

**APPROVED**  
**MINUTES OF THE EXECUTIVE COUNCIL MEETING**  
Conference Call  
January 16, 2016

**Because of inclement weather conditions Bishop decided that the Executive Council would be done via Conference Call beginning at 10 am on Saturday, January 16, 2016.**

**Elected & Appointed Members in attendance:** Kristina Baker; Laurel Cornell; Caroline Fairbanks; Michael Galvin+; William Hughes; Max Nottingham; John Rumble+; Allen Rutherford+; Susan Steigerwald; Sean Sullivan' Evelyn Wheeler+; Suzanne Wille+; +Cate Waynick.

**Ex-officio Members in attendance:** C. Davies Reed+; Kathy Copas; Marsha Gebuhr; Bruce Gray+; Tom Wood; Sally Cassidy.

**Bishop Cate opened the meeting (conference call) at 10:14 am.**

**Minutes:** Lauren Cornell moved to approve the minutes; seconded by Suzanne Wille+. **Passed unanimously.**

**Ratify on-line 2016 Housing/Utilities Designations for:**

**Charles Allen+; Peter Bunder+; Susan Bennett+; Bruce Gray+; Debra Kissinger+; Gray Lesesne+; Whitney Rice+; Linda Johnson+ and +Cate Waynick. +. Passed unanimously.**

Canon Gebuhr mentioned that in the next week or so EC members will receive via e-mail line item adjustments to vote on for both closing the 2015 books and changes for 2016 (with explanation).

**Commission Reports:**

**Administration & Budget:**

C. Davies Reed+ reported that in the Budget Process we are at the point of sending out Budget Letter Requests (they will go out on Tuesday, January 19, 2016 and that is the only activity at this time (except for end of year line item adjustments that you heard from Canon Gebuhr on earlier). Bishop Cate reported to the head of Congregation & Community Life Commission – Allen Rutherford+ that the COM will need to increase their requests for the people who are doing the coordinating, planning and implementation of our Deaconate Program.

Tom Wood gave the following **Treasurer's Report:**

**Treasurer's Report - Executive Council – January 16, 2016**

**End of Year Financial Statement**

The year-end statement is not complete as of this writing, but I have some preliminary budget figures. The year ended with disbursements exceeding income by \$5,763. However, Marsha indicates that there are some extra monies accrued in certain accounts that can make up this small difference. The downside is that for the first time in several years, there was no meaningful surplus. The upside is that the budget was essentially met.

**Investment and Finance**

The November minutes of the Investment and Finance Committee are attached. Next meeting will be on January 22<sup>nd</sup>. In item 1, the numbers in ( ) represent negative percentage values. The takeaway is that our

portfolio did better than the S&P which is a common comparison value.

#### Year end values – Unrestricted Fund.

The annual market “Santa Claus rally” which looked poised to take place early on December fizzled thanks to China and oil. As a result, year-end asset value dropped by \$2,102,318 to \$29,709,422 from the January opening value of \$31,811,740. This was the first year since we started tracking performance in April 2010 that a loss in asset value has occurred. We came very close to wiping out our asset gains though we are still positive, but by only \$400,000. And, I even hate to mention that as of yesterday, the asset value was down by another \$3,000,000 (the number of zeros is correct). We will see what happens. Prophesizing on the basis of 2 weeks of the New Year would not be a reasonable thing to do.

#### Review of the Diocesan Loan Program with Chase/JPMorgan

As noted in the I&F minutes, a subgroup met with Chase representatives. The following summary with some recommendations has been shared with the I&F committee.

1. Our subgroup met with Paul Watson of Chase as well as Kauss Christopher who is with their Wealth Management division. Here is the gist of things. As a result of Homeland Security and the “too big to fail” label. Chase/JPM is barred from making asset back loans. While they will consider collateral from the diocese in setting an interest rate for a diocesan entity, the loan procedures have to be with the congregation as if we didn’t exist. The group felt some of their conditions were frankly onerous. Kauss was there let us know that our collateral investment could also be used as a line credit for whatever that was worth. It is the group’s recommendation that we should attempt to work with a local or regional bank. I have suggested interviewing First Merchants and John Denson+ has recommended talking to National Bank of Indianapolis. With the committee’s approval, I suggest that this same group set up interviews with these two banks (I would include John in the group interviewing National Bank of Indpls) and then bring our thoughts to the full committee.
2. The document from Chase is attached. Some comments.
  - a. First flag – amount of collateral for only 65% of invested funds. That gives the bank full fees on 35%. So an investment of \$5,000,000.00 would only support \$3,250,000.00 worth of loans.
  - b. Did not outline a “no-prepayment loan”. One assumes variable interest. Also, did not state Libor + what is the actual interest on the loan.
  - c. Need to compare their credit needs with ours. Do not like the required depository relationship but might be okay.

We will proceed to discuss this at the next I&F meeting.

Submitted by Thomas Wood  
Diocesan Treasurer  
October 28, 2015

**Minutes**  
**Investment and Finance**  
**November 17, 2015**

Present:

C. Davies Reed+  
Steve Fales+  
John Denson+  
Chip Chillington+  
Max Nottingham

Norm Callahan  
Tom Wood, Chair  
Canon Bruce Gray – Staff  
Canon Marsha Gebuhr – Staff

Absent:

George Plews  
Tom Honderich+

Guests:

Justin Haskin  
A delegation from St. Christopher's, Carmel

[Chair not sure about attendance. Please check and correct if needed.]

Meeting called to order at 2:00 pm

1. Justin Haskin reviewed 3<sup>rd</sup> quarter performance on the diocesan investment funds. Results were hardly stellar with asset values down \$1,998,000 for Unrestricted; \$417,000 for Special Funds Growth; \$90,620 for Special Funds Balance. Nonetheless, from a performance perspective in relationship to the S&P which for the quarter was (6.9), the performance for the three funds were (5.2), (4.9), and (1.7). All better. Special Funds Growth better with a larger cash holding. Balance better from both a larger cash holding and a larger amount of fixed income assets. So the good news is that the funds out-performed the market. And, this verified our investment philosophy of providing downside protection. As of the date of this meeting, the markets had recovered much of their losses and the expectation was that the market would end the year either flat or slightly positive. Nonetheless, a flat market would still result in a loss of asset value of approximately \$1.5 million dollars in the unrestrictive fund.
2. The Treasurer had asked Justin to provide some information on the cost of changing the diocesan portfolios to managed accounts reflecting Socially Responsible Investing (SRI). The committee did not discuss this document, but the bottom line is that to do so would subject the unrestricted to approximately \$120,000.00 in additional fees.
3. Discussion was held regarding the difficulties that arose surrounding the abrupt changes in policy from Chase Bank in administration of the low-interest loan procedures that had been in place between the diocese and the bank for several years. This blind-sided both the diocese and Holy Family, Fishers in their loan application that caused the congregation to jump through several unexpected hoops and came close to disrupting their construction schedule. The loan did get completed and at a very attractive interest rate. But it was apparent by both the bank and ourselves that discussions needed to take place before moving forward. The Treasurer appointed a subgroup of this committee to hold conversations with Mr. Paul Watson of Chase/JPMorgan. The group included C.Davies Reed+, Norm Callahan, Canon Gray+, and the Treasurer. The Treasurer would try to set up a meeting on December 1<sup>st</sup>.
4. A delegation from St. Christopher's, Carmel came to discuss with the committee concerns and possible procedures regarding the loan they have with Chase Bank. The current term of this loan comes due in 2018. While the parish has the financial means to complete the current term without endangering their program budget, this would not be true for a renewed term. In essence they were asking how the diocese might service this debt in a manner that would not affect the parish's program. Knowing that an outright loan from the unrestricted fund is not possible, it was suggested that the diocesan unrestricted fund consider an "investment" in the parish in the form of a fixed income investment (a bond like instrument) and this would become a part of the diocesan portfolio just like and other investment yielding a return commensurate with the asset allocation adopted by the diocese. The Investment and Finance Committee agreed to take up this matter at a later meeting.

Meeting adjourned 4:30 pm  
Submitted by Thomas Wood  
Treasurer and Chair

**Susan Steigerwald moved to receive the Treasurer's report subject to audit, seconded by Sean Sullivan. Passed Unanimously.**

Bishop Cate discussed the following notice that the Diocese has in fact received a grant from the Lilly Endowment to address economic challenges facing pastoral leaders. We will have more to say about this in the future. Bishop Cate is asking everyone in leadership in the Diocese (that is Executive Council members) to please mark your calendars for April 16. We will have presentation & conversation about this grant and about the kinds of steps that we will be taking initially for education of clergy & parish leaders. We need to all start working & understanding what is possible for our clergy and what is not so that we have a more transparent understanding among all of us. The place is yet to be determined – this will be advertised heavily on our web site and in our Wednesday Mailbag! Stay tuned.

*Dear Friends:*

*It is with great joy that I confirm the Diocese of Indianapolis has received a grant of \$798,500 as part of Lilly Endowment Inc.'s National Initiative to Address Economic Challenges Facing Pastoral Leaders. The initiative supports a variety of religious organizations across the nation as they address the financial and economic struggles that can impair the ability of pastors to lead congregations effectively.*

*Over the next three years, our grant will fund a variety of new and existing financial literacy programs in the diocese designed to enhance ministerial innovation, vitality and sustainability in our congregations. We will create a Ministerial Excellence Fund (MEF) to provide appropriate financial support for diocesan clergy and seminarians who experience financial challenges and crises. Ultimately, we hope to create a culture of transparency throughout the diocese regarding clergy and parish finances in our congregations.*

*The programs funded by the grant were identified through a comprehensive research study conducted throughout the diocese in 2015. The research included on-line surveys, small discussion groups, a convention-wide conversation at our April meeting and a best practices audit of other Episcopal programs. The research also included in-depth interviews with other Lilly Endowment planning grant recipients. For an overview of diocesan programs funded by our grant, please visit [www.indydio.org](http://www.indydio.org).*

*An exciting portion of the grant provides \$50,000 for unrestricted use by the new bishop to create relationship-building programs and experiences with clergy. We hope this will help our new bishop creatively and successfully launch his or her Episcopate.*

*We are calling the work funded by Lilly Endowment the Pathways to Vitality Initiative. Leading the initiative will be Canon Bruce Gray with ongoing program support from Melissa Hickman. Bruce and Melissa lead the research effort and wrote the grant with significant contributions from Canon Marsha Gebuhr. A steering committee of 15 volunteers provided oversight of the research process.*

*The Episcopal Church Foundation also received a generous grant from Lilly Endowment to address financial literacy and wellness in the Church. Our grant team worked closely with the Foundation and will continue to do so to ensure we share lessons learned for the benefit of the entire Church.*

*Please join me in prayers of thanksgiving for this transformative grant.*

*Faithfully in Christ,*

+Catherine M. Waynick  
Bishop of Indianapolis

Mark your calendars now . . . . The next diocesan-wide event in this initiative will be on Saturday, April 16, 2016, and all clergy and parish leadership – including vestries, treasurers and others are expected to attend. This gathering will take the place of our Spring Convention. Please put on everyone's calendar asap.

**Local & Global Missions:**

Evelyn Wheeler+ that the letters will go out this week from the Diocesan Office.

**Exploration & Opportunity:**

Suzanne Wille+ reported that they did not get the opportunity to meet but will before the March meeting.

**Congregation & Community Life:**

Allen Rutherford+ reported that they have no report but you can anticipate a report in March.

**Calendar Changes:**

C. Davies Reed+ has become aware that the **September 17, 2016** Executive Council meeting which is when Executive Council planned on finalizing the budget is also when the House of Bishops is meeting.

+Cate suggested that E.C. should plan to meet with Kristina Baker's leadership (V.P. she will chair) and if it is at all possible she will join the meeting by phone. +Cate does NOT want to postpone that meeting, that date was set very carefully because of Deanery meetings and making sure everyone has the budget. We did not have the dates for the Fall HOB at the point of when we set that meeting.

**Bishop Report:** +Cate reported on the following letter regarding the Primates of the Anglican Communion gathered in Canterbury.

*January 15, 2016*

*Dear Brothers and Sisters in Christ,*

*You may have learned that the Primates of the Anglican Communion, gathered in Canterbury for a time of prayer and conversation, have made a statement concerning participation of The Episcopal Church (TEC) at official levels of the Communion for the next three years. This is a response to the actions of our General Convention last summer to provide an official liturgy for the marriage of gay persons in the Church, and the distance this has created between us and other parts of the Communion.*

*I quote the pertinent section of their communiqué here:*

*"It is our unanimous desire to walk together. However given the seriousness of these matters we formally acknowledge this distance by requiring that for a period of three years The Episcopal Church no longer represent us on ecumenical and interfaith bodies, should not be appointed or elected to an internal standing committee and that while participating in the internal bodies of the Anglican Communion, they will not take part in decision making on any issues pertaining to doctrine or polity.*

*"We have asked the Archbishop of Canterbury to appoint a Task Group to maintain conversation among ourselves with the intention of restoration of relationship, the rebuilding of mutual trust, healing the legacy of hurt, recognizing the extent of our commonality and exploring our deep differences, ensuring they are held between us in the love and grace of Christ.*

*"These recommendations were adopted by the majority of the Primates present."*

*Though they use the language of 'requirement,' the Primates do not have the authority to make decisions about the entire Communion, any more than does the Archbishop of Canterbury (ABC), or the Lambeth Conference of bishops. They are stating what would make it possible for some of them, as individuals, to continue in a period of continuing engagement with TEC.*

*The Anglican Consultative Council (ACC) is the closest thing the Anglican Communion has to an authoritative body, and they have acted in the past to restrict our participation in their work, but that was also a temporary action. In very practical terms it seems unlikely that the members of the ACC, who come from all the Provinces of the Communion, would take substantially different positions from their Primates, except, perhaps, to opine that they had not gone far enough by 'sidelining' us for a time rather than calling for complete expulsion. That only one Archbishop left the meeting early over this issue is encouraging.*

*Our Presiding Bishop and Primate, the Most Rev'd Michael Curry, has issued a statement suggesting that as painful as this development is, we might choose to embrace the 'high calling' of walking with those who differ with us for the ultimate good of the whole Communion. He reminds us that 'we are Jesus people' and that our call is to share with the world the Good News that God accepts and loves all people, and carrying that message is not always easy, and often takes more time than anyone would like.*

*Anyone who has worked in the civil rights and women's rights movements knows the truth of that. It is no different with regard to the LBGTO community – and that's here at home! That we occupy a place which others around the world cannot embrace should not surprise us. We are equally incapable of embracing the cultures and contexts of others. Our world view, our experiences, and our insistence on individual freedoms are not shared by the whole world. This does not automatically make either "us" or "them" right or wrong about everything.*

*The pains of this time are many and complicated. In TEC we have known for decades that even engaging in conversation about a new understanding of sexuality and marriage was unacceptable to many of our members. Not having the conversation was unacceptable to many others. Suggesting that current understandings might be incomplete was an offense to some, and suggesting that no new understanding was legitimate was an offense to others.*

*We have experienced this same tension where certainties about slavery and the full equality of all persons was concerned – and we still have not reached the point at which the automatic assumptions and preferences which contribute to institutionalized racism have been identified - let alone eradicated.*

*We have experienced ongoing tension where the full participation of women in the legal, political, and religious lives of Americans is concerned. We experience considerable, ongoing tension within the Anglican Communion where the remarriage of divorced persons is concerned.*

*Here in the United States it took us decades to learn to have rational conversations about issues such as alcoholism, HIV/AIDS, and smoking, not that we have universal agreement about them. We still struggle mightily to have constructive conversation about mental illness, environmental stewardship, and gun control.*

*And for members of TEC, there's the Anglican "three-legged stool" of Scripture, Tradition and Reason. The enterprises of interpreting scripture, reflecting on and integrating knowledge and insight gained from other sources, and theologizing about God's presence and will in our lives, is always influenced by the cultural, societal, and religious backgrounds of the people engaged in them. It was so in the earliest church, and it remains so today. What is clear is that every group, every individual, who cherishes our sacred writings, picks and chooses which of them to emphasize and which to set aside. There are none among us in TEC, none in the Anglican Communion, or the Church universal who even claim to follow every precept of the Bible literally. All make decisions about the priority of some passages over others, and many of those choices are influenced completely by whatever undergirds the status quo in a particular culture or context. Suggestions that scripture may actually be challenging the status quo, or that prior interpretations were inaccurate or incomplete, has often been met with both heated denial and violent repudiation. The persecutions of Galileo and Copernicus come to mind....*

*We have learned that it is new experience which is often the catalyst for conversion – experience which can only be gained by putting ourselves in the position to share who we are and how our thoughts have been shaped, to learn who others are, and to find in that exchange an expanded understanding of each other, the world, and our faith. This understanding does not always lead to agreement, but it can often contribute to a determination to find greater common ground, a desire to go deeper in our search for truth, and a reluctance to walk away from each other. We must, in all humility, acknowledge that we all January 15, 2016 may have some things to learn.....*

*The Primates' communiqué claims a unanimous desire to remain engaged even in the midst of very troubling disagreement, and we must make the very best advantage of that. They included in their conversations a condemnation of mistreatment and punishment of persons of homosexual orientation. They did not unanimously ask that TEC be expelled from the Anglican Communion. They did not call for official inclusion of those who have walked away from TEC – though some of them were present as observers. And we must humbly acknowledge that*

*their measured approach may well be the result of the fact that some who disagree with the official actions of TEC have chosen not to walk away from us, but rather to remain engaged for the sake of the whole Church. We must also stay engaged if we hope to have any influence on eventual outcomes.*

*Some of the communiqué is open to interpretation, though it seems clear many of the Primates are not willing to be represented by us in official dialogues with other Churches and religious bodies, though they do not seem to call for immediate resignation or replacement.*

*What will happen with Partner relationships between and among dioceses is yet to be seen, and will certainly be a Province by Province or Diocese by Diocese decision. My intention and hope is that our partnerships will continue during and beyond this three year period. Please continue to pray for our brothers and sisters in Bor and Brasilia, and for the people of St. André parish in Haiti. Bishop Curry reminds us that the Anglican Communion is a “network of relationships built on mission partnerships,” and we can continue to nurture those connections and engage in that shared mission.*

*Some have suggested that TEC should begin withholding financial support to the rest of the Communion, an approach I do not endorse. We know perfectly well that ability to pay the bills does not make a person (or a church) correct. Anyone who has ever had to deal with an opinionated pledger who insists on having his or her way knows all about this! Faithful stewardship is about ensuring that the resources entrusted to us by God are used to benefit all who need them, including those we think are dead wrong about religion, and including financial resources. The parable of the Good Samaritan comes to mind....*

*It is always true, no matter the circumstance, that what is most important is what we do next. What is most important is not what others decide to do, but what we decide to do....and the right thing to do is to remember that Jesus did not command us to agree. He commanded us to love each other as he loves us, and that means with sacrificial, incarnational love. For the sake of our own souls, and for the Gospel, let it be so.*

Conversations took place around this letter and the value of the Anglican Communion.

Bill Hughes brought up that at the November Executive Council Meeting we discussed that perhaps we would have further opportunity to discuss things that came from the last Diocesan Convention, for example, the document regarding the policy for the use of alcohol based on Gen'l. Convention resolution A158. Hopefully we will have an opportunity to have that discussion in the future so that we can have time to complete something to send to the next Diocesan Convention.

+Cate reminded EC that we referred two things to Personnel Policy & Compensation on the issue of Parental Leave Policy and a policy for the use of alcohol.

Canon Gebuhr reported that PP&C met before Christmas and they are working on updating our Personnel Policy Manuel – they are working on a Parental Leave Policy to add to that manual. They have not begun anything on the Use of Alcohol Policy as yet.

Congregation & Community Life Commission can have an opportunity to report on these resolutions if they want to. Allen Rutherford+ mentioned that he feels that this needs to go out to have a “household discussion” before the congregations. Allen’s vestry has discussed and feels that they do need input from all of our congregations. An email could be drafted that would go to all congregations with the points that came out that resolution saying that we really need to have serious discussion & provide us feedback (with a date of when we want that feedback returned). Bishop Cate thinks that would be a good start & feels that **Congregation & Community Life** would be the appropriate group to receive & collate all of that information. At our up & coming Clergy Ember Day we can discuss this Resolution that came out of Diocesan Convention & came to this body. With the request that congregations provide an opportunity for people to read it, to look at it, to share their thoughts and opinions – we are Not asking them to vote on anything – we are just asking them to have open, honest, careful communication about it and to get input back to C&CL.

Bill Hughes thought that E.C. would have a period of time at one of our future meetings to talk about it **before** we started asking all congregations for their opinion. Bruce Gray+ thought that was the way it was also.

+Cate feels that perhaps EC should begin an email dialogue on this – our next meeting is in March – if we spend time at one meeting talking about it then our next meeting is not for 3 months – we run the risk of pushing this back, pushing this back, etc.

We will put **time on the agenda for the March meeting** but between now and then we ask among ourselves some of your thoughts . . . send them as “I” statements, try to be careful and objective. Let’s model in our own sharing what we would like to have happen in parishes among clergy & lay people and let’s be as straightforward non-defensive as possible. We will have some of that before we come to our March meeting.

Allen+ feels if we can get congregations feedback to **Congregation & Community Life** before the June 18 meeting & we can have something drafted by the September meeting & be ready to go to Convention. Not necessarily that Diocesan Convention vote on something this year but that we would have something to report on and for the household to look at.

+Cate feels it would be important not to tell yourselves that you absolutely have to have an up or down vote on our October Convention about this but that you have been facilitating conversations and this is a progress report.

More discussion followed.

**All agreed on the following:**

**Between now and our March meeting 2 things hopefully will happen:**

- 1) members of the EC who wish to can be sharing with each other (through the list serve) their thoughts on this policy on the use of alcohol.**
- 2) our clergy and other parish leaders will be reminded that this is on the horizon, they will be urged to become somewhat familiar with the Gen’l. Convention Resolution & that after EC March meeting the EC will be in touch with them & EC will communicate with the household what they will be looking for in the way of input from parishes. We hope that input will arrive before mid-summer so the C&CL Commission has the ability to work with it.**

Amended by Allen Rutherford+: [Regarding item #2: Bishop Cate had agreed to send out an official notification to the clergy and congregations asking for them to initiate a study of the Policies Resolution.](#)

Allen Rutherford+ moved to adjourn this meeting and Bill Hughes seconded. **Passed unanimously.** Bishop closed the meeting with prayer.

Respectfully submitted,



Sally Cassidy

+ *Catherine Waynick*

+Catherine Waynick  
Bishop of Indianapolis