

The Diocese of Louisiana Executive Board
January 14, 2012
The 279th Regular Meeting

Present from the Board: The Rt. Rev. Morris K. Thompson, Lucius Butts, Les Bradfield, Carol Billings, John Musser, Edgar Cage, The Rev. Rob Courtney, Fred Smith, Marsha Wade, Judy Weber, Michael Willis

Ex-officio without vote: Mary Tharp, Vice Chancellor

Present from the Bishop's Staff: Canon Mark Stevenson, Nell Bolton, and Billie Barbier

A quorum was present.

Bishop Thompson opened the meeting with a prayer.

The minutes of the December 14, 2011 meeting were read and approved.

Ministry Updates

St. Andrew's, New Orleans, Request to Encumber

The Rev. Susan Gaumer and Mason Lecky, Head of School, made a presentation on the success and growth of St. Andrew's School. A significant increase in the student body requires an expansion to the current campus. The financial details for covering this expansion were discussed. While most of the terms were favorable, a concern was expressed about having a floating rate. The total cost of the building project was \$3.1M, with a target pay-off of eight to ten years. Over \$400,000 has been raised and a capital campaign for an additional \$1.5M is under way.

Fred Smith made a motion to approve in principle the request. Motion was approved with final approval pending the negotiation of favorable long term rates.

Bishop's Report

- There will be a Vestry Retreat at St. Martin's next weekend with over 100 attendees anticipated.
- Attended the installation of Bishop Kee Sloan as Bishop of the Diocese of Alabama.
- Next weekend is the clergy silent retreat.

Congregation and Clergy in Transition

- Canon Stevenson reports that St. Luke's, Baton Rouge, is preparing to begin self study.
- Bishop Thompson continues to review candidates for All Souls', New Orleans.
- There was a Priest in every Church for Christmas Eve Services.

Youth Ministry Report

Future events include:

- Senior High Rally is January 13-15 at the Solomon Center.
- Happening #68 will take place February 3-5 at the Solomon Center.
- Junior High Rally is March 16-18 at the Solomon Center.
- The God & Guinness young adult ministry continues to be very successful.

ECS of Louisiana Report

Nell Bolton reviewed highlights of ECS.

- ESCLA has stationed new case managers at St. Mary's, Franklin and St. Andrew's, Bayou du Large.
- The Gaudet grant committee has received 11 grant applications with request totaling \$161,000. The funding for 2012 is \$40,000.
- The Rebuild program is winding down with the final two homeowners moving in last week. The Rebuild warehouse will be cleared out within the next week.
- ESCLA is building a new web based asset map showing our church's community involvement and disaster response capabilities
- Deacon Elaine Clements traveled to Pennsylvania this month to provide assistance in planning long term response for flooding from Hurricane Irene and Lee.
- The Fund for Theological Education has awarded ECSLA a grant to support stipends for young adult interns at parishes.
- The 2011 ECS year end budget performance was under budget by less than ½ of one percent.
- The 2012 ECS budget, at \$1,413,620, was reviewed and approved.
- The Gaudet Fund will be funded for 2012 by a 4.5% draw from the endowment.

Planning for the Future

Grace Episcopal Church, New Orleans

Les Bradfield reviewed the current lease offer from Lafayette Academy Charter School, the largest elementary school in New Orleans. The offer is to lease the property for five years for \$8 per square foot per year (approximately \$8,750 per month) on a triple net lease basis.

Additional research is required to clarify the New Orleans City Property Tax issue. Assistance from Lafayette Academy will be requested to address this issue.

Detailed lease terms will be negotiated in the near future.

A motion was made and approved to give Lafayette Academy positive feedback to encourage further lease term negotiations.

The Grace Church property has been rekeyed for additional security.

Urban Center Ministries

Canon Stevenson reports there is continued interest in leasing the property. Eden House is the primary prospect and they are working to raise the capital for the lease project.

Financial and Related Reports

Episcopal Diocese of Louisiana

Canon Stevenson, Lucius Butts and Billie Barbier reviewed the various 2011 financial statements

- 2011 Assessment & Program : There was a \$14,503 shortfall in congregational giving versus budget.
- 2011 Budget Worksheet: Careful management of expenses helped to nearly balance the annual budget.

Solomon Episcopal Conference Center

Total revenue for 2011 was \$1,008,040. Total expenses were \$1,029,686.

Diocesan Clergy Professional Funds

The policy governing the Bishop's and Canon to the Ordinary's Professional Funds were reviewed.

Diocesan 2012 Operational Budget

The projected revenue for 2012 is \$1,491,524. This is a decrease of 4% from 2011. The proposed operational budget was reviewed and approved.

Diocesan Assessment and Program

The 2012 assessment totals \$655,930. The percentage accepted was 64% , a 5% increase over 2011.

2012 SECC Budget

The proposed 2012 SECC budget projects revenue of \$1,102,000. Projected expenses total \$1,111,567. This represents a deficit of less than 1%. A motion was made and approved to accept the SECC 2012 budget.

Additional Matters Requiring Action

SECC Request for Change in Loan Status

The SECC requested the interest charge for the loan on the SECC Executive Director's residence be forgiven. After careful review of the details, the request was denied.

Disciplinary Board Terms and Nominations

Nominations were reviewed and approved with the following change: delete Les Bradfield from the Class of 2009-2012 and substitute John Ozier.

Concluding Matters

Open time with the Bishop

- The Bishop thanked those who were rotating off the Board for their dedicated service.
- The final service at Grace Episcopal Church was well attended with little negative feedback.

Future meeting dates, March 30 and 31 (SECC retreat), May 12, 2012.

There being no additional business, the meeting was adjourn with a prayer by the Bishop.

Respectfully Submitted,

Les Bradfield

On behalf of the Secretary of the Diocese

The Diocese of Louisiana Executive Board
Meeting
April 14, 2012
The 280th Regular Meeting

Present from the Board: The Rt. Rev. Morris K. Thompson, Lucius Butts, Les Bradfield, Carol Billings, The Rev. Rob Courtney, Margaret Lawhon Schott, Fred Smith, The Rev. Sharon Alexander, The Rev. Karen Gay, Randi Ellis, Francis Nezianya

Present from the Bishop's Staff: Canon Mark Stevenson, Nell Bolton, and Billie Barbier

A quorum was present.

Bishop Thompson opened the meeting with a prayer.

The minutes of the January 14, 2012 meeting were read and approved.

Election of a Vice President: Bishop Thompson nominated Edgar Cage to serve as the Executive Board's Vice President. Motion was approved unanimously.

Ministry Updates

St. Margaret's, Baton Rouge, Update

The Rev. Patrick Edwards made a presentation on the progress at St. Margaret's in the past year. The church is located in a prime location and has experienced significant growth. They are moving forward on a modest capital campaign of \$40,000, which will be used to make St. Margaret's more visible to the public with better signage and the addition of a steeple and flag pole. So far, the capital campaign has raised \$10,000. Completion of the improvements should be finished by the end of 2012.

The Bishop's Report

The Bishop has been spending time getting to know the new priests in the Diocese. There was an annual renewal of vows for the clergy at the Cathedral on April 2, 2012. The Bishop requested we give some thought to a mission statement for the Diocese. His past experience indicates how important a good mission statement can be.

The elevator at the Noland Center needs repairs and will cost about \$45,000. Without the elevator, the second floor is not accessible to all. Repairs will take two to three months to complete. He is hoping to find a donor to provide the needed funds for the repairs.

Youth Report

Amelia Arthur submitted a written report on youth activities. The past three months have been very busy with the Senior High Youth Rally in January, Happening #68 in February, and Junior High Youth rally in March. Attendance was high for all of these events. The God & Guinness programs in January and February were also well attended.

ECS of Louisiana

Nell Bolton made a report on ECS activities. A total of \$40,000 grants have been awarded to eight educational programs in the Diocese. The Case Management program to provide continuing support to those hurt by the oil spill in Franklin and Bayou du Large has been delayed by difficulty in filling the case management positions.

- Follow up consulting for the Asset-Based Community Development project has been done at several participating parishes.
- With support from Episcopal Relief and Development, ECSLA is the pilot site for a new national web-based asset map showing our Church's community involvement and disaster response capabilities.
- In preparation for the upcoming hurricane season, seven churches have been supplied with generators and other tools to provide disaster support.
- Living with Purpose Youth Adult Fellowship, seven interns will be placed in New Orleans and five to six in Baton Rouge.
- Since the beginning of the year, ECS has hosted 268 volunteers for visiting mission groups.
- FTE Internships: St. Anna's, the Chapel of the Holy Spirit, and the Chapel of the Holy Comforter have been awarded stipends to host interns.
- The ECSLA budget worksheet was reviewed in detail.

Clergy and Congregation Development Program

Canon Stevenson reports that progress is being made on the congregational workshops and year two planning.

Congregation and Clergy in Transition

Canon Stevenson reports that St. Luke's, Baton Rouge, is working through their search committee to call a new rector. The Bishop is interviewing candidates for All Soul's, New Orleans.

Urban Ministries Center

Eden House has entered into a two year lease-purchase agreement beginning May 1, 2012.

Planning for the Future

Grace Church, New Orleans

Les Bradfield reports that a lease contract has been signed with the Choice Foundation (Lafayette Academy Charter School). The lease terms are sixty three months with an automatic renewal option for an additional sixty months. The initial lease period of three months will be used to give access to the property for renovation for the school's pre-Kindergarten and Kindergarten classes beginning in the Fall of 2012. The initial yearly lease rate is \$7 per square foot for an estimated 16,500 SF of usable space. The initial yearly lease is valued at \$115,500 per year. The rate increases to \$8 per square foot for the second lease period (\$132,000 per year). The Diocese will maintain insurance coverage, which will be paid by Choice on a monthly basis. Choice will be responsible for all internal maintenance and the Diocese is responsible for the exterior (roof, walls, and foundation). Choice will also be responsible for all utilities and any future tax issues.

The Choice Foundation will refurbish the property's electrical system as required by government officials to bring the property up to current electrical code requirements. Estimates for these

repairs are from \$100,000 to \$225,000 and will be paid by Choice. Lease credits will be allowed to offset these expenses.

A new letter of agreement for the John McCrady painting (The Ascension), on loan to the Ogden Museum, is needed. We also need to get a current estimate of the value of the painting.

All Soul's, New Orleans, Additional Property Request

Canon Stevenson presented a proposal from All Soul's to acquire 5458 North Rampart Street. Funding for the acquisition will be provided by Lemoyne College and Operation Southern Comfort. The house will be used by Lemoyne College for a student teacher residency program working with the New Orleans Recovery School District. A motion was made by Lucius Butts to authorize the Bishop to approve the acquisition if the final terms are acceptable to him. Motion seconded and approved.

Additional Matters Requiring Action

Refinancing of St. Michael's, Mandeville, Loan

The Rev. Sharon Alexander presented a proposal to refinance St. Michael's loan and line of credit (\$1,600,000) to get a better interest rate. The new rate is 5% with no prepaid penalties. The loan payments are fully covered by tuition income from the school. A motion was made by Fred Smith. Motion seconded and approved.

St. Michael's, Mandeville, Sheltering Agreement

St. Michael's will provide emergency sheltering to St. Tammany Parish as required by a local emergency. The option to open the shelter will remain a choice of St. Michael's. A motion was made by The Rev. Karen Gay. Motion seconded and approved.

Ratification of Email Poll, Refinancing of UMC and EHS loans

Canon Stevenson reviewed the refinancing options, previously approved by an Email poll, for the UMC and EHS loans. These refinancing options do not increase the debit but provide a lower interest rate on the loans. A motion on the UMC loan refinancing was made by Fred Smith. Motion seconded and approved. A motion on the EHS loan was made by Margaret Lawhon Schott. Motion seconded and approved.

Possible refinancing in Covington

Canon Stevenson presented the possibility of a refinancing request coming to the Board in the near future of a loan (\$6-8M) at Christ School. The proposed floating loan rate was viewed as a serious concern. The sense of the Board is that more detailed information is required before a decision can be made. Based on the size of the loan, this review needs to be done at a board meeting or special board meeting, with at least 30 days notice.

Change to Bank Accounts

Canon Stevenson proposed we close our Capital One bank account and open new operating accounts with Iberia Bank. The reason for the move is better rates and lower fees. A motion was made by Fred Smith. Motion seconded and approved.

Account/Fund Consolidation

Canon Stevenson and Lucius Butts recommended we invest a portion of the Temporarily Restricted Funds held at Smith Barney in a mutual fund, with a goal of receiving a greater rate of

return than currently being realized. Canon Stevenson and Mr. Butts have targeted several funds for this move that are rarely used, totaling approximately \$1.3million. A motion was made by Francis Nezianya. Motion seconded and approved.

Concluding Matters

Open time with the Bishop

The Bishop talked about the issues that will be raised by the upcoming General Convention in July 2012. He is discussing these issues with the clergy on April 24.

Future meeting dates, July 18, September 8, November 10, and December 19, 2012.

There being no additional business, the meeting was adjourn with a prayer by the Bishop.

Respectfully Submitted,

Les Bradfield

On behalf of the Secretary of the Diocese

The Diocese of Louisiana Executive Board
Conference Call / Rebuild Contract Issues at Grace
June 10, 2012 / 6:00 PM

On the call: The Rt. Rev. Morris K. Thompson, Lucius Butts, Les Bradfield, Carol Billings, The Rev. Rob Courtney, Margaret Lawhon Schott, Fred Smith, The Rev. Sharon Alexander, The Rev. Karen Gay, Randi Ellis, Francis Nezianya, Marsha Wade

Present from the Bishop's Staff: Canon Mark Stevenson and Billie Barbier. Also, Mike Taylor, Grace property manager.

A quorum was present.

Bishop Thompson opened the meeting with a prayer.

Proposal to Repair Termite Damage

Mike Taylor gave background information on the Choice Foundation and their plans for the property. The portion of Grace that was the old school is heavily damaged by termites. Some of the damage is old and some is active termite infestation. Old repairs previously made to the framing and ceiling were not up to code standards. Based on the extensive damage, the exterior walls, ceiling beams, and roof need to be replaced.

BEI construction has given us a proposal to do the above work for \$285,000. Additionally, \$32,000 is needed to repair electrical problems to address electrical code issues.

Legal Issues

Mary Tharp gave a detailed legal review of our obligation to repair the damage. Choice has already made significant improvements to the property. If we failed to make appropriate repairs, Choice would have grounds to cancel the lease and seek financial compensation for the work already done.

Rebuild Proposal Issues

Lucius Butts made several recommendations to lower the rebuild cost. The damage is too extensive to consider repairs to the current structure. Getting additional bids to replace the exterior walls, ceiling beams, and roof was recommended.

Revised Lease Addendum

Before we start any additional repairs, we need to have a signed lease addendum from Choice.

Projected Repair Budget / Financing

Canon Stevenson recommended a repair budget not to exceed \$450,000. An attractive line of credit is available from Iberia Bank.

Motion to Proceed

Les Bradfield made a motion to proceed with the repairs and to get additional bids from contractors we have done business with in the past. The motion was seconded by Francis Nezianya. Motion passed unanimously.

Having no further business, the Bishop thanked everyone for their time and input.

Respectfully Submitted,
Les Bradfield

The Diocese of Louisiana Executive Board Meeting DRAFT
July 18, 2012 at 6PM
The 281st Regular Meeting

Present from the Board: The Rt. Rev. Morris K. Thompson, The Rev. Karen Gay, Marsha Wade, Lucius Butts, Margaret Lawhon Schott, Fred Smith, The Rev. Rob Courtney, Carol Billings, Edgar Cage, The Rev. Sharon Alexander, Randi Ellis, Francis Neziyana, Les Bradfield

Present from the Bishop's Staff: Canon Mark Stevenson, Billie Barbier and Nell Bolton.
Ex-Officio: Mary Tharp, Vice-Chancellor

A quorum was present.

Bishop Thompson opened the meeting with a prayer.

The minutes of the April 14, 2012 meeting and the conference call of June 10, 2012 were approved as presented.

Ministry Updates

The Bishop's Report:

The Bishop gave the Board an overview of General Convention. Based on his observations, some of the news reports on the Convention were very inaccurate. The Presiding Bishop made some encouraging comments on moving forward. There were a number of young people engaged in the works of the Convention, giving testimony on various ministries. A liturgy for same sex blessing was approved. (A review committee will be formed to recommend procedures for its use in Louisiana.) These same sex blessing procedures will be reviewed at the Parish/Priest level to determine what each Parish/Priest is comfortable with. No one will be forced to follow these procedures. Asset mapping was a hot topic at Convention. Over all, the Bishop felt this year's General Convention was a good event.

Canon Stevenson observed there was a great deal of energy at Convention. He was impressed at how efficient some of the committees were in getting their work done. He noted that 44% of the Convention deputies were first timers.

Congregations and Clergy in Transition:

Canon Stevenson discussed the ongoing search process for a new Priest at St. Luke's, Baton Rouge and All Souls', New Orleans.

Youth Ministry:

Canon Stevenson reported that Amelia Arthur is out on maternity leave, having just given birth to her second child.

ECS of Louisiana:

Canon Stevenson requested we review the reports from Nell Bolton regarding ECS activities. Nell is leaving ECS after several years of superior service. She will be missed.

Planning for the Future

Grace Church, New Orleans:

BEI Construction

Les Bradfield reports, after careful review, the rebuild proposal to repair significant termite damage submitted by BEI Contractors has been rejected. The bid was too high.

Landis Construction

Landis provided the best priced proposal for the replacement of all windows and window framing in the rectory. The total price was \$26,147.

C&G Construction

C&G proposed to remove and replace the exterior, western wall, ceiling beams, and roof, an area of about 5,500 square feet. All wall and ceiling framing will be metal in place of wood. The proposal total was \$173,054; a savings of \$111,946 compared to the BEI proposal. A change order to finish the interior walls/ceiling may be required at \$18,480. This was done to allow Choice the opportunity to do custom electrical wiring before the walls/ceiling is finished.

Electrical Work

We have an open work order (\$33,000) to repair electrical code issues at Grace.

Lease Addendum with Choice Foundation

No construction contract will be signed until we have a signed lease agreement with Choice. This should be done in the next few weeks.

Lease Payments / Financing

Lease payments should begin in the November / December time frame. Choice is currently paying the insurance cost. Canon Stevenson indicates the appropriate line of credit to fund the rebuild project is in place with Iberia Bank.

Based on the termite damage at Grace, Edgar Cage recommends that all Parishes should carefully review their termite protection and coverage

Policy Review Committee:

Canon Stevenson and the Rev. Sharon Alexander are working with a committee to review all policies of the Diocese. The goal of the review is to ensure all policies are current and relevant. Once reviewed, all policies will be available online.

Financial and Related Reports

Episcopal Diocese of Louisiana:

Canon Stevenson and Billie Barbier reviewed the year to date budget and income statement. There are no significant issues with the budget and expenses are being well managed. Program giving by congregations continues to be an issue.

Pooled Investment Fund:

Canon Stevenson did a summary review of the restricted funds. As a result of consolidating various funds, the Franklin Fund has earned over \$20,000 since the beginning of the year. Canon Stevenson noted there was some flexibility in the use of temporarily restricted funds but no flexibility in the permanently restricted funds.

Solomon Episcopal Conference Center:

Canon Stevenson and Billie Barbier reviewed the Solomon Center year to date budget. The Center is current running a deficit of \$31,406. An issue within the Diocese is the cancellation of scheduled events. This results in lost revenue. For all future events, a reservation will require a reservation deposit. If an event is canceled, the deposit will help offset the lost revenue.

2011 Audit Status:

Billie Barbier indicates we should have the written 2011 audit report by the end of August, 2012. The auditors are waiting on some revenue figures from the Pooled Investment Fund.

Update on Covington Refinance:

The refinance request by Covington has been postponed indefinitely.

Workplace Alert Program:

There has been no activity in the alert program year to date.

Additional Matters Requiring Action

Hammond, request to sell the property:

Canon Stevenson reports that we have been approached by an interested party regarding two small parcels of land donated to the Diocese of Louisiana several decades ago. (Two similar pieces of property, adjacent to the diocesan property, were donated to Grace Memorial Church at the same time; those two parcels were sold in 2008 for a total of \$6,500.) Canon Stevenson requested permission to enter into negotiations for a possible sale, with the intent of reporting back to the Board for final approval. Such a motion was made and passed.

Ratification of Email Poll, Maringuoin Oil Lease:

As previously approved by the Executive Board, Canon Stevenson reviewed the oil lease offer for the St. Stephen's cemetery. The property is about one acre and the lease does not require any drilling on the property. The oil lease is for a three year period and would

generate \$175.00 per year in lease revenue. A motion was made and passed unanimously to proceed with the lease.

Ratification of Email Poll, Episcopal High School:

As previously approved by the Executive Board, a motion was made to ratify the refinance request made by Episcopal High School. Motion passed unanimously.

Concluding Matters

Items for future meeting:

Canon Stevenson reported that the Board will need to review the diocesan policies for the Denominational Health Plan and Lay Employee Pension Plan in light of changes made at the recent General Convention.

Open time with the Bishop:

The Bishop thanked Nell Bolton for her service to ECS.

Future meeting dates:

September 8, November 10, and December 19, 2012 and January 12, 2013.

There being no additional business, the meeting was adjourned with a prayer by the Bishop.

Respectfully Submitted,
Les Bradfield
On behalf of the Secretary of the Diocese

The Diocese of Louisiana Executive Board Meeting
September 8, 2012 at 10AM
The 282nd Regular Meeting

Present from the Board: The Rt. Rev. Morris K. Thompson, Lucius Butts, The Rev. Fred Devall, The Rev. Rob Courtney, Carol Billings, The Rev. Sharon Alexander, Randi Ellis, Francis Nezianya, and Les Bradfield

Present from the Bishop's Staff: Canon Mark Stevenson, Billie Barbier, Karla duPlantier, Amelia Arthur.

A quorum was present.

Bishop Thompson opened the meeting with a prayer.

The minutes of the July 18, 2012 meeting were approved as distributed.

Ministry Updates

The Bishop's Report

Karla duPlantier has accepted the position as the Interim Director of Episcopal Community Services. She began the job with a fast start with a review of community needs in the LaPlace area as a result of Hurricane Isaac.

Merry Sorrels was recently appointed as the new Head of School at St. Martin's School.

Post-Hurricane Isaac Issues

Hurricane Isaac did not cause wide-spread damage to our congregations, although there were a few incidences of damage. St. John's, Thibodaux, had some water damage to their organ, St. Timothy's, LaPlace, experienced moderate flooding, and St. Michael's, Mandeville, had damage that will probably exceed their insurance deductible.

Congregations and Clergy in Transition

Canon Stevenson discussed the ongoing search process for new Priests at St. Luke's, Baton Rouge, All Souls', New Orleans, All Soul's, Ponchatoula, St. Mark's, Harvey, and a Head Master at St. Paul's School, New Orleans. The Rev. Walter Baer is moving to the Church of the Annunciation, New Orleans as Priest in Charge, and the Rev. John Craft is moving to the Chapel of the Holy Comforter, New Orleans, also as Priest in Charge.

Youth Ministry

Amelia Arthur reviewed the numerous activities of Youth Ministry. Scheduled events include Province IV Youth Networking Meeting (Nov 15-18), Bowling with the Bishop (Nov 10), Winterlight Kanuga Camp (Dec 28-Jan 1), Senior and Junior High Rallies, and the on-going God and Guinness monthly meetings. Amelia is also working on a small Parish Christian Formation resource center. She will give the Board an update on her progress for the next Board meeting.

ECS of Louisiana

Karla duPlantier gave a brief review of her past working experience with Catholic Charities. She is very enthusiastic about the future potential of ECS and new community outreach ministries. Karla has already started a needs-review following Hurricane Isaac.

Planning for the Future

Grace Church, New Orleans

Les Bradfield gave a brief review of the rebuild status of the Grace property on Canal Street, New Orleans. Contracts were signed several weeks ago and the demolition of the damaged west wall has been complete. Reconstruction of the new roof, ceiling and wall will begin shortly.

SECC Anniversary Gathering

The Bishop reported on the special Solomon Episcopal Conference Center 20th Anniversary gathering planned for Sunday, April 7, 2013. This gathering is designed to raise the awareness of people throughout the Diocese on the Solomon Conference Center.

Financial and Related Reports

Episcopal Diocese of Louisiana Budget / Income Statement

Canon Stevenson and Billie Barbier reviewed the year to date budget and income statement. The expense side of the budget is better than projected year to date. The revenue side of the budget continues to be troubled, with a shortfall of \$115,637 through the end of August, primarily due to congregations being behind in their assessment and program giving. The Diocese is dangerously short on cash reserves. Fr. Devall recommended a letter be sent to the Parishes making them aware of this situation.

The Franklin Fund, into which several Temporarily Restricted Funds were invested, continues to do very well.

Pooled Investment Fund

Canon Stevenson did a review of the pooled investment funds.

Alert Line Report

There has been no activity in the alert program year to date.

ECS Financials

There is a significant revenue deficit projected through year end. Les Bradfield indicates the ECS Board is doing an ongoing review of program funding with careful note of programs that are not self-funding.

Solomon Episcopal Conference Center

Billie Barbier reviewed the Solomon Center year to date budget. It now appears the center will break even for 2012. This is important as SECC is self-funding.

2011 Audit Status

Billie Barbier indicates the 2011 audit reports should be available by the next Board meeting.

Update on Covington Refinance

Canon Stevenson reports the study for a refinance request by Covington has not been completed but should be available for the next Board meeting.

Additional Matters Requiring Action

Grace Memorial, Hammond, request to sell the property

The price offered by a potential buyer was \$2,500, which is far below fair market value. Canon Stevenson informed the buyer that a more reasonable offer would be considered by the Board if she chooses to make one.

DHP and LEPP Policy Revisions

Draft revisions of the Denominational Health Plan (DHP) and Lay Employee Pension Plan (LEPP) policies, which bring them into compliance with changes made at the 2012 General Convention, were reviewed by Canon Stevenson. A motion was made and seconded to approve the revisions. Motion passed unanimously.

2013 Program Budget Asking Percentages

Canon Stevenson reviewed the canonical procedure for setting the Assessment and Program Budget Asking percentages for the coming year. It was recommended that no changes be made for 2013. A motion was made and seconded to approve the percentages. Motion passed unanimously.

2013 Annual Report Composition

Canon Stevenson reviewed the 2013 Annual Report composition. The Bishop recommends the same composition be continued from the 2012 Report, with the addition of the submission of each congregation's membership database in electronic form, and proof of termite inspection / treatment. A motion was made and seconded to approve the Report composition. Motion passed unanimously.

Concluding Matters

Open time with the Bishop

The Bishop and Canon Stevenson will be touring Divinity Schools (including Yale and Virginia) in the next weeks. At present, we have six students in Seminary, the highest in a number of years.

In reference to Hurricane Isaac, Fr. Devall thanked Bishop Thompson for reminding everyone that we are not first responders. The Bishop indicated Hurricane Isaac brought back many staff memories of Hurricane Katrina.

Amelia Arthur reminded everyone that acolyte training has been scheduled.

Future meeting dates

November 10, December 19, 2012 (budget first look) and January 12, 2013.

There being no additional business, the meeting was adjourn with a prayer by the Bishop.

Respectfully Submitted,

Les Bradfield

On behalf of the Secretary of the Diocese

The Diocese of Louisiana Executive Board Meeting
10 November, 2012 at 10AM
The 283rd Regular Meeting

Present from the Board: The Rt. Rev'd Morris K. Thompson, The Rev'd Karen Gay, Marsha Wade, Lucius Butts, The Rev'd Fred Devall, Margaret Lawhon Schott, Fred Smith, The Rev'd Rob Courtney, Carol Billings, Edgar Cage, The Rev. Sharon Alexander, Francis Neziyanya and Mary Tharp

Present from the Bishop's Staff: Canon Mark Stevenson, Billie Barbier, Karla duPlantier, and Amelia Arthur.

Visitors:

From Christ Church Covington: The Rev'd Thomas Blackmon, John Morevant (Head of School, Jim Miles, and John Puossant (CFO).

From St. Michael's Mandeville: Dave Smith (Senior Warden) and Robbie Mitchell (Treasurer)

A quorum was present.

Before opening the meeting officially, the bishop reported about a meeting earlier in the week at which he was present. At the meeting, the facts were presented clearly but the tone was dark and he reacted negatively to it. It took him some time in reflection to note the effect of the lack of generosity in the meeting - - even his own reaction was less than generous. He counseled the Board to be mindful of the way our moods and emotions affect the work before us as a church.

Bishop Thompson opened the meeting with a prayer, and turned the Chair over to Vice President Edgar Cage.

The minutes of the September 8, 2012 meeting were approved.

Special Order(s) of Business

Christ Church and School, Covington

Lucius Butts gave an update on the planned school expansion, noting that the Board-appointed subcommittee had reviewed the proposed work and financing plan, and the members were satisfied that the project is sound.

Fr. Blackmon and his team presented an oral report, highlighting various issues in the memo distributed to the Board.

Christ Church and School requested permission to encumber the property with two loans, totaling \$5.5 million.

The Chair thanked the group from Covington, and dismissed them from the meeting.

Mr. Butts moved approval of the request, with the encouragement that Christ Church make an effort to increase its program pledge to the budget of the diocese for 2013. The motion was seconded, and after a brief discussion was passed.

St. Michael's Church and School, Mandeville

Mr. Butts gave a summary update on the current financial situation at St. Michael's, reminding the Board of the \$1.6 million mortgage on the school previously approved by the Board for the purpose of school expansion. He reported that the church is requesting permission to refinance the mortgage, lengthening the term from 10 years to 20 years with a rate re-pricing after 10 years. This new plan would provide several thousands of dollars per month in improved cash flow for the financially struggling church and school.

The team from Mandeville also reported that the church is in need of assistance in covering the \$21,400 deductible resulting from hurricane Irene damage (the total repair cost is \$72,950), as there is little to no cash reserve at the church and school.

Mtr. Alexander reported that pledging for the coming year shows a marked improvement over fiscal 2012 with a near doubling of the average pledge.

At Mr. Butts suggestion, Canon Stevenson presented the following potential plan of action:

- Loan St. Michael's \$20,000 from the John Long Jackson Fund (restricted for loans to Mission Churches) at 0% interest for the purpose of post-Irene repairs not covered by insurance, requiring a 20 month, \$1,000 per month repayment schedule.
- Approve the modified loan refinancing as presented.
- Require St Michael's to begin to repay the \$99,000 loaned to the church in 2010 for the purpose of paying the cost of an interim rector. This 0% interest loan would be paid at a rate of \$1,000 per month.

The team from St. Michael's expressed satisfaction with this plan, and the Chair dismissed them from the meeting with thanks. (Mtr. Alexander recused herself from the discussion that followed.)

After a brief discussion, Mr. Butts moved each part of Canon Stevenson's proposal individually. Each item was seconded and passed.

Ministry Updates

The Bishop's Report

Bishop Thompson:

- recently traveled to Israel with 40 parishioners and members of the clergy from around the diocese; a wonderfully moving experience. There is discussion that such a pilgrimage might be made every 3 or 4 years, as it is a good way to get to know folks.
- leaves for NYC tomorrow for meetings at Trinity Church, Wall Street, where he will get to see the fallout from hurricane Sandy. The primary purpose of the gathering will be to discuss the work at All Souls' in New Orleans - - both Fr. Lonell Wright (retiring vicar) and Fr. Ed Thompson (the newly appointed vicar) will be accompanying him.
- will be traveling to St. Louis after the New York Trip, for House of Bishops committee work.

- hopes to spend more time in the coming year meeting with vestries and school boards around the diocese.
- has secured a substantial monetary gift for the theological education of clergy; more to reported later on this.
- reported that the College of Presbyters recently met, spending time on the subject of asset mapping.
- will be sending out a letter to rectors and vestries in the near future on the topic of same sex blessings. A committee of priests have been helping him think through the process that is leading him to a plan of implementation of General Convention Resolution A049.
- wants to begin thinking about a Capital Campaign, that would cover such areas as renovations to the Noland Center, an ECS endowment, and an SECC Endowment. He hopes to announce a plan at Convention in March.

Congregations and Clergy in Transition

Canon Stevenson reported the following:

- St. Luke's, Baton Rouge, Rector - - Interviewing Candidates
- St. Paul's, New Orleans, Priest in Charge - - The Rev'd Rob Courtney to begin 12/1/2012
- All Souls', New Orleans, Priest in Charge - - The Rev'd Ed Thompson to begin 11/11/2012
- All Saints', Ponchatoula, Priest in Charge - - The Rev'd LeBaron Taylor to begin 12/1/2012
- St. Michael's, Baton Rouge, Priest in Charge - - The Rev'd Maggie Dennis to begin 12/1/2012
- St. Luke's, New Orleans, Priest in Charge - - The Rev'd William Barnwell to begin 11/1/2012
- Trinity, Morgan City, Rector - - Search to begin this month
- St. George's, New Orleans, Rector - - Search to begin this month
- St. Mark's, Harvey, Vicar (part time) - - Receiving Names and interviewing candidates
- St. Paul's School, New Orleans, Head of School - - Interviewing Candidates

ECS of Louisiana

Billie Barbier presented the financial report.

Karla duPlantier made a presentation covering the mission, vision and program design of this ministry, and requested financial assistance from the diocesan operations budget for the coming year's work.

Ms. duPlantier reported that over \$4,000 had been collected for post hurricane Sandy recovery work. These funds will be forwarded to Episcopal Relief and Development.

Youth Ministry

Amelia Arthur highlighted several programs mentioned in her written report, as well as logistical issues that have bearing on the ministry of the diocese:

- A review of policies and procedures for *Safeguarding Gods Children* is underway
- A database of resources across the various congregations of the diocese is being gathered

Planning for the Future

SECC Anniversary Gathering

Bishop Thomson reminded the Board of the date and time– April 7, 2013, beginning at 11AM with Eucharist, picnic to follow – and asked the members to support the event within their congregations.

Financial and Related Reports

Canon Stevenson, Mr. Butts and Ms. Barbier presented the financial reports of the diocese, and reported that the Finance Committee will be prepared to present initial draft budgets at the December Board meeting.

The Board received a written report from Les Bradfield regarding the current status of the property renovations on Canal Street in New Orleans.

Additional Matters Requiring Action

2013 Clergy Minimum Compensation Packages

Canon Stevenson presented two options regarding a policy for the coming year - - (1) a schedule that would leave the current 2012 rates unchanged, and (2) a schedule that includes a 1.7% cost of living increase (based on the Social Security Administration's published 2013 Cost of Living Adjustment.)

It was moved and seconded to approve a 1.7% increase. The motion was approved, with Mtr. Karen Gay and Mtr. Sharon Alexander abstaining from the vote.

Concluding Matters

Open time with the Bishop

Future meeting dates

December 19, 2012, and January 12, 2013.

There being no additional business, the meeting was adjourn with a prayer by the Bishop.

Respectfully Submitted,
The Rev'd Canon E. Mark Stevenson
On behalf of the Secretary of the Diocese

The Diocese of Louisiana Executive Board Meeting

December 19, 2012 at 6PM

The 284st Regular Meeting

Present from the Board: The Rt. Rev. Morris K. Thompson, The Rev. Karen Gay, Marsha Wade, Lucius Butts, Margaret Lawhon Schott, Fred Smith, Carol Billings, Edgar Cage, The Rev. Sharon Alexander, Randi Ellis, and Les Bradfield

Present from the Bishop's Staff: Canon Mark Stevenson, Billie Barbier, Karla duPlantier, Amelia Arthur.

Ex-Officio: Mary Tharp, Vice Chancellor, and Merry Sorrels, Head of School-St. Martin's

A quorum was present.

Bishop Thompson opened the meeting with a prayer.

The minutes of the November 10, 2012 meeting were approved as presented.

Ministry Updates

ECS of Louisiana

Karla duPlantier gave an over view of the continuing ECS programs. Parish based Case Management received a grant from ERD for \$125,000. The 2013 Diocesan training to support ministries with professional development and capacity building will begin in January. The 2013 draft budget was reviewed. There are several grants pending that will have a significant effect on the final budget. The mission statement has been revised. A 2013 ECS brochure is under development, which will give a review of programs, ministries, and community impact. Karla is working on a 2013 ECS Stewardship Campaign, asking each parishioner to contribute \$1 per month to support ECS. ECS will have a table at the 2013 Diocesan Convention.

The Bishop's Report

The Bishop had a recent meeting at Trinity Wall Street. He expressed his appreciation for their partnership and past assistance. The Solomon Episcopal Conference Center will be having a birthday party celebration the Second Sunday of Easter (April 7, 2013). In 2013, the Bishop plans to spend more time meeting with parish vestries and getting to know members of the Executive Board.

Congregations and Clergy in Transition

Canon Stevenson discussed the ongoing search process for new Priests at Trinity / Morgan City, St. George's / New Orleans, and St. Mark's / Harvey. The calling process at St. George's is in the final phase and results should be announced very soon. A search for a new Head of School for St. Paul's School / New Orleans is underway.

Youth Ministry

Amelia Arthur made some brief remarks regarding the recent tragedy in Connecticut and the need to review / develop emergency safety guide lines, especially for overnight youth events.

She is adding some resource material to the website. A number of cards have been collected and they will be mailed to the two effected Parishes in Connecticut. Junior / Senior High Rally events and Happening #70 are scheduled for January and February 2013. The Diocese has been selected to host the Province IV meeting, scheduled for 2014 at the Solomon Center. Applications for the DYLC will be mailed to parishes in early January; included in the mailing will be a 2013 program brochure. The God & Guinness program will be expanded to include Baton Rouge, thanks to the support from St. James. Trinity, New Orleans will host a Young Adult Retreat in early January. Plans continue for the From EDOLA with Love Mission to the Northeast.

Planning for the Future

St. Michael's, Mandeville

The Rev. Sharon Alexander presented an update to the financial proposal approved by the Board in November. The bank and vestry have reached a more clear understanding of the terms of the refinancing package, indicating a 20 year amortization with a ten year balloon. In addition to seeking approval to this revised understanding, St. Michael's requested an indefinite deferral on the \$1,000 per month repayment of the salary loan that was a part of the November Board resolution.. A motion was made to approve these three items by Lucius Butts with a second by Les Bradfield. The request was approved.

Grace Property, New Orleans

Les Bradfield gave a brief review of the rebuild status of the Grace property on Canal Street, New Orleans. C&G construction has completed their contract to repair/replace the damaged west wall, new roof, and ceiling. Choice/BEI did not apply for a building permit for their construction project until early December. The permit has not been issued but seems to be in a final review stage. Based on the timing of the building permit, lease payments should begin in the March/April time frame. The Grace Fund balance is \$78,013.00, with \$177,543.32 having been drawn on the Line of Credit.

Financial and Related Reports

Episcopal Diocese of Louisiana Budget / Income Statement

Canon Stevenson and Billie Barbier reviewed the year to date budget and income statement. As discussed in past meeting, a primary issue / concern continues to be the revenue side of the income statement. The primary revenue short fall is from the Parish assessment/giving program. As of November 30, 2012 the revenue deficit is \$104,669.

Summary of Restricted Funds

Canon Stevenson indicated the Franklin Fund paid dividends of \$49,027 from the time of investment in May through the end of the year, with an appreciation of \$18,493.73 in value.

Pooled Investment Fund

Canon Stevenson noted the fund gained \$353,812 or 7.5% year to date.

Solomon Episcopal Conference Center

Through the end of November 2012, the Conference Center is showing a profit of \$60,891. It is expected that the end of year numbers will be closer to break even, however.

Audit Review

The Audit Review Committee is meeting in early January to receive the 2011 audits and interview the auditors. Initial reports do not indicate material concerns.

Diocesan 2013 Budget Draft

The Bishop and Canon Stevenson made comments regarding the 2013 Budget Draft. It was noted that the 2013 draft budget was very lean. The Bishop indicated the Diocese of Louisiana has one of the lowest congregational giving requirements in Province IV. The 2013 draft budget totals \$1,536,188, an increase of 1.6% over the 2012 budget. The Draft 2013 budget indicates a deficit of \$21,000, down from a projected deficit of \$72,292 in fiscal 2012. On the revenue side of the 2013 draft budget, \$60,000 in revenue from the Franklin Fund and \$42,000 from the Canal Street property lease will be applied for operational use. On the expense side, significant items of change are: a reduction in diocesan staff levels, the end of printing Church Works (an online magazine will continue), costs associated with the clergy leadership of All Souls, and increased costs related to the Denominational Health Plan.

A motion was made and seconded to:

At the close of fiscal 2012, distribute the appreciated value of the Franklin Fund investment proportionally among the participating temporarily restricted line items (currently approximately \$18,000) and to release the approximate \$49,000 in dividends received during the year to the Diocesan Rebuilding Fund for use as a cash reserve. The motion was approved.

Solomon Episcopal Conference Center 2013 Budget

The SECC Draft 2013 budget is projected to total \$1,024,711 or a decrease of \$86,856 or 7.8% from the 2012 budget.

Episcopal Community Services 2013 Budget

Billie Barbier noted the ECS projected 2013 budget had a deficit of \$35,998 but that several significant grants were anticipated.

Diocesan Clergy Housing Resolution

A motion was made regarding clergy housing resolutions for Bishop Thompson, Canon Stevenson, Rev. Rollins, and Rev. Giulianna Gray. Motion passed.

Future meeting dates

Executive Board: Jan 12, March 15-16 (Retreat), May 18, July 13, Sept 14, Nov 9, and Dec 18

Diocesan Convention will occur March 1-2, 2013 at St. Martin's School, Metairie.

There being no additional business, the meeting was adjourn with a prayer by the Bishop.

Respectfully Submitted,

Les Bradfield

On behalf of the Secretary of the Diocese