

Episcopal Diocese of Montana
Minutes of Diocesan Council Meeting
June 23, 2018
St. Peter's Cathedral, Helena, Montana

Attendance. Council members present: Bishop C. Franklin Brookhart, Jr., The Rev. Richard Reynolds, The Rev. Janis Hansen, Cynthia Hoelscher, The Rev. Donnel O'Flynn, Manny Hoag, The Rev. Connie Campbell-Pearson, and The Rev. Randy Pendergraft. Council members Barbara Schultz, Sandy Williams, George Kimmet and The Rev. Joan Yetter were absent. Also present at the meeting were: Barb Hagen, Canon for Finance/Administration; Steven Yurosko, Diocesan Treasurer; Gayle Gallik Archey, Diocesan Secretary; and guest: The Rev. Valerie Webster.

Call to Order / Adoption of Agenda. Bishop Brookhart called the meeting to order at 10:30 o'clock a.m. With a quorum present, Bishop Brookhart opened the meeting with prayer. The meeting agenda was distributed and adopted as presented. The Bishop announced Bishop Gallagher had back surgery this past Wednesday, and is now at home recovering.

2019 Budget Requests from Committee Chairs. The Rev. Valerie Webster presented a 2019 Budget request for expenses associated with her duties as Ecumenical Officer for the Diocese of Montana, as a representative for Province VI to the Episcopal Diocesan Ecumenical and Interreligious Officers, and on behalf of the Montana Association of Christians.

The Rev. Connie Campbell-Pearson presented a 2019 Budget request on behalf of the School for Deacons. Additionally, Connie spoke about the 2019 Budget request

from Freedom in Christ Prison Ministry, which was submitted by The Ven. Roxanne Klingensmith.

Other 2019 Budget requests discussed included a request from Sarah Hussey, as Canon for Music, a request from The Rev. Louise Baker, Chairperson of the Commission on Ministry, and a request from John Lund for Emmaus Campus Ministry in Missoula.

OLD BUSINESS.

Minutes of April 28, 2018 Meeting. The Paragraph entitled “Contingency Plan” on Page 2 of the Minutes was amended as follows:

Contingency Plan. *A contingency plan to cover expenses for Camp Marshall from the investments of the Diocese in the amount of \$40,000.00 was discussed. When we meet in June, we will look at a plan for this. Janis asked about camp fees covering expenses; Barb explained that there are never enough funds to cover expenses. We do have good renters that come back each year, i.e., the Missoula Children’s Theater in August, that help to offset expenses. A motion was duly made and seconded on the contingency plan. The motion passed.*

By motion duly made and seconded, the Minutes of the April 28, 2018 meeting were approved as amended.

Financial Reports. Treasurer, The Rev. Steven Yurosko, and Canon for Finance, Barb Hagen, presented the financial statements dated May 31, 2018. It was noted that investments, cash flow and assessments are down. Upon motion made and seconded, the May 31, 2018 financial statements were accepted.

Acceptance of Department of Finance Minutes. Upon motion duly made and seconded, Council members acknowledged receipt of Department of Finance Minutes from their meetings held May 15, 2018 and June 2, 2018.

Update of Parish Audits. Barb Hagen stated 2017 Parish Audits are due September 1, 2018. Thus far, 2017 reports have been received from St. Patrick's in Bigfork, All Saints in Big Sky, St. Peter's Cathedral in Helena, and Calvary Church in Red Lodge.

2017 Diocesan Audit. Barb Hagen announced the accountants have completed the 2017 Diocesan Audit. Copies of the Audit Report were previously distributed to all Council members for review. Upon motion duly made and seconded, Council members acknowledged receipt of the 2017 Diocesan Audit Report as printed.

NEW BUSINESS.

2019 Diocesan Budget. Barb Hagen and The Rev. Steven Yurosko presented the proposed 2019 Diocesan Budget, which was prepared by the Finance Department. The Diocesan Budget is comprised of 3 separate budgets: Apostolic, Program and Camp Marshall.

Barb Hagen stated the proposed 2019 Budget incorporates a change as to how assessments are calculated. In prior year's budgets, the assessment was based on 19% of each Parish's income from the prior month. The proposed 2019 Budget is based on the Parish's 2017 Parochial Report. The Parish's assessment for 2019 will be 19% of the income reported on their 2017 Parochial Report. Barb Hagen said this new way will simplify the assessment calculation process. Barb Hagen stated the proposed 2019 Budget includes additional expenses, including the mandatory assessment to the National Church, and on-going expenses associated with the search for a new Bishop.

Following discussion, a motion was made and seconded to accept the Finance Department's recommended 2019 Budget based on the assessment calculation change.

The motion was amended to base the 19% assessment calculation on an average of the Parish's Parochial Reports for the prior 3 years. Upon motion duly made and seconded, Council members approved the 2019 Budget based on a 19% assessment, calculated on an average of the Parish's Parochial Reports for the prior 3 years.

2018 Deficit Diocesan Budget. Barb Hagen reported some Parishes have paid the monthly voluntary additional assessment, but not all. The Diocese still faces a \$9,000 deficit for the remainder of 2018. It was decided the Diocesan Treasurer will write a letter to all Parishes to remind them to prayerfully consider paying the additional assessment to help with the deficit 2018 Budget.

Updates to Wardens, Clerks & Treasurers Handbook. Upon motion duly made and seconded, Council members unanimously approved various revisions to the Wardens, Clerks & Treasurers Handbook, which were recommended by the Finance Department.

Updates to Accounting Manual Template. Upon motion duly made and seconded, Council members approved revisions to the Accounting Manual Template as recommended by the Finance Department.

Updates to Parish Audit Forms. Council members reviewed proposed revisions to the Parish Audit Forms. Upon motion duly made and seconded, the revisions were approved as presented.

Church Building in Glasgow. St. Matthew's Church in Glasgow closed approximately one year ago. At that time, the church building was listed for sale, but unfortunately has not yet sold. The Church also owns 625 acres of farm land near

Scoby, which was recently listed for sale. Gethsemane Church in Manhattan was most grateful to receive a number of the personal property items from St. Matthew's Church.

Property and Liability Insurance Recommendations for Churches. Council members reviewed a draft letter written by the Diocesan Chancellors which will be sent to all parishes, enclosing the 2018 Minimum Insurance Recommendations. The letter reminds parishes they must carry adequate property and liability coverage. Upon motion duly made, and seconded, Council members unanimously approved the 2018 Minimum Insurance Recommendations.

Appointment of Diocesan Chancellors. Bishop Brookhart announced Diocesan Chancellor, James Shuler, has resigned due to health reasons. Brad Foster and Julianne Burkhardt were appointed as Chancellors by the Bishop.

Update Signers on Diocesan Checking Account. Barb Hagen stated James Shuler was a signer on the Diocesan checking account, and with his resignation, Rick Harden will be added as a signer on the account. Upon motion duly made and seconded, Council members accepted this change to the Diocesan checking account.

Grant Report from St. James Church in Dillon. Council members acknowledged receipt of a Statement of Grant Accounting from St. James Church in Dillon, for the \$1,700.00 Venture In Mission Grant the Parish received from the Diocese.

Update of Assessment Guidelines. The Finance Department recommends Council revise the Diocesan Assessment Guidelines to include the following: If loan payments are paid out of the operating budget of the parish, the interest will be assessable. Upon motion duly made and seconded, Council approved this revision.

Barb Hagen stated the Assessment Guidelines will no longer be an issue beginning January 2019, with the change of how assessments are calculated.

Faber Fund Grant/Loan Request from St. Andrew's Church in Philipsburg.

Council members reviewed a Faber Fund Grant/Loan Application submitted by The Rev. Theresa Kelley, on behalf of St. Andrew's Church in Philipsburg in the amount of \$19,000.00. The funds will be used for a new roof, wheelchair ramp, painting and sidewalk repair. It was discussed if additional money should be allocated in case the old shingles on the roof need to be removed. Upon motion duly made and seconded, Council approved the Application. \$10,000.00 will be given to St. Andrews as a loan, and the balance of \$9,000.00 will be given as a grant. An additional \$4,000.00 was approved for allocation to St. Andrews as a grant, if needed.

Council Members Terms Expiring. Bishop Brookhart announced the terms of the following Council members will expire this year at Convention: Barb Schultz, The Rev. Connie Campbell-Pearson and The Rev. Donnel O'Flynn. Bishop Brookhart offered his thanks to all of them for their service and commitment to the Diocese during the past 3 years.

Bishop Brookhart's Last Council Meeting. Bishop Brookhart announced this is his last Diocesan Council meeting, as he will retire in October. Bishop Brookhart stated he is grateful for the work of the Diocesan Council, and offered his thanks. In appreciation for the Bishop and his work throughout the Diocese, Council members presented a gift to him.

Next Diocesan Council Meeting. The next meeting of the Diocesan Council will be held via conference call on Saturday, November 3, 2018 commencing at 10:00 a.m.

Diocesan Convention. Council members were encouraged to attend the upcoming Diocesan Convention, to be held in Polson on October 5, 6 & 7, 2018, as they are considered voting members at Convention.

Adjournment. There being no further business to come before Council, the meeting was adjourned at 2:10 p.m. by Bishop Brookhart.

Respectfully submitted,
Gayle Gallik Archey, Diocesan Secretary.