The Episcopal Diocese of El Camino Real
Board of Trustees
Minutes of the Regular Meeting
Thursday, May 16, 2019
Sargent House, Salinas, CA

Voting Members Present:

Voting Members Absent:
Ms. Lisa Gonzalez, Ms. Mary Jo Kelly

Non-Voting Members Present:
The Rev. Maly Hughes, Secretary, Ms. Joanna Shreve, Treasurer, The Rev. Canon Jesús Reyes, Congregational Development, Mr. Joe Head, Finance Committee Chair, Mr. John Melvin, Standing Committee Liaison; Mr. Steve Kottmeier, Chancellor

Non-Voting Members Absent:
The Rev. Canon Brian Nordwick, Diocesan Administrator

Guests:
From the Standing Committee: The Rev. Shelley Denney, President, Mr. Steve Pearson, Esq

AG-1 Call to Order and Opening Prayer
The May 16, 2019, regular meeting of the Board of Trustees of the Episcopal Church in the Diocese of El Camino Real came to order at 10:00 a.m. A quorum existed. Before the business meeting the Rev. Austin Leininger led the board in prayer and lectio divina.

AG-2 Adoption of Meeting Agenda
The monthly Board of Trustees' meeting agenda, including the Consent Agenda, was adopted by general consent.

Consent Agenda
2.1 Agenda for this meeting
2.2 Minutes of March 21, 2019 regular meeting - Approved

AG-3 Bishop’s Report
• Bishop stated she was proud of the diocese throughout the walkabouts with the bishop candidates. The week was well organized. The diocese is in a true period of discernment for the next bishop. This will be the hard part. She encouraged everyone to watch the videos (once they are on the website). The need for the 4th bishop is completely different from the need when Bishop Mary was elected. The bishop is going to write an article for ATKH about discernment.
• The bishop announced that she had received the lead gift for the leadership fund (to be paid over three years). This was significant for her goals to be met before she leaves.
• After 17 years York School has called a new Head of School, Doug Key, an Episcopalian from Albuquerque, New Mexico. The board will be reviewing the bylaws.
• The Roman Catholic diocese has a new bishop, the Rt. Rev. Danny Garcia. Bishop Mary has had a good relationship and alliance with the retired bishops. She acknowledges that this relationship is unusual and that the collegiality is very important.
• Bishop Mary spent Maundy Thursday and Easter Day at Trinity Cathedral. The dean has retired and there is no regular clergy person at this time. The bishop sent a letter to the vestry outlining the process for hiring
an interim before they search for a new dean. The vestry prepared a parish profile. The job has been posted and the diocese is now receiving names. The hope is that an interim will be in place by the summer. Bishop Mary told the board of her new position, following resignation from the diocese, as director of the College of Bishops. She will be replacing the Rev. Clay Matthews. The presiding bishop has asked her to remain vice president of the House of Bishops. She is preparing to move to Charlotte, NC eventually to be closer to family.

AG-4 New Business

4.1 Standing Committee members The Rev. Shelley Denney, President, and Mr. Steve Pearson, Esq, presented the proposed Letter of Agreement between the Standing Committee and bishop elect. The agreement must be approved by the Standing Committee, Board of Trustees and final approval of content by Chancellor, Steve Kottmeier, Finance Chair, Joe Head, and Diocesan Administrator, the Rev. Canon Brian Nordwick.

4.2 Mr. John Melvin, Standing Committee liaison, updated the board on the successful walkabouts that took place the first week of May. There were four walkabouts: Mountain View, San Luis Obispo, Carmel and San Jose. The transition committee did an excellent job planning the week for the five candidates. The host parishes extended warm hospitality to the candidates. Each candidate was assigned a shepherd to attend to them throughout this process leading to the electing convention on June 1. Videos of the walkabouts are to be online by the end of the week and everyone was encouraged to watch them before the convention. The voting on June 1 will be done electronically. Standing Committee lay members and the Board of Trustees lay members all of have a vote.

4.3 Clergy reinstatement of those canonically resident is needed for those who have been inactive and would like to vote at the electing convention. The following clergy were reinstated by an electronic vote: The Reverends Joseph Bacigalupo, Jerry Drino, Alison Lucas and David Pace. The Rev. Wendy Smith requested late so the board had to approve her reinstatement at the meeting. It is important to have an accurate accounting of clergy for a quorum. It requires 2/3 of clergy and lay delegates on record to create a quorum for the special convention.

2019051601

Resolved, That the Board of Trustees approves the request to reinstate the Rev. Wendy Smith for the Special Electing Convention on June 1, 2019.

Yes: 11 No: 0 Abstain: 0

4.4 The board was presented a lease agreement with Calvary Episcopal Church, Santa Cruz, and Pacific Union LLC. The lease is a 94-year ground lease that will infuse a substantial annual income for the parish. There is no tax consequence to the parish. The bishop and Standing Committee have already approved. The board must approve after the final documents have been reviewed by Chancellor, Steve Kottmeier, Property Committee Chair, Joe Head, and Diocesan Administrator, Canon Brian Nordwick.

4.4.1 The vice president of the board will sign the Letter of Agreement between the diocese and the bishop-elect. The Standing Committee and the chancellors have been working on the agreement since the Fall of 2018.

2019051602

Resolved, That the Board of Trustees approves the 94-year ground lease with Calvary Episcopal Church, Santa Cruz, and Pacific Union LLC. This approval is based on the final documents being approved by the chancellor, finance chair, and diocesan administrator.

Yes: 11 No: 0 Abstain: 0
4.5 Status of the resolutions from the 38th Annual Convention was given by Brian Raney. It was understood after a phone call with Bill Shreve, Partnership Chair, the committee has posted the information on the website regarding the process. To date, no parish has taken on the work of becoming a sanctuary parish. All resolutions are ongoing. In addition, it was announced that Brian Raney is the new chair of the Higher Education Ministries.

**Resolved,** That the Board of Trustees received the 2018 diocesan audit from Hayashi Wayland.

Yes: 11  No: 0  Abstain: 0

**Lunch** – The board paused for lunch at 11:45 p.m. and resumed at 12:30 p.m.

**AG-5 Committee/Officers/Staff Reports**

5.1 April financials were reviewed.
5.1.1. Canon 1.7 Voting Status for June 1 Election: All parishes are cleared to vote in the special electing convention on June 1, 2019 to elect a new
5.1.2. Canon 15.3 Six Month Fair Share Reprieve – postponed until June meeting
5.3 Brian Nordwick submitted the audit report. It was a clean audit and no management letter was included. There has been a change in accounting procedures but these will not affect parish accounting.

5.4.1 Canon Reyes presented the revised organizational chart.
5.5 Deanery Liaison Reports: Santa Clara Valley deanery met. The table discussions were regarding the emerging church. Kathey Crowe suggested the need for a Safeguarding compliance audit based on a recent policy statement from the national church. Perhaps this is something that could be attached to the financial audit. The bishop reminded the board that the Safeguarding training is now under the Commission on Ministry and that any change in process should be addressed with COM.

**Monterey deanery** met with the Transition Committee. Approximately 75 people were in attendance.

**San Luis Obispo** deanery met at St. Stephen's.

**AG-6 Meeting Summary and Items for Next Meeting**

6.2 Action Items for June meeting:

• Diocesan Investment Policy review (Joanna Shreve/Sue Rama)
• 2020 Budget (Joanna Shreve)
• Policy and process for a six-month reprieve from Fair Share
• Aided parish update (Jesus Reyes)

6.3. Five Items for eNewsletter:

1.) The Rev. Shelley Denney and Mr. Steve Pearson, representing the Standing Committee, presented a written summary of the key points of the letter of agreement that will be presented to the bishop-elect by the Diocese of El Camino Real.

2.) Bishop Mary Gray-Reeves will write an article for Along the King's Highway about the discernment process for the selection of the next bishop. She was pleased to report that the Diocese seemed to be making a smooth transition during this time of change.

3.) Mr. John Melvin, the Board of Trustee's liaison with the Standing Committee, reported about the successful Walkabouts at which the five candidates for the next bishop toured the diocese and answered questions in a public forum. John thanked the members of the transition committee for all their hard work. Videos of interactive sessions with the candidates will be posted on the diocesan website. He also thanked all the host sites that welcomed the candidates.

4.) Mr. Joe Head, representing the diocesan Finance Committee, presented the audit for the calendar year 2018. The auditors Hayashi Wayland approved the books without any reservation. The Board of Trustees voted unanimously to accept the report.
5.) Canon Jesus Reyes presented a diagrammatic overview of the organizational chart of the diocese. His slides explained the stewardship of the Episcopate, emphasizing the nature of shared governance among the bishop, the Standing Committee, the Board of Trustees, and the several commissions and committees, with lay members, that are all parts of the life of the Diocese of El Camino Real.

6.4 Words in Passing

**AG-7 Next Meeting and Closing Prayer**

The next regular board meeting will be Thursday, June 20, 2019, 10:00 am at Sargent House. The Rev. Austin Leininger led the closing prayer and the board adjourned at 1:35 pm.

Respectfully Submitted,

The Rev. Maly Hughes
Secretary