

**Episcopal Diocese of Montana**  
**Minutes of Diocesan Council Zoom Media Meeting**  
**October 15, 2022**

The Diocesan Council of the Episcopal Diocese of Montana held a video meeting via Zoom Media, beginning at 11:00 a.m. on Saturday, October 15, 2022. (note the orientation was held at 10:00 for new members and the slide show of that presentation is on Teams).

**Attendance.** Council members present were The Rt. Rev. Marty Stebbins, Jean Buer-Mott, Jim Wiley, Jenanne Solberg, The Rev. Mary Alice Jones, The Rev. Heidi Jones-Magee, The Very Rev. Scott Anderson and The Rev. Randy Pendergraft, The Rev. Terri Grotzinger, The Rev. Chris Roberts. Council members Hank Tuell, Rick Harden, Leo Schuman, and Secretary, Laura Catlin were absent. Also in attendance were Mark Dvarishkis, Diocesan Treasurer; Barb Hagen, Canon for Finance & Administration.

**African Bible Study.** Bishop Marty led an African Bible Study with a reading from Matthew 5:13-16 (Teresa of Avila day). Following the reading, Bishop Marty asked, "What is God calling you or your church to do or be?"

**Call to Order / Adoption of Agenda.** With a quorum participating, Barb Hagen opened the meeting with prayer. The agenda, as previously distributed, was accepted.

OLD BUSINESS - REQUIRES VOTE.

**Minutes of August 20, 2022 meeting** Upon motion duly made by Jean Buer Mott and seconded by Scott Anderson, the Minutes of the August 20, 2022 Diocesan Council meeting were approved as written.

**Final Definition of Income** - We are required to draw funds from the endowments but the "income" to draw has not been defined. Council, Finance and the Foundation board have all discussed this. Foundation board met in August and sent a definition to Diocesan Council and it is on Teams. Upon motion duly made by Jim Wiley and seconded by Mary Alice Jones, the income definition from Foundation board as noted below was approved.

Endowment fund Spending Policy  
8/25/2022

The Foundation board recognizes the perpetual nature of the Endowment assets and the importance of maintaining and growing the real (inflation-adjusted) purchasing power of the corpus over time. In an effort to provide for portfolio growth and a stable and predictable level of real spending, the Board has adopted a spending policy based on a fixed percentage of the Endowment assets.

The amount permitted to be expended each fiscal year from the Endowment Funds ( Brewer, Episcopate and McCulloh funds only) shall be four percent (4%) of the average net fair market value of Endowment assets over a three-year period.

To calculate the distributable amount, the market value shall be a rolling three-year average of the net fair market value of the fund assets. The net fair market value shall be determined as of the last business day of each fiscal year, December 31.

The following table illustrates the calculation methodology applied to each of the Endowment Funds.

Fiscal Year Distribution	Percentage	Net Fair Market Value (December 31)
2022	4%	(2019+2020+2021)/3
2023	4%	(2020+2021+2022)/3

Distributions from the Endowment Funds shall be made for such purposes and in such proportions, consistent with the mission and principles of the Foundation, as determined by the Endowment Board and Diocesan Council.

Distribution date to be determined by Diocesan Council:\_\_\_\_\_

**Employee Retention Tax Credit.** The Employee Retention Tax Credit (ERTC) was referred back to Finance and the Standing Committee. Department of Finance recommends approval and drawing the funds to pay for it from the endowment income funds and repaying the funds when we get the refund. The Standing Committee also recommended moving forward with it. Upon motion duly made by Jean Buer Mott and seconded by Terri Grotzinger, it was approved to proceed with contracting with Wipfli to apply for this credit on our behalf.

#### OLD BUSINESS - RECEIVE INFORMATION.

**Finance Department Minutes.** Council members acknowledged receipt of the Minutes of the Department of Finance meeting held September 8., 2022 and October 6, 2022..

**Financial Statements.** Council members reviewed the August 31, 2022 Diocesan financial statements. Barb said she hopes to have the September 30 statements posted to Teams by the end of the day or by Monday.

**Follow-up: St. Mark's, Havre.** Bishop Marty stated she has met with someone in the community who is interested in restarting St. Mark's. The diocesan office continues to pay for utilities and taxes through the Faber fund and it costs about \$1000 per month. The Church of the Nazarene is interested in using the space as well and we are looking at creating a contract for the building use. If anyone is interested in helping create an agreement or has experience with church planting, let Bishop Marty know. She is putting a team together to help with this process. Chris Roberts said he has notes from his visits with people at St. Mark's and he can share information with Bishop Marty.

**Diocesan Website Update.** Bishop Marty is working on getting information to the website builders. Jim asked if Bishop Marty received his email about the placement of congregational development and she said she has received it. Once the site is up, she will share it and Council members can share feedback too.

**Solar Subcommittee Report.** The application deadline for the solar grant is November 1, 2022. Heidi reported that the subcommittee met on Wednesday last week and did some work on this. Everything is on Teams under Solar. They are hoping to get the grant request submitted by 10/21/2022.

#### NEW BUSINESS - REQUIRES VOTE.

**Election of Vice President.** The Rev. Randy Pendergraft was nominated to serve as Vice President of Diocesan Council for the coming year. The Vice President sits on the Foundation Board and acts in place of the Bishop at Council meetings. Upon motion duly made by Chris Roberts and seconded by Jim Wiley, the nominations were closed. Randy Pendergraft was elected by unanimous vote to serve as Vice President of Council until the 2023 Diocesan Convention.

**Housing Allowances.** Upon motion duly made by Jim Wiley and seconded by Chris Roberts, the following Housing Allowances were unanimously approved.

The Diocesan Council on October 15, 2022, after discussing the amount to be paid to The Rt. Rev. Martha Stebbins, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, The Rt. Rev. Martha Stebbins is employed as a minister of The Episcopal Diocese of Montana, which does not provide a residence for her, the Council resolves that of the total compensation of \$ 133,494.02 to be paid to The Rt. Rev. Martha Stebbins in 2023 that \$38,000 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

The Diocesan Council on October 15, 2022, after discussing the amount to be paid to The Rev. Dorcie Dvarishkis, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, The Rev. Dorcie Dvarishkis is employed as a minister of The Episcopal Diocese of Montana, which does not provide a residence for her, the Council resolves that of the total compensation of \$300 to be paid to The Rev. Dorcie Dvarishkis in 2023 that \$300 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

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The Diocesan Council on October 15, 2022, after discussing the amount to be paid to The Rev. Heidi Jones Magee as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas the Rev. Heidi Jones Magee is employed as a minister of The Episcopal Diocese of Montana, which does not provide a residence for her the Council resolves that of the total compensation of \$300 to be paid to the Rev. Heidi Jones Magee in 2023 that \$300 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

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The Diocesan Council on October 15, 2022 after discussing the amount to be paid to The Rev. Donna Gleaves, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, the Rev. Donna Gleaves is employed as a minister of The Episcopal Diocese of Montana, which does not provide a residence for her, the Council resolves that of the total compensation of \$300 to be paid to the Rev. Donna Gleaves in 2023 that \$300 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

#### NEW BUSINESS - RECEIVE INFORMATION.

**Audit Compliance.** Council discussed the late audits – St. Andrew’s in Philipsburg, received 9/6/2022 and St. John’s in Butte has not yet been received. Discussion ensued about contacting St. John’s since this is not the first time their audit has been late. Terri moved and Chris seconded to write a carefully crafted letter to them that we will send in audit team members from the diocesan audit team in 2023 to perform their 2022 audit. Jean and Heidi both volunteered to do the audit. Motion passes.

**Discussion of costs for replacement for Canon for Finance & Administration.**  
The process is beginning to find the replacement and there are many unknow factors at this time. If we are able to have someone on board in January, the estimated costs for the additional person plus software and a new computer are roughly \$15,000. Council also

discussed adjusting Jill's salary as well if her duties increase. Bishop Marty said we are looking at the jobs and will be doing some reimagining with all of the positions and may need to do some creative restructuring. Bishop Marty has formed a team to help with this process. Jim moved and Terri seconded funding for an additional person.

**Meeting dates set:** See below

**Canon 11 and 20** These canon changes Diocesan Council worked on were tabled at convention. We will post some suggested revisions on Teams for Council to discuss at the January meeting.

**Personal Update from Bishop Marty.** Bishop Marty has been trying to take some time off this week but was in Havre, meeting about the church. She will be traveling for the Leading Women conference during the November Council meeting but will join via Zoom.

**Other items.** Scott shared that Rick Johnson will be retiring as a deacon (the longest serving deacon in the diocese) at the end of the month.

Jim Wiley asked about the BHAG (Big Hairy, Audacious Goal) and Barb said it is on Teams but she will move it to the November folder for that meeting. Jim also asked during the orientation about why the investment activity is on the profit and loss statement. Barb explained that it has been presented that way for a long time and was either a Council or auditor recommendation. She will follow up with the auditors and share with Council in November.

**Upcoming Diocesan Council Meeting Dates for 2023 – all via Zoom unless noted**

- January 14
- March 11
- May 13
- July 15 – in person
- August 12
- October 21 orientation and possible extra meeting (please hold the date)
- November 11

**Adjournment.** Upon motion duly made by Jim and seconded by Jean, Council members unanimously agreed to adjourn the meeting at 12:18 p.m.

Respectfully submitted,

Barb Hagen  
Canon for Finance & Administration  
Secretary, Pro-Tem