

DIOCESAN COUNCIL MINUTES
Thursday, April 26, 2007
Synaxis of the Holy Theotokos Church, 20 Steiner Stree
San Francisco, CA

The Meeting opened with a prayer.

Diocesan Council members present: His Grace, Bishop BENJAMIN, Archpriest Ian MacKinnon, Chancellor; Archpriest David Brum, Archpriest Lawrence Margitich, Priest Anthony Karbo, Priest David Lowell, Fr. John Strickland, Mary Caetta, Steve Knowlton, Carol Shumaik, Dimitri Solodow

Deans present: Archpriests Bazyl Kalinowski, John Pierce, Lawrence Russell and Matthew Tate

Others present: Peter Schwallenberg

The Minutes of the January 31, 2007 diocesan Council meeting were approved.

Report from the Ruling Hierarchy

His Grace Bishop Benjamin reported on his travels throughout the Diocese. Since our last meeting in January His Grace has served in our parishes in Portland, Los Angeles, Las Vegas, Hesperia, Eureka, Kona, Denver, San Diego, Livermore, Berkeley, and San Francisco. Most parishes in our Diocese are doing quite well except for San Diego, which is having some struggles, and Menlo Park. It is His Grace's hope that these parishes will be on better footing in a few months. Menlo Park has a permanent Priest coming in June.

Report of the Treasurer:

The diocese is in good shape financially. All parishes have submitted their parish financial reports except Portland (St. Nicholas), Tarzana, San Diego, Olympia and Chico.

Except for the above five parishes, most parishes have noticeably improved their financial reporting practices over the past few years. Fr. John Pierce suggested that Mary Caetta meet with the treasurers in every Deanery. Mary said she would be happy to do this if the Deans set up the meetings with the deanery.

Mary pointed out that someone on every parish council needs to be responsible for calling the audit committee to do its job. It is not the treasurer's job to run the audit.

The same is true for the Diocesan Council. We need to have someone on the Council who calls the auditors to complete the task. It is not Mary's role, as Diocesan Treasurer, to oversee the audit. His Grace Bishop Benjamin appointed Archpriest David Brum to be responsible for calling the audit committee to act upon its responsibilities. Fr. David Brum will also work with Mary Caetta to draw up a proposed amendment to the

Diocesan by-laws to be sure that the nomination and activity of the audit committee is conducted independently of the treasurer.

Fr. John Pierce pointed out that the word “audit” has an increasingly technical meaning that many churches can’t conform to, especially when a treasurer has no accounting experience. A financial health check is closer to what the local parish needs, in contrast to the kind of audit standards that an outside CPA firm would demand of a non-religious corporation.

His Grace asked Mary Caetta and Archpriest Ian MacKinnon to come up with recommendations for a financial committee for the Diocese that will be aware of financial best practices and able to advise the Treasurer, the Diocesan Council and the ruling Hierarchy as needed.

Action item: It was M/S/P unanimously to increase the Dean’s travel budget by \$1,600.00.

Request: The church in Menlo Park requested their assessment be reduced, both to the Diocese and to the national church.

His Grace Bishop Benjamin pointed out that he has personally served in the Menlo Park parish nearly a dozen times and that the parish has been the recipient of a great deal of diocesan attention. Some of that time in 2006 they were not paying a priest, so there expenses were less last year than many parishes. The Diocesan Council concurs with Bishop Benjamin that their request is inappropriate.

Report from the Metropolitan Council representative:

Archpriest Matthew Tate is on the Finance Committee for the Metropolitan Council, and said that while the historical financial problems are very serious, the negative news about the past unfortunately trumps the good work in financial responsibility that is taking place now:

- In 2006 the national church had a balanced budget for the first time in years.
- In 2007 the central administration is ahead of budget.

New financial accounting software is being installed that will not allow the treasurer or the bookkeeper to make any changes without leaving a trail that can be tracked.

Fr. Matthew is advocating to have financial reports on the OCA website so that in the future everyone in the church will be able to see how we are doing with our budget at any point in that year.

Central administration salaries are down a third from what they were, and the cuts will probably go further. All the church departments are being looked at top to bottom. Part of cutting involves a careful examination of what programs and services are given. In some cases they duplicate what rightfully belongs in the diocese.

Over the next two or three years, the Metropolitan Council hopes that greater efficiency in central church administration will possibly allow the fair share assessment to be dropped, and certainly not raised.

Many of the past treasurers say they mostly came by and signed checks. From now on, we want treasurers who are professionally experienced and responsible.

The Vision:

The next issue of *The Vision* will have an appeal for the Stewards of the West.

Bishop's residence:

The Diocesan Assembly has the authority to buy and sell property, so we will need to place this issue of a Bishop's residence before the Assembly for October.

In the meantime we are looking at property possibilities. One possibility we are continuing to explore is the 20 Steiner Street property. There are many inspectors needed and also a legal opinion regarding the pre-Prop. 13 tax status.

It was M/S/P to use money available in the legal funds to get legal opinions as needed.

Pt. Reyes Monastery property:

Because of the difficulty in developing the Pt. Reyes property adequately as a monastery, Abbot Jonah has been asked to prepare and present a plan with costs for the moving of the chapel from Pt. Reyes to the new location of the monastery.

Life-giving Spring Retreat Center:

A non-profit corporation has enquired about our interest in selling LGS, though no bid has been offered.

Seminary visits:

Archpriest Matthew Tate reported on talks that he had with seminarians at St. Vladimir's and St. Tikhon's Seminaries. There are more than a dozen seminarians expressly interested in serving in the Diocese of the West.

New Business:

The official enthronement of His Grace Bishop BENJAMIN will take place Tuesday, October 2nd, 2007, in conjunction with the annual Diocesan Assembly. His Beatitude

Metropolitan HERMAN will be here, and Hierarchs from other Orthodox jurisdictions will also be in attendance at the 9:00 a.m. Liturgy. A luncheon will follow.

The Diocesan Council will meet on Monday night, October 1st.

Registration for the Assembly will take place at Holy Trinity Tuesday evening, October 2nd. Wednesday, October 3rd will be a full session of meetings. All business will be conducted that day. Diocesan council members should not plan any departures until after 7:00 p.m. Wednesday night.

Priest David Lowell will head the committee to plan the diocesan Assembly, including the luncheon following the enthronement. Additional committee members are : His Grace Bishop BENJAMIN, Archpriest Ian MacKinnon, Archpriest John Takahashi, Dimitri Solodow, Elaine Lowell and Angela Alessandrone.

Upcoming meetings:

- The Chancellor's Advisory Committee will meet Tuesday, May 29th, 7:00 p.m. at 20 Steiner Street.
- The Deans will meet on the 26th and 27th of June.
- The next Diocesan Council will meet on Thursday, July 26th, 10:30 a.m. at Anza Street.

Respectfully submitted,

Priest David Lowell
Acting Secretary