

Episcopal Diocese of Montana
Minutes of Diocesan Council Conference Call
January 26, 2019

The Diocesan Council of the Episcopal Diocese of Montana held its quarterly meeting via conference call, beginning at 10:00 a.m. on Saturday, January 26, 2019.

Attendance. Council members participating were: George Kimmet, Sandy Williams, Cynthia Hoelscher, The Rev. Janis Hansen, The Rev. Randy Pendergraft, The Rev. Dorcie Dvarishkis, Jerry Southwood, The Rev. Canon Clark Sherman and Cathy Morris. Council members The Rev. Richard Reynolds, The Rev. Joan Yetter and Manny Hoag were absent. Also participating in the call were: Barb Hagen, Canon for Administration and Finance; The Rev. Steven Yurosko, Diocesan Treasurer; Gayle Gallik Archey, Diocesan Secretary; and The Rev. Jean Collins, Liaison from the Standing Committee.

Call to Order. Vice President, The Rev. Janis Hansen, began the conference call with prayer. With a quorum participating, the conference call meeting was called to order. The agenda, previously distributed via email, was accepted as printed.

Requests from Churches - 2019 Assessment. Representatives from St. Mark's Anaconda, St. Mark's Big Timber, St. Paul's Fort Benton, St. Paul's Hamilton and St. Paul's Virginia City also joined the conference call to request specific consideration with respect to the calculation of their respective parish's 2019 monthly Assessment payment.

St. Mark's Anaconda. Terry Montgomery and The Rev. Theresa Kelley request the monthly assessment payment for St. Mark's be reduced to \$375.00, instead of the calculated \$500.00(+). Due to an accounting error on their parochial report, the proposed 2019 monthly assessment payment does not accurately reflect the Parish's income. Additionally, over the past 7 years, St. Mark's has drawn down its investment account by 60% in order to pay operating expenses.

St. Mark's Big Timber. On behalf of St. Mark's Big Timber, Jami Moody, Jill Brown, Sandy Blake, John Horton and Sarah Gregie voiced their concern of the 2019 assessment calculation, which is nearly double what the Parish paid in 2018. They feel this increase is entirely out of proportion and unjustified. The Church is in the process of calling a new priest, and anticipate a \$32,000 loss in 2019.

St. Paul's Fort Benton. On behalf of their Parish, Sue Lepley and Gail Good request the 2019 monthly assessment payment remain the same as last year. St. Paul's has only 3 families that support the Church, with an endowment fund being used to pay for building maintenance.

St. Paul's Hamilton. Jocelyn Snider, Sr. Warden, requests a reduction to St. Paul's projected 2019 monthly assessment payment. They need the money to pay The Rev. Dennis Campbell, a new supply Priest who will hopefully serve their Parish. Jocelyn mentioned St. Paul's has only 17 pledging units for 2019.

St. Paul's Virginia City. Jaime Leonard and Janet Doornbos stated the income reported on the parochial reports of St. Paul's include extra money received from investments and insurance claims, and does not accurately reflect the Church's average income. Therefore, it is not possible for St. Paul's to pay the projected \$1,059.00 monthly assessment payment in 2019, as some months, they don't collect this much money the entire month. On behalf of the Vestry, they request the monthly assessment payment for 2019 remain the same amount as in 2018.

St. James Dillon. Although not participating in the call, Kay Roach, a representative from St. James, sent an email to the Diocesan office stating the Parish will continue to pay 19% of the prior month's income for their monthly assessment payment, instead of switching to the 2019 calculation formula.

Before all representatives from Anaconda, Big Timber, Fort Benton, Hamilton and Virginia City disconnected from the conference call, Council members thanked them for taking the time to call and share the concerns of their Churches.

Following discussion, it was agreed that Dorcie Dvarishkis will draft letters to the five above-referenced Parishes, requesting they provide Council with adjustments to their parochial report operating income, and/or a proposed monthly assessment payment amount for 2019. Clark Sherman will help with the letter to Hamilton, and Janis Hanson will assist with the letter to Fort Benton. Janis Hansen stated there is a need for organizational development with Churches having problems, and the Diocese should take a more pastoral role helping Churches in need.

OLD BUSINESS.

Minutes of November 3, 2018 Conference Call. The following revisions were made:

Paragraph entitled "Updates to 2019 Camp Marshall Budget." The second paragraph was revised as follows: Council members reviewed a proposal submitted by Sue LaRose, Director of Camp Marshall. Sue brought forth a proposal to offer a bonus to the Site Manager in October 2018. Upon motion duly made and seconded, the proposal was unanimously approved.

Paragraph entitled "Update to 2019 Diocesan Operating Budget," was revised as follows: Council discussed a request from E.F.M. in Missoula to reinstate the \$1,750 line item for E.F.M. back into the 2019 Diocesan Budget. E.F.M. plans to explore options in

the coming year. Upon motion duly made and seconded, Council agreed to reinstate the \$1,750 line item in the 2019 Diocesan Budget for E.F.M.

Upon motion duly made and seconded, the Minutes of the November 3, 2018 Diocesan Council conference call were approved as revised.

Financial Reports. Diocesan Treasurer, The Rev. Steven Yurosko, and Canon for Finance, Barb Hagen, presented the December 2018 financial statements. Barb stated the Diocese suffered large losses in investments. The following Camp Marshall funds: dock funds, Brookhart scholarship funds, bathhouse funds, and capital campaign funds, have been moved to a minimal risk fund (Short term bond fund). Upon motion duly made and seconded, the December 2018 financial reports were approved as presented.

Acceptance of Finance Department Minutes. Upon motion duly made and seconded, Council members acknowledged receipt of the Department of Finance meeting Minutes from June 19, 2018 and from January 15, 2019.

Parish Audit Report Update. 2017 Parish Audit Reports have been received from all parishes with the exception of Great Falls. Barb Hagen spoke with the Treasurer at Incarnation, who requested Incarnation be allowed to submit their 2017 and 2018 Audits at the same time. Janis Hansen will write a letter to Incarnation suggesting they present a formal request to Council to submit their 2017 and 2018 Audits to the Diocese at the same time.

Sale of Church Building in Glasgow. The Glasgow Church building sold on December 19, 2018 for \$97,548.39. The sales proceeds were placed in the Faber Fund Account. Barb Hagen stated there has been some interest in the farmland, which is still for sale.

Diocesan Website. Cynthia Hoelscher and Janis Hansen stated the Diocesan Website needs a lot of work to bring it up to date. They will continue their work and provide progress reports to Council.

Update - 2018 Additional Assessment. Dorcie Dvarishkis will draft a letter of thanks to all Parishes who paid the additional assessment in 2018. Dorcie will provide Council members with a draft of the letter before she sends it out.

Camp Marshall Site Manager. The Camp Marshall Site Manager has declined the bonus she was offered. Clark Sherman will draft a letter thanking her for all her service to the Camp.

NEW BUSINESS.

Report of the Standing Committee. The Rev. Jean Collins, Liaison from the Standing Committee to Diocesan Council, gave a update on the work of the Standing Committee, who is meeting weekly via phone and monthly in person.

(1) The Committee has drafted Guidelines for Reimbursement of Expenses for all committee members, staff travel and General Convention Deputies. The Guidelines have been approved by the Finance Department, and will next be presented to Diocesan Council for consideration.

(2) The Diocese has received an offer from LoneTree Energy & Associates, LLC to lease the mineral interests in Divide County, North Dakota that was previously owned by St. Matthews Church in Glendive, and is now owned by the Episcopal Diocese of Montana. LoneTree would like to lease the minerals on the real property with the intent to drill oil and/or natural gas wells. The Standing Committee unanimously opposes leasing the mineral interests for the purpose of oil and gas exploration. Upon motion made and seconded, Council members agreed to reject the current Lease offer the Diocese received from LoneTree Energy & Associates.

(3) The Standing Committee has been working on issues related to Title IV.

(4) Barb Hagen has drafted a document which outlines the responsibilities of the Diocesan Council and the responsibilities of the Standing Committee, expectations of each, and how they can work together.

General Convention Resolutions. Council members will review the 79th General Convention proposed Resolutions with changes to the Constitution at their March 16, 2019 meeting.

Venture In Mission Grant Report. Upon motion duly made and seconded, 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 they received. St. James used \$1,383.70, and therefore has returned the balance of \$316.30 to the Diocesan office.

Vickers' Fund Grant Reports. Upon motion duly made and seconded, Council members acknowledged receipt of the following Statement of Grant Accountings for Vicker's Fund Grants:

1. Statement from The Rev. Steven Yurosko for the \$1,350.00 grant to attend the College of Congregational Development in June 2018;
2. Statement from St. James Church in Lewistown for the \$13,450.00 grant they received for the Heart of Montana Youth Choir. St. James still retains \$3,906.89 of the grant money.

3. Statement from St. Stephen's Church in Billings for \$50,000.00.
4. Statement from The Ven. Roxanne Klingensmith for the \$4,947.00 grant for the Gathering of Deacons held in Helena on May 18-20, 2018. \$4,918.48 was used, leaving a balance of \$28.52.

Closure of St. Paul's of the Stillwater Church in Absarokee. Council members reviewed a letter dated October 2018, addressed to the Standing Committee from St. Paul's of the Stillwater in Absarokee. St. Paul's requests the Church be closed due to lack of membership. The Church is now closed. A motion was made, seconded and approved by a majority of vote to accept St. Paul's request for closure.

St. Mark's Church in Havre. St. Mark's in Havre has requested closure. In past years, Havre has received an annual grant which enabled them to pay operating expenses. This year, they did not get the grant money. The Standing Committee is working with the parishioners to hopefully keep the Church open. The Diocese has offered to pay their bills and give them a retro-active Faber Fund grant to replace the furnace. The Rev. Canon Bradley Wirth, and The Rev. Jean Collins will meet with the parishioners on February 15-16, 2019. Upon motion duly made and seconded, it was agreed that Council will support the Standing Committee's recommendations for St. Mark's Havre, and will review this matter again at Council's March 16, 2019 meeting.

Updates to Guidebooks and Manuals. Upon motion duly made and seconded, Council members unanimously approved various revisions to the Sr. Warden, Jr. Warden, Clerks & Treasurers Handbook, the Church Treasurer's Guidebook, and the Accounting Policy and Procedure Manual, as recommended by the Finance Department.

Grant request from Gethsemane Church in Manhattan. In October 2018, Gethsemane Church made application for a Faber Fund Grant in the amount of \$2,250.00, to purchase a new pipe organ for the Church. The Rev. Canon Clark Sherman announced that Gethsemane wishes to withdraw the Application, as they no longer need the money. They have raised the total amount needed to purchase the organ.

Audit Information on Diocesan Website. Barb Hagen stated Churches can now file their Audit Reports on-line. Barb is hopeful this added convenience with help with compliance.

Assessment Payments - St. James Dillon. St. James has notified the Diocesan office that they will continue to base their monthly assessment payment on 19% of the prior month's income. As St. James recently called a new priest, it was suggested to have a conversation with the new priest, but to wait a period of time until the new priest gets settled. The Rev. Janis Hansen offered to talk with the new Priest at St. James.

Phone System Update. Barb Hagen stated the phone system at the Diocesan Office is 11 years old and is failing. The proposal for a new phone system is \$2,705.00. Finance Department has approved this expense - taking money from the equipment reserve fund which

currently has a balance of \$3,013.00. Upon motion duly made and seconded, the proposal for a new phone system for the Diocesan Office was approved.

Bishop's Search and Transition Expenses. The Transition Committee has requested another \$9,350.00 to cover expenses associated with the Bishop's Search process. This money will have to come from the endowment funds. Upon motion made and seconded, it was agreed to table this request until Council's March 16, 2019 meeting.

Additionally, \$2,500.00 is needed to pay an honorarium and travel expenses for Bishop Waggoner from Spokane, who will come to Montana to perform two ordinations. Upon motion made and seconded, Council members approved this request to pay Bishop Waggoner for his service to the Diocese of Montana.

Additional Funding for General Convention Deputies. Barb Hagen has been directed by the Standing Committee to find funds to reimburse \$221.76 to a deputy to General Convention whose expenses exceeded the allotted amount. Upon motion duly made and seconded, it was agreed to approve this expense and reimburse the General Convention deputy.

Future Diocesan Council Meetings. It was suggested that Council meet more often, especially in this year of transition. Therefore, Council will conduct a **conference call meeting on Thursday, February 14, 2019 at 7:00 p.m.**

Additionally, 2019 meetings of the Diocesan Council are scheduled as follows:

Saturday, March 16, 2019 (in-person) to be held at **St. James Church in Bozeman.**

Saturday, May 18, 2019 (in-person) to be held at **St. Peter's Cathedral in Helena.**

Saturday, November 2, 2019 (conference call).

Conference calls begin at 10:00 a.m. In-person meetings are from 10:00 a.m. to 3:00 p.m.

Adjournment. There being no further business to come before the Diocesan Council, on motion duly made and seconded, the conference call was adjourned by Vice President, The Rev. Janis Hansen at 12:45 p.m.

Respectfully submitted,
Gayle Gallik Archey, Diocesan Secretary.