortfall will be covered by an unrestricted gift from an estate that was received during 2009. The balance sheets were reported on. The DIT is up roughly 9% in the 3rd quarter. After discussion, the report was received by voice vote.

Desiree Viliocco briefed the Council on 2010 health insurance rates. The average rate increase over all of our plans is 4.9%. Blue Cross Blue Shield plans show a rate decrease for 2010 as they try to be more competitive with Aetna. We have added an additional offering of United Health Care, which is priced between the Blue Cross Blue Shield and Aetna plans. United Health Care will be a significant player in the new denominational health plan passed at General Convention. Discussion was held about the cost of coverage and the new denominational health plan.

Tom Hedrick, assisted by Desiree Viliocco and Dan Smith, presented the 2010 budget. Tom began with general comments. We began with this year's revenue items, and then proceeded with expense items. This is different from past years, and in his mind a more realistic method of working towards a program budget for the Diocese. We asked for minimum and maximum requests from the programs and congregations of the diocese. The process was collaborative including congregations, the Bishop's staff, a budget subcommittee of the Council and the Council as a whole. The budget shows what is believed to be a realistic look at the income side of the budget, especially in terms of income from congregations, White Loan Fund income and the amount the Bishop is able to contribute from the Thompson Fund. The income side shows an almost \$400,000 drop in income. Significant changes on the expense side are found in the money sent to the National Church, areas of congregational development, Bishop's staff (including both a reduction in staff and freezing salaries), Episcopal City Mission and other programs in the life of the Diocese. Tom called for questions of clarification, but stated that any debate on the budget would take place on Saturday.

The Council adjourned at 8:15 pm with Compline.

The meeting of the Diocesan Council was called to order at 9:00am by Bishop Smith who opened the meeting with prayer.

Bishop's Report:

The Bishop reported briefly about General Convention. He said that his opinion was that people were working to move towards one another. The Convention also was marked by a realistic understanding of the funding of the Church. He spoke briefly about the new denominational health plan.

Our own Convention will have a keynote speaker, Dwight Zscheile, who will continue the theme of mission.

The Bishop reported on the reduction of his staff.

The Bishop also reported on a disciplinary matter his office is currently involved with.

The cluster reports were received as written.

Business:

Aged and Infirm Clergy Fund: Resolved that upon the recommendation of the Bishop as President of the Corporation of the Episcopal Diocese of Missouri, the Diocesan Council does hereby confirm and approve the following corporate action of COEDMO: that a grant in the amount of \$3,100.00 be awarded from the Aged and Infirm Clergy Fund to assist a retired clergyperson with medical insurance premiums. Moved, seconded, passed by voice vote.

Aged and Infirm Clergy Fund: Resolved, that upon the recommendation of the Bishop as President of the Corporation of the Episcopal Diocese of Missouri, the Diocesan Council does hereby confirm and approve the following corporate action of COEDMO: that a grant in the amount of \$11,640 be awarded from the Aged and Infirm Clergy Fund to assist a retired clergyperson with medical insurance premiums. Moved, seconded, passed by voice vote.

The Council was asked to amend the Episcopal Diocese of Missouri Cafeteria Plan in order to be in compliance with the provisions of the Children's Health Insurance Program Reauthorization Act of 2009. It was moved and seconded to amend the Cafeteria Plan. Passed by voice vote.

The Council considered a request from Trinity Church, Jefferson County to use the money awarded by a Church Assistance Endowment Grant to help pay the costs for the removal of a bat colony from the Church building. Moved, seconded and passed by voice vote.

The Council opened discussion and debate of the draft of the 2010 program budget of the Diocese of Missouri. Tom Hedrick led the discussion. Tom opened the floor to questions. Members of the budget subcommittee expressed their knowledge that all the programs were valuable. There was a great deal of concern expressed for Canon McMichael and the loss of mission funding in Making Disciples and in the contingency funds in the building congregations portion of budget. Bishop Smith commented on the need to learn to do things in a new way. Instead of staffing we will need to build networks. We will need to understand that we can't do things in the old way. There was discussion concerning the line item for clergy events that did not change. There was general discussion about what we are saying by the various line items in the budget. It was discussed that part of what the budget does is push many programs back to the congregational and local level rather than on a diocesan level. Episcopal City Mission was discussed. Income from the various funds was discussed. Approval of the draft 2010 program budget was moved and seconded as submitted. Passed by voice vote.

RESOLUTION A-170

Submitted on behalf of the Diocesan Council

1 BE IT RESOLVED that this 170th Convention of the Diocese of Missouri set the annual standard base compensation for full-time clergy in 2010 as follows:

CASH SALARY \$38,585
HOUSING ALLOWANCE \$13,900

[The actual compensation should be determined by Resolution of the Vestry/Bishop's Committee, in consultation with the clergy.]

And be it further

2 RESOLVED, that the Church Pension Fund assessment will be paid by the congregation; and be it further

3 RESOLVED, that \$50,000 group life will be paid by the congregation; and be it further

4 RESOLVED, that medical coverage for clergy and eligible dependents will be paid by the congregation; and be it further

5 RESOLVED, that a standard of ten days per calendar year and \$500 will be provided for continuing education; and be it further

6 RESOLVED, that the standard auto allowance will be \$2,000 per year; and be it further
7 RESOLVED, that all parishes and missions encourage their full-time clergy to set aside the equivalent of two days each week for personal time, 24 hours of which must be consecutive.

RATIONALE

1. 2009 cash salary was \$38,585 and housing allowance was \$13,900 for a package total of \$52,485. The recommendation for 2010 reflects no increase. This recommendation is based on a decrease in the Consumer Price Index using the Bureau of Labor Statistics, Consumer Price Index - Midwest Urban Consumers first half of 2008 comparison to the first half of 2009.
2. The Canons of the Episcopal Church mandate that pension assessments be paid by congregations (assessment = 18 percent of cash salary plus housing and utilities allowance).
3. Provides for \$50,000 of term life insurance for active clergy. (In addition, all active clergy are eligible to receive an additional term life insurance benefit from the Church Pension Fund equal to four times total compensation to a maximum of \$100,000).
4. A list of medical plans can be obtained from the Office of the Bishop.
5. Congregations are encouraged to provide both time and financial resources to assist clergy with continuing education opportunities.
6. Standard allowance for auto expense.
7. Congregations are urged to encourage their clergy to take two days of personal time in the manner stated above.

This resolution establishes a standard base compensation for clergy. Congregations are urged and invited to compensate clergy beyond the standard. It is understood that under individual circumstances and conditions internal adjustments in the compensation package may be negotiated.

Resolution: Resolution A170 setting a Diocesan minimum compensation package was moved, seconded and adopted by the Council to be presented to the 170th Convention of the Diocese of Missouri. The resolution shows the cash salary and housing allowance frozen for the next year.

Making all Things New—subcommittee report: Peg Cooper reported on the work of the subcommittee. Five initial grant requests were received. Three were asked for additional information. The subcommittee will meet prior to the October 10th meeting to make their final recommendations to be presented to Council.

Convocation Reports:

South Convocation asked about the study of convocations.
Metro II is meeting today.
Written reports have been submitted by other convocations.

Questions: A Council member asked what their responsibility is for their convocation. It was reported that the primary role is one of communication.

Adjourned at 1:00 pm.