

Episcopal Diocese of Montana
Minutes of Diocesan Council Meeting
October 25, 2008
St. Peter's Cathedral

Attendance. Council members present: Bishop Brookhart, Donna Gleaves, Jean Collins, Marva Hoard, Ed Myers, Jerry Asleson, Jane Schmoetzer, Clark Sherman, Britton Gray, Linda McCloud and Cindy Perry. Also present at the meeting were Barb Hagen, Canon for Finance; Beth Baker, Diocesan Treasurer; and Gayle Gallik Archey, Diocesan Secretary. Absent from the meeting were Council members Elton Smith and Karen Hall.

Call to Order and Adoption of Agenda. Bishop Brookhart called the meeting to order at 10:00 o'clock a.m. With a quorum present, Bishop Brookhart opened the meeting with prayer. The meeting agenda was adopted as amended.

Welcome New Members. New Council members, Clark Sherman, Britton Gray, Linda McCloud and Cindy Perry were introduced and duly commissioned by Bishop Brookhart.

OLD BUSINESS

Minutes of June 21, 2008 Diocesan Council Meeting. Upon motion duly made and seconded, the Minutes of the June 21, 2008 Diocesan Council meeting were approved as written.

Financial Reports. Canon for Finance, Barb Hagen; and Diocesan Treasurer, Beth Baker presented the financial statements for the months of July, August and September, 2008. Barb reported Diocesan finances continue to decline as a result of the stock market's poor performance, with a current loss in investments at approximately \$700,000.00. Upon motion duly made and seconded, the financial reports for the months of July, August and September, 2008 were unanimously approved as printed.

As a follow-up to Elton Smith's suggestion at the last Council meeting, the Finance Department has investigated the possibility of the Diocese obtaining a bank loan or line of credit to pay bills instead of continuing to draw down Diocesan investments and savings. The Finance Department reports it is not comfortable making such a decision, and therefore defers this matter to Diocesan Council. Upon motion duly made and seconded, Council unanimously agreed to accept the Finance Department's report, but take no action on this matter.

Annual Parish Audit Reports. Bishop Brookhart has written letters to those churches who are delinquent in submitting their Annual Parish Audit Reports. It was reported the response to these letters have been good with some delinquent Audit Reports being received by the Diocesan office. Barb Hagen reiterated that audits are an annual requirement of the National Canons and all Churches must submit them to the Diocese by September 1st.

Diocesan Website. Canon for Administration, Roger Stone, has concluded his survey to determine proper protocol regarding what documents should and should not be made accessible on the Diocesan website. It was decided to make no changes to the type of

documents made accessible on the Diocesan website. The contents of the Diocesan website are acceptable as is.

Electrical Update to Diocesan House. Diocesan House now has all new wiring, outlets, and a motion detector lighting system. In an effort to defray expenses, Diocesan staff members helped get the office ready for the electrical work, and Dave Campbell has done a substantial amount of the clean-up work.

NEW BUSINESS

Election of Vice President. Jane Schmoetzer was the sole nominee for Vice President of Diocesan Council. Upon motion duly made and seconded, the nominations were closed and Jane Schmoetzer was unanimously elected as Vice President to serve until Diocesan Convention in September 2009.

Housing Resolutions. Upon motion duly made and seconded, the following housing resolutions were unanimously approved:

1. The Diocesan Council on October 25, 2008, after discussing the amount to be paid to the Rev. William Baumgarten, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, the Rev. William Baumgarten is employed as a minister of the Gospel of Christ Church, Kalispell, Diocese of Montana, which does not provide a residence for him, the Council resolves that of the total compensation of \$44,661.00 to be paid to the Rev. William Baumgarten in 2009, that \$15,000.00 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

2. The Diocesan Council on October 25, 2008, after discussing the amount to be paid to the Rt. Rev. C. Franklin Brookhart, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, the Rt. Rev. C. Franklin Brookhart is employed as a minister of The Episcopal Diocese of Montana, which does not provide a residence for him, the Council resolves that of the total compensation of \$112,473.20 to be paid to the Rt. Rev. C. Franklin Brookhart in 2009, that \$32,135.20 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

3. The Diocesan Council on October 25, 2008, after discussing the amount to be paid to the Rev. Maurice Champion-Garthe, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, the Rev. Maurice Champion-Garthe is employed as a minister of the Diocese of Montana, which does not provide a residence for him, the Council resolves that of the total compensation of \$53,778.00 to be paid to the Rev. Maurice Champion-Garthe in 2009, that \$28,800.00 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

4. The Diocesan Council on October 25, 2008, after discussing the amount to be paid to the Rev. Jane Schmoetzer, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, the Rev. Jane Schmoetzer is employed as a minister of the Gospel of Calvary, Red Lodge, St. Paul's of the Stillwater, Absarokee, Our Saviors, Joliet, and St. Alban's, Laurel, Diocese of Montana, which does not provide a residence for her, the Council resolves that of the total compensation of \$43,286.74 to be paid to the Rev. Jane Schmoetzer in 2009, that \$28,100.00 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

5. The Diocesan Council on October 25, 2008, after discussing the amount to be paid to the Rev. Jane Smith, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, the Rev. Jane Smith is employed as a minister of the Gospel of St. James', Lewistown, Diocese of Montana, which does not provide a residence for her, the Council resolves that of the total compensation of \$33,970.00 to be paid to the Rev. Jane Smith in 2009, that \$8,987.00 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

6. The Diocesan Council on October 25, 2008, after discussing the amount to be paid to the Rev. John Toles, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, the Rev. John Toles is employed as a minister of the Gospel of St. Mark's, Anaconda, St. James', Deer Lodge, and St. Andrew's, Philipsburg, Diocese of Montana, which does not provide a residence for him, the Council resolves that of the total compensation of \$42,885.00 to be paid to the Rev. John Toles in 2009, that \$18,000.00 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

7. The Diocesan Council on October 25, 2008, after discussing the amount to be paid to the Rev. Todd Young, as a parsonage allowance, on motion duly made and seconded, adopted the following resolution:

Whereas, the Rev. Todd Young is employed as a minister of the Gospel of Christ Church, Sheridan, and St. Paul's, Virginia City, Diocese of Montana, which does not provide a residence for him, the Council resolves that of the total compensation of \$33,695.00 to be paid to the Rev. Todd Young in 2009, that \$3,063.00 be designated as a parsonage allowance within the meaning of that term as used in Section 107 of the Internal Revenue Code of 1986.

Diocesan Deployment Matters. Bishop Brookhart announced the following deployment changes around the Diocese:

1. Gail Wheatley has accepted a position with the Diocese of Olympia in Washington and will be leaving the Diocese of Montana in November. Clergy assistance will be provided to St. Mark's Havre by Michael Fay from Glasgow and a partnership arrangement with the Lutheran Diocese. Additionally, clergy assistance will be provided to St. Paul's Fort Benton by Tim Ljunggren from Great Falls.

2. Glen and Donna Gleaves will be moving from St. Luke's Libby and Holy Trinity Troy to serve St. Andrew's Livingston, St. John's Emigrant and St. Mark's Big Timber. It was reported that St. Luke's Libby and Holy Trinity Troy are currently in the search process for new clergy.

3. Brenda McLellan has announced her retirement effective the end of 2008. Brenda currently serves the Church of the Nativity East Helena, St. John's Townsend and Grace Fellowship in White Sulphur Springs. Bishop Brookhart plans to meet with the respective churches to discuss their futures. In the interim, Esther Suhr and John Board will provide clergy assistance to these churches.

Minutes of Annual Diocesan Convention. Upon motion duly made and seconded, the Minutes of the 105th Annual Convention of the Episcopal Diocese of Montana held in Billings Montana on October 3, 4, & 5, 2008 were approved as written.

Future Meeting Agenda Items. It was decided to wait until next spring to have Dean Nelson, Financial Consultant with RBC Dain Rauscher, give a presentation regarding the performance of the investments contained in the Diocesan portfolio with the hope that the stock market's performance will have improved by that time.

Additionally, Council will invite members of the Camp Marshall Committee to the next Diocesan Council meeting to give Council members an status report on the work the Camp Committee is currently doing.

Status Reports from Grant Recipients. Barb Hagen announced she has received progress reports from the following Grant recipients:

- Jean Collins from St. Stephen's Stevensville reported on the "Joy Conference" recently held at St. Stephen's. Jean reports the conference was well received and they are planning another conference next year.
- Maurice Champion-Garthe, Canon to the Ordinary, reported on the progress being made by the new "Church Planter", Linda McCloud, in Billings.
- Steve Oreskovich from Holy Spirit Missoula, reported on the Winter Retreat, Holy Spirit's involvement with college ministry at the University of Montana, and being able to fund a part-time staff person for music ministry.

Amendment to 2009 Diocesan Operating Budget. As directed by a majority vote at the recent Diocesan Convention, Council discussed various alternatives to find a way to fund salary increases to all Diocesan staff (excluding Bishop Brookhart - per his request). Upon motion duly made and seconded, it was unanimously agreed to give a 3% salary increase to Diocesan staff,

consisting of Barb Hagen, Roger Stone, David Campbell, Maurice Champion-Garthe and Julie Sisler. It was noted this increase in expenses to the 2009 Budget will be off-set with money originally allocated for the Diocesan receptionist's salary. The Diocesan receptionist recently resigned her position and the Bishop has chosen not to fill the vacancy.

Diocesan Committees over budget. Council members discussed what to do when a Diocesan Committee goes over their specific budgeted amount of money. Barb Hagen reported that currently, nothing is being done to curtail this over-spending. A suggestion was made to write a letter to the Committee and its Chairperson advising they are over budget. An additional suggestion was made to inform all Diocesan Committees what their budget amount is and give them periodic accountings as to how much they have spent. Upon motion duly made and seconded, it was agreed to accept the suggestions and start implementation.

VIM-MO Grant Applications. Council considered a Venture In Mission - Mission Opportunity (VIM-MO) Grant Application submitted by The Rev. Jane Smith on behalf of St. James Lewistown. St. James is requesting \$44,764.00 to pay their past due Mission payment owed the Diocese. Upon motion duly made and seconded, it was agreed to offer St. James a "matching-funds" grant for up to a total of \$22,000.00. For every dollar St. James pays the Diocese to be applied toward their Mission payment, St. James will receive matching VIM-MO Grant money from the Diocese to be used for their Mission payment. This Grant is for 2009 and is conditioned on St. James being up to date on their assessments due the Diocese.

Council next considered a VIM-MO Grant Application submitted by The Rev. Todd Young on behalf of Ruby Valley Episcopal Churches of Christ Church in Sheridan, and St. Paul's Church in Virginia City. Todd is requesting \$38,788.00 to cover the Churches' budget shortfall now that Diocesan funding assistance is ceasing, pursuant the "Five Year Plan." Upon motion duly made and seconded, it was agreed to approve the VIM-MO Grant to the Churches of Sheridan and Virginia City in the amount of \$38,788.00.

Camp Marshall's Septic System. Upon motion duly made and seconded, it was agreed to allocate up to \$6,000.00 (if needed) to cover expenses to hire an engineer to complete a design for a new drain field that would accommodate both the girls shower house and Canterbury Lodge at Camp Marshall. Barb Hagen stated this money will come from Camp Marshall funds.

University of Montana Campus Ministry. Council reviewed a request from Steve Oreskovich to allocate \$2,000.00 from the 2009 Diocesan Budget to cover expenses associated with Holy Spirit's involvement with Campus Ministry at the University of Montana in Missoula. Upon motion duly made and seconded, it was unanimously agreed to allocate \$2,000.00 for University of Montana Campus Ministry.

2009 Diocesan Convention in Missoula. Steve Oreskovich has requested financial assistance in the amount of \$4,000.00 to help defray the costs incurred by delegates attending next year's Diocesan Convention in Missoula. Steve anticipates a substantial increase in expenses for Convention delegates (i.e., registration fee, lodging, meals). Following discussion, Council decided to take no action on this matter at the present time.

Upcoming General Convention. Bishop Brookhart stated the 2009 Diocesan Budget allocates \$1,770.00 for each delegate to General Convention next year. The Bishop anticipates this will

not be near enough money to cover expenses incurred by each delegate. Council will revisit this matter at a later date.

Upcoming Diocesan Council Meetings. Members of Diocesan Council selected the following dates for their upcoming meetings. All meetings will be held on Saturday from 10 o'clock until 3 o'clock at St. Peter's Cathedral, unless otherwise noted.

- January 31, 2009 (via conference call)
- April 18, 2009
- June 27, 2009
- November 14, 2009

Adjournment. There being no further business to come before Council, on motion duly made, seconded and unanimously approved, the meeting was adjourned at 2:35 p.m. Holy Eucharist followed.

Respectfully submitted,
Gayle Gallik Archey,
Diocesan Secretary