

**Diocesan Council Meeting
Diocese of the West
Thursday, July 12, 2012
Holy Trinity Cathedral, San Francisco, CA**

Diocesan Council Members Present: His Eminence, BENJAMIN, Bishop of the Diocese of the West; Archpriest Ian MacKinnon, Chancellor; Mary Caetta, Treasurer; Archpriest David Lowell, Secretary; Archpriests Michael Anderson, Anthony Karbo, Lawrence Margitich, Basil Rhodes, Lawrence Russell, John Strickland, and Matthew Tate; Sub-deacons Paul Pilipenko and Dmitri Solodow, Dorothy Nowik and Ivan Pouschine.

Also Present: Monk Barnabas Day, Andrew Smith.

I. The meeting was called to order at 10:30am with the singing of “O Heavenly King” followed by the singing of “Many Years” for our newly elevated Archbishop Benjamin.

II. The minutes of the previous meeting held on April 26, 2012 were approved without corrections.

III. Executive Session

It was moved/seconded/passed [M/S/P] (Solodow/Margitich) to go into Executive Session where the resignation of Metropolitan Jonah was discussed. At the end of the discussion it was M/S/P (Solodow/Rhodes) to come out of Executive Session.

IV. Report of His Eminence, Archbishop Benjamin, Ruling Hierarch, Diocese of the West

A. His Eminence reported that the Life-Giving Spring Retreat Center in Boulder City, NV has been sold. Further details are noted below in the report of the Finance Committee.

B. His Eminence also announced that the Pacific Southwest Deanery will be divided into two deaneries to make it easier to hold regular Deanery meetings. The deaneries will be divided as follows:

Pacific Southwest Deanery - Santa Maria, Santa Barbara, Los Angeles, Tarzana, Culver City (still in the Mission Deanery but included in Regional Deanery events).

Archpriest Lawrence Russell, Dean.

Desert Deanery - Phoenix, Las Vegas, Hesperia, Lake Havasu, San Diego area, Tempe, Hemmet Mission.

Archpriest David Brum, Dean.

More discussion on deanery activities follows later in this meeting.

V. Report of the Treasurer, Mary Caetta

- A. The sale of the property in Merced is scheduled to close in late July. Recomputed unrealized interest (simple interest) on the loan to Merced is \$73,540.03.
- B. The Life-Giving Spring Retreat Center property in Boulder City, NV was sold for \$1,300,000.00. LGS is carrying the mortgage of \$1,288,000.00 for a drug counseling non-profit called I Am Free, Inc. LGS will receive the balance of the down payment (\$13,000.00) from the loan servicing company by October 9, 2012. The first monthly payment on the balance of the loan will be due September 9, 2012. The unpaid balance is due in full in June, 2017. Interest rate is 2.58% annum.
- C. At the end of June, checking and savings accounts total \$575,126.00. Accounts Receivable total \$624,658.86. Investments and other current assets total \$394,963.00. The credit card liability is \$5,978.64. Mary cautioned us to remember that much of this money is in restricted funds, some of it committed to future projects and that our discretionary cash outside of the budget needs to be watched carefully. Receiving loan repayments from LGS, on the other hand, will gradually make more cash available over time.

A case in point is the Point Reyes Fund. Assets from the sale of the Point Reyes property now total \$1,188,363.00. More than half of these funds are tied up in loans (Merced, Culver City, and LGS). Of the roughly \$324,000.00 in available cash, \$145,000.00 must be reserved for the construction of the chapel at the St. Barbara Monastery.

This and much more information is available on the Diocesan website where the Treasurer's Report is available for all for read.

- D. Mary reported that the Chase Bank checking and savings account is about to start charging fees if we drop below a minimum balance. The combined value of the two accounts is approximately \$22,500.00. Mary would like to look for a new financial institution.

It was M/S/P (Archbishop Benjamin, Sub-deacon Paul Pilipenko) to authorize Mary Caetta to close our existing accounts at Chase. She is authorized to open new accounts on behalf of the Diocese in a financial institution that better meets our needs.

- E. Mary reported that the Life-Giving Springs Board will repay the loans to the Russian Women's Home of Mercy and the Diocese of the West, dividing

mortgage repayments 50/50 between the two corporations. *Note: the balance of the down payment (\$13,000.00) to be paid on October 9th will go directly back into the Point Reyes fund from which it was borrowed as indicated in the Finance Committee's report which follows.*

VI. Finance Committee Report, Dorothy Nowik

A. Loans to cover LGS closing costs

The Finance Committee made two requests for funds to cover closing costs for the Life-Giving Springs Retreat Center. They are as follows:

- 1) On June 9, 2012: The Finance Committee recommended that the Diocese should lend \$51,067.50 to Life-Giving Springs Retreat Center from the Point Reyes Fund to cover closing costs for the sale of the property in Boulder City.

This proposal was approved by unanimous consent of those responding by e-mail.

- 2) On July 3, 2012: The Finance Committee recommended that the Diocese should lend to Life-Giving Springs Retreat Center an additional \$12,266.66 from the Point Reyes Fund for deposit into escrow to close the sale of the property in Boulder City, NV.

This proposal was approved by unanimous consent of those responding by e-mail.

The additional funds were needed when the buyer was unable to come up with all of their portion of down payment and closing costs.

It was M/S/P (Solodow/Pouschine) that the Diocesan Council ratify these two actions, listed above. The motion was passed unanimously.

- B.** A refund of \$6,347.00 is due from the OCA for overpayments for the All-American Council by various parishes. It was agreed to return these funds to each parish per the list sent to Mary Caetta.
- C.** Sarah Offtadahl, housemother at Martha and Mary Home, has given \$40,000 to the DOW. It was agreed to put those funds into an unrestricted endowment fund to spend at the discretion of the Diocesan Council.
- D.** With the appointment of Fr. David Brum as a new Dean, the stipend of \$400.00 per month, a total of \$2,000.00 from August to December, will come from surplus funds within our operating budget.

- E. It was M/S/P (Nowik/Rhodes) to pay health insurance payments for 3 months only, beginning in September, of \$775.00 per month for Fr. Christopher Swanson. The total amount (\$2,325.00) will come from surplus funds. Payments will be made to the insurer upon invoice.**

The motion passed with one abstention.

- F. The Finance Committee will prepare a proposed budget for the coming year on Friday, August 10th at a meeting in Bellevue, WA. *All budget requests need to be submitted to the Finance Committee by July 31st.***
- G. The Finance Committee reported that the Diocesan Assembly assessment will remain the same as last year - \$5.00 for each reported member in each parish.**

VII. Old Business

A. *Strengthening of the Diocese by the strengthening of the Deaneries*

As part of the OCA Strategic Plan, Archpriest David Lowell met with the Deans at their semi-annual retreat in Point Reyes this week. Archbishop Benjamin and the Deans agree that the clergy of each deanery should meet together regularly, a minimum of two times per year beyond the Diocesan Assembly; some deaneries meet more often than this already.

Three areas of responsibility are:

- 1) Peer mentoring on pastoral issues – how we hear confessions, homilies, etc. Pastoral issues cover just about everything. We want to be watching out for one another – no one lonely or isolated.
- 2) Evangelism – planting new missions. A single parish has a hard time taking responsibility for planting a new mission, but several parishes working together within a deanery can do a lot. It is the responsibility of the deanery as a whole to grow new missions.
- 3) Youth programs – This is already happening, but regular deanery meetings open new possibilities.

These three areas are always with us, and plenty more. The Rocky Mountain Deanery wants to bring distance learning to Colorado and host seminars as well as encourage the seminaries to break out of their mindset that everyone needs to travel to St. Vladimir's or St. Tikhon's to keep their education moving forward. We want a much larger paradigm of online education and support for a lifetime of learning, and this subject some deaneries are wrestling with now.

B. *Improving Deanery Communication*

Fr. David Lowell noted that at the AAC break-out sessions, the participants came up with all sorts of suggestions on how Bishops can improve communication with their clergy and parishes, some of them silly if imposed from a distance. The style of interaction between clergy and hierarchs varies significantly from one deanery to another based on their proximity to or distance from the hierarch, not to mention the varying personality and leadership styles of each hierarch. The simplest solution is for each deanery to discuss the quality of communication and relationship that currently exists within their regional deanery and make suggestions to their hierarch based on their needs. Having the deaneries meet regularly allows problems, gaps, needs to be addressed at the most direct level possible.

- C. While deanery meetings initially begin with the clergy, it follows as we get into youth programs, evangelism, distance learning, etc. that we will require that lay people work together on a larger deanery scale as well. It is desired that a time be arranged at least once a year when the Matushki can meet simultaneously, preferably in a comfortable environment with a nice meal, but the regional deaneries can work those meetings out as best they see fit.
- D. Clergy and Matushki who are part of the Mission Deanery will remain in the Mission Deanery while simultaneously participating in the regional deanery get-togethers.
- E. Because physical distances are so great in this Diocese, the Pacific Southwest Deanery is now divided into two deaneries as noted above.
- F. Money to help with travel expenses or speakers, to be used at the discretion of each Regional Dean, will be added to next year's budget. His Eminence and the Deans are in support of this approach of strengthening the Diocese by strengthening the deaneries.

VIII. New Business

A. *Holy Assumption Monastery (Calistoga)*

Archbishop Benjamin stated concerns he has about the financial accountability, by-laws and board of the monastery in Calistoga. His Eminence and the board of the monastery will meet in Calistoga on Thursday, July 19th to clarify these issues.

B. *Related Corporation Accountability within the Diocese*

Mary Caetta noted that many of our subsidiary corporations have boards that do not meet regularly, or whose members have too many overlapping responsibilities. There is an absence of any kind of regular reporting, and as a result, problems can go unnoticed and become complicated.

It was M/S/P (Tate/Solodow) that the Finance Committee begin the process of clarifying the ownership position and accountability to the Diocese of all

related corporations, reviewing governing documents, ownership of property, and to make recommendations to the Diocesan Council.

C. Funds for Fort Ross Anniversary

It was M/S/P (Rhodes/Anderson) to pay \$1,000.00 out of general operating funds towards the expenses related to the 200th Anniversary Celebration that will take place at Fort Ross on August 25, 2012.

D. Restriction of funds donated by Sarah Offtadahl

The \$40,000.00 donated to the Diocese by Sarah Offtadahl from the sale of her house were discussed.

It was M/S/P (Pouschine/Margitich) that this \$40,000.00 shall be board restricted funds and expenditure requires Diocesan Council approval.

E. The next meeting of the Diocesan Council will be Tuesday, October 2, 2012 in Denver, Colorado at Maggiano's Restaurant. The meeting will begin with dinner at 6:00pm sharp!

IX. The meeting adjourned with "It is Truly Meet" at 2:12pm.