

# DELEGATE HANDBOOK



**Diocese of the Midwest  
Orthodox Church in America**

**54<sup>th</sup> Diocesan Assembly  
July 20, 2015**

**Meeting at**

**Hilton Atlanta  
First Floor Crystal Ballroom  
Atlanta, Georgia**



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*Orthodox Church in America*  
**DIOCESE OF THE MIDWEST**

**54th Assembly of the Diocese of the Midwest**  
**Atlanta, GA**  
**July 20, 2015**

Dear Brothers and Sisters in Christ,

Glory to Jesus Christ!

With the blessing of our Hierarchy, His Grace, the Right Reverend Paul, Bishop of Chicago and the Midwest, it was decided to convene the 54<sup>th</sup> Assembly of the Diocese of the Midwest in conjunction with and at the same venue as the 18<sup>th</sup> All-American Council in Atlanta GA. This decision was made in an effort to reduce expenses for parishes for which travel to two separate gatherings would present a challenge.

Therefore, I would first of all like to direct you to the website of the 18<sup>th</sup> All-American Council at <http://18aac.oca.org/>. There you will find all crucial information regarding air flights, ground transportation, accommodations, registration, and schedules for the AAC.

The Assembly will meet in a single session on Monday, July 20, from 9:00 a.m. until 12:30 p.m.

All the most up-to-date information and assembly materials may be found on the Diocesan Assembly webpage at <http://domoca.org/assembly.html>.

### **Registration**

The composition of delegates from each parish is made up of the *assigned* priests and deacons, and an equal number of lay delegates. One lay delegate is allowed from each parish not having an assigned priest. Lay delegates are elected by a parish meeting or parish council (consult parish bylaws). Others may attend as observers. Further information may be found in *The Statute of the Orthodox Church in America*, Article 7, The Diocesan Assembly: <http://oca.org/statute/article-vii>.

This year, there will be NO registration form and NO registration fee for the Diocesan

Assembly. It is assumed that most parishes will be sending the same delegates to the Diocesan Assembly that they are sending to the All-American Council. Therefore, delegates will simply be accredited on the basis of the registrations for the All-American Council. **Registration closes on July 10<sup>th</sup>; anyone registering after that date will need to contact Bishop Paul personally for a blessing to register for the Council.** If a parish intends to send different delegates to the Assembly than to the AAC, it is their responsibility to notify the Diocese.

## Materials

Minutes, reports, and forms pertaining to the Diocesan Assembly may be downloaded from the Diocesan Assembly webpage at <http://domoca.org/assembly.html>. In order to save costs and trees, printouts will *not* be passed out at the Assembly. All delegates are asked to review these materials online in advance, and print their own hard copies if necessary.

Please note that, due to the timing of this year's Assembly, parish and monastery reports will not be requested prior to the Assembly. They will be due in September, as usual.

## Schedule

The entirety of the Diocesan Assembly will take place on Monday, July 20, 2015, in the Crystal Ballroom on the first floor of the Hilton Atlanta. Delegates are instructed to arrive in Atlanta on the prior evening, Sunday, July 19.

8:15 am - Assembly Registration opens  
9:00 am - Plenary Session convenes with opening prayers.  
12:30 pm - Diocesan Assembly ends.

N.B.: Registrants are responsible for their own meals. There are numerous options in all price ranges in and within walking distance of the hotel.

## Elections

This year's Diocesan Assembly will be a very abbreviated assembly in comparison to an assembly conducted on our Diocesan territory. Therefore, with the blessing of His Grace, Bishop Paul, the Diocesan Council has resolved that the 54<sup>th</sup> Assembly of the

Diocese of the Midwest will conduct NO elections. The term of office for ALL Diocesan Council members and elected Auditors will be extended one additional year, and regular elections conducted at next year's Diocesan Assembly in October of 2016.

However, a vacancy has been created due to the resignation of our Lay Metropolitan Council Delegate, Mr. Samuel D'Fantis, and the inability of the Alternate to fulfill his term. Therefore, the Diocesan Council has decided that an election will be held to fill the seat of the Lay Metropolitan Council Member. This position will expire at next year's Diocesan Assembly in October of 2016 (i.e., it is solely to complete the current term).

### **Resolutions**

To submit a resolution, follow the directions given on the Resolution Form, which may be downloaded from the Diocesan Assembly webpage.

If you have any questions, comments or concerns please do not hesitate to call Philip Sokolov in the Chancery Office at (312) 202-0420 or by email: [chancery@domoca.org](mailto:chancery@domoca.org).

Yours in Christ,

A handwritten signature in black ink, reading "Fr. John Zdinak". The signature is written in a cursive, flowing style.

Archpriest John Zdinak  
Chancellor







DIOCESE OF THE MIDWEST – *Orthodox Church in America*

54TH DIOCESAN ASSEMBLY

JULY 20, 2015, ATLANTA, GEORGIA

## **SCHEDULE & AGENDA**

Venue is the Hilton Atlanta, 255 Courtland Street NE, Atlanta, GA 30303

### **Sunday, July 19**

1:00 PM All-American Council Registration opens  
10:00 PM All-American Council Registration closes

Grand Ballroom Pre-Function area  
Grand Ballroom Pre-Function area

### **Monday, July 20**

8:15 AM Midwest Diocesan Assembly Registration opens

Crystal Ballroom BCDE – 1<sup>st</sup> Floor

#### **9:00 AM Midwest Diocesan Assembly Plenary Session**

Crystal Ballroom BCDE – 1<sup>st</sup> Floor

Opening Molieben  
Call to Order  
Credentials Report  
Election of Presidium  
Election of Secretariat  
Appointment of Nominating Committee  
Appointment of Tellers

Address of the Bishop  
Chancellor's Report

Missions Director Report  
Catechetical & Diaconal Vocations Director Report  
Metropolitan Council Representatives' Report  
Stewardship Committee Report

Treasurer's Report  
Auditors' Report

Nominating Committee Report  
Election

Old Business  
New Business

Resolutions Committee Report & Discussion  
Resolutions Disposition

Installation & Adjournment

12:30 PM All-American Council Registration open  
1:30 PM Symposia

Grand Ballroom Pre-Function area  
Rooms 201-214



# MINUTES • SPECIAL ASSEMBLY OF THE DIOCESE OF THE MIDWEST

**Broadview Heights, Ohio**

**7 October 2014**

## **I. OPENING.**

Following the celebration of the Divine Liturgy at Archangel Michael Church, Broadview Heights, OH, the Special Assembly of the Diocese of the Midwest for the purpose of nominating a candidate for the vacant Episcopal See of Chicago and the Midwest was convened. His Grace, Bishop Alexander, Locum Tenens, opened the Assembly in the church with the singing of “The Grace of the Holy Spirit” at 8:33 a.m. Archpriest John Zdinak, Chancellor, chaired the session, with Mr. Philip Sokolov serving as Recording Secretary.

## **II. CREDENTIALS.**

One Bishop, 48 clergy delegates, 54 lay delegates, and five observers, for a total of 108 attendees, of whom 103 were eligible to vote.

## **III. PROCEDURES AND VOTING.**

Father Zdinak reviewed the nomination procedures, noting that 69 votes would be required to reach a 2/3 majority for nomination. There being no questions, ballots were distributed and tallied as the assembly sang the troparia of Pentecost, of Saint Herman, and of Saint Innocent.

Archpriest Paul Gassios received 88 votes out of a total of 102 ballots. One ballot had been disqualified.

Upon motion by Archpriest Andrew Clements, seconded by Archpriest Basil Stoyka, Father Gassios was nominated by acclamation.

## **IV. ADJOURNMENT.**

Following congratulatory remarks by Bishop Alexander, the Assembly adjourned at 8:50 a.m. with the singing of the Hymn to the Theotokos.

*Respectfully submitted,  
Mr. Philip Sokolov*



# MINUTES • 53RD ASSEMBLY OF THE DIOCESE OF THE MIDWEST

Broadview Heights, Ohio

7 October 2014

## I. OPENING.

The Assembly opened with the Invocation of the Holy Spirit and prayer at 9:30 a.m., after which His Grace, Bishop Alexander, Locum Tenens, called the Assembly to order.

## II. CREDENTIALS.

One Bishop, 48 clergy delegates, 59 lay delegates, and seven observers, for a total of 115 attendees.

## III. INTRODUCTORY REMARKS, APPOINTMENTS.

After introductory remarks, Bishop Alexander turned the podium over to Archpriest John Zdinak, Chancellor, who moved, on behalf of the Diocesan Council, that Archpriest John Matusiak, Mr. Philip Sokolov and Mrs. Ann Marie Mecera serve as the secretariat; that Archpriest Andrew Clements, Priest Nicholas Finley and Mr. Barry Gluntz serve on the nominating committee; and that all deacons, under the direction of Archpriest John Memorich, serve as tellers. He also reviewed openings on the Diocesan Council.

## IV. REPORT OF THE LOCUM TENENS.

Bishop Alexander spoke briefly of his tenure as Locum Tenens, adding that with the nomination of Archpriest Paul Gassios, Diocesan Administrator, whom he anticipates will be elected by the members of the Holy Synod of Bishops, his tenure will draw to a close. He expressed his conviction that in Father Gassios, the delegates “chose wisely... a man of integrity, fundamental decency, and even an overactive conscience.”

Bishop Alexander expressed his deep satisfaction with the Diaconal Vocations Program under the direction of Priest Elijah Mueller, “who has assembled stables of doctorates” to facilitate the program, especially in the Chicago and Kansas City deaneries. The program is not only of value to those aspiring to serve the Church in the diaconate, but to lay persons intent on expanding their theological knowledge and understanding.

## V. REPORT OF THE ADMINISTRATOR.

In brief remarks, Father Gassios thanked the members of the Diocese of the Midwest for their patience, adding that in the short time since he has been in Chicago, he has found “tremendous warmth, kindness and hospitality” in the parishes he has visited. He also expressed his appreciation for the work of Father Zdinak, Priest John Baker, and Mr. Sokolov. He concluded by noting that he would be tonsured to the rank of riassophore monk on Monday, October 20, 2014.

## VI. REPORT OF THE CHANCELLOR.

In addition to his written report, Father Zdinak noted that much time has been devoted to finding candidates to fill parishes that had become vacant due to retirements and transfers, and that two parishes – the Protection of the Virgin Mary, Merrillville, IN and Saint Nicholas, Joliet, IL – remain vacant. He also spoke of Father Gassios’ presence in the office daily and the positive adjustments this has raised.

## VII. DEANERY REPORTS.

**A. Chicago Deanery.** In addition to his written report, Archpriest Thomas Mueller announced that, in addition to the vacancies in the Merrillville and Joliet parishes, a vacancy will occur at the Protection of the Holy Virgin Church, Royalton, IL, with the November 1, 2014 retirement of Priest Justin Foster. He also noted that Holy Apostles Mission, Bloomington-Normal, IL, had been granted parish status.

**B. Indianapolis Deanery.** In addition to the written report of Archpriest Theodore Bobosh, who was unable to be present due to his recuperation after a recent surgery, it was noted that Archpriest Joseph Gibson of Saint John Church, Indianapolis, IN, had retired, and that Priest Zachariah Trent had been named rector of the parish.

**C. Kansas City Deanery.** In addition to his written report, Archpriest Timothy Sawchak asked that prayers be offered for Archpriest Moses Berry, who had been admitted to a Cleveland hospital with pneumonia.

**D. Michigan Deanery.** In addition to his written report, Archpriest Andrew Yavornitzky announced that a rector for Detroit’s Saints Peter and Paul Cathedral was being sought.

**E. Minneapolis Deanery.** In addition to his written report, Archpriest Paul Wesche requested prayers for Archpriest Nathan Kroll, who was unable to be present due to bouts with bronchitis and pneumonia.

**F. Cleveland Deanery.** There were no additions to the written report of Archpriest Andrew Clements.

## VIII. REPORT OF THE MISSION DIRECTOR.

Father Thomas Mueller reported that about one dozen individuals participated in a meeting on Monday, 6 October 2014, to revive the work of the Mission Department. He shared plans to develop a policy with regard to the planting of new missions. Assisting in the revitalization of Detroit’s Saints Peter and Paul Cathedral demonstrates that a diocese indeed can revive an established parish, despite the odds.

## IX. REPORT OF THE DIACONAL VOCATIONS PROGRAM DIRECTOR.

Father Elijah Mueller spoke about the very successful conference held at Saint Andrew’s House, Detroit, in August

2014, which attracted many late vocations students. He also noted that the program recently established in the Kansas City Deanery has attracted 11 students, who will pursue one class per semester.

**X. REPORT OF THE METROPOLITAN COUNCIL REPRESENTATIVES.**

There were no additions to the written report of Archpriest Alexander Kuchta.

**XI. REPORT OF THE TREASURER.**

Mr. Robert Koncel offered a comprehensive reivew of his written report and fielded a number of questions.

In response to an enquiry by Mr. Rick Tymoc of Detroit's Saints Peter and Paul Cathedral regarding whether mission funds could be earmarked for a FEMA loan for the cathedral, Father Zdinak and Mr. Koncel replied that the Finance Committee would consider this upon receipt of a written proposal.

In response to an enquiry by Carston Wagner of Minneapolis, MN regarding the resolution passed at the 2012 Assembly concerning tithing, Father Zdinak responded by stating that, as a result of the resolution, a committee had been formed. He added that in the past, less than 30% of the parishes had responded to requests for financial information required to study the matter further. However, thanks to a survey mandated by the Assembly of Canonical Orthodox Bishops of the USA in 2013, we now have numbers for all parishes. He expressed hope that the matter will be ready for discussion at the spring 2015 meeting of the Diocesan Council, adding that the OCA is studying the matter of tithing as well, and that this could affect the position of the Diocese on the matter.

The Treasurer's Report was accepted as presented by Mr. Dennis Garlick, seconded by Kevin Lytle.

**XII. REPORT OF THE AUDITORS.**

There were no additions to the printed report.

In response to questions concerning the use of the Diocesan credit card and receipts, Mr. Ron Royhab, seconded by Archpriest David Lis, moved that *those using a credit card must submit receipts for reimbursement or they will no longer have access to the card, while those making cash purchases must submit receipts or they will not be reimbursed.* The motion carried after substantial discussion.

The Auditors' Report was accepted as presented upon motion by Mr. Sam D'Fantis, seconded by Deacon Thomas Keith.

**XIII. PRESENTATION OF THE 2015 BUDGET.**

Mr. Koncel presented the proposed budget for 2015. Father Elijah Mueller noted that the correct amount for his stipend should read \$12,000.00, not \$6,000.00 as noted in the report. Mr. Koncel acknowledged this correction and made the necessary adjustment. It was proposed that the escrowed funds be used to cover the budget deficit for the next two to three years, at which time an assessment increase in the rage of \$7.50 per capita be considered. Discussion ensued, after which the budget was passed as presented.

**XV. ELECTIONS.**

Father Alexander Kuchta was elected clergy representative to the Metropolitan Council. Archpriest Mark Hodges will serve as alternate.

Elected as clergy members of the Diocesan Council were Archpriest Emil Hutnyan and James Dank. Archpriest John Adamcio will serve as alternate.

Elected as lay members of the Diocesan Council were Ms. Christine Hoover and Mrs. Daria Petrykowski. Mr. Simeon Morbey will serve as alternate.

Upon motion by Mr. D'Fantis, seconded by Mrs. Mecera, Sam Jacob was elected to the position of auditor by acclamation.

**XVI. ADJOURNMENT AND INSTALLATION.**

There being no further business, and upon motion by Father Adamcio, seconded by Mr. D'Fantis, the Assembly adjourned at 12:58 p.m. with a Service of Thanksgiving and the installation of elected officers.

*Respectfully submitted by the Secretariat,  
Archpriest John Matusiak  
Mr. Philip Sokolov  
Mrs. Ann Marie Mecera*

# MINUTES • DIOCESE OF THE MIDWEST DIOCESAN COUNCIL MEETING

Broadview Heights, Ohio

6 October 2014

## I. OPENING.

The meeting, convened at the Crown Plaza Hotel, opened with the Invocation to the Holy Spirit led by His Grace, Bishop Alexander, Locum Tenens, at 5:11 p.m.

## II. ATTENDANCE.

Present were Bishop Alexander; Archpriest Paul Gassios; Archpriest John Zdinak, Chancellor; Mr. Robert Koncel, Treasurer; Archpriest John Matusiak, Secretary; Archpriests Alexander Garklavs, Alexander Kuchta, and Basil Stoyka; Priests Nicholas Finley and Elijah Mueller; Mr. Samuel D’Fantis, Mr. Dennis Garlick, Mr. Barry Gluntz, Mr. Michael Herzak, Jr., Ms. Kitty Mabus; Ms. Ann Marie Mecera; the Deans, Archpriests Andrew Clements, Thomas Mueller, Timothy Sawchak, Paul Wesche, and Andrew Yavornitzky; and Mr. Philip Sokolov, Diocesan Chancery. Absent were Archpriest Theodore Bobosh, Dean of the Indianapolis Deanery, and Archpriest Nathan Kroll, Diocesan Council member. The day’s Epistle and Gospel readings were read by Fathers Zdinak and Gassios respectively, after which Bishop Alexander offered reflections.

## III. REPORT OF THE CHANCELLOR.

Father Zdinak reviewed a number of “housekeeping” matters in preparation for the Diocesan Assemblies. He proposed that Father Matusiak, Ms. Mecera and Mr. Sokolov serve as the Secretariat; that Archpriest John Memorich serve chair the tellers, which will consist of all participating deacons; that Ms. Mabus serve as Parliamentarian; and that Father Clements, together with Father Finley and Mr. Gluntz, serve as the Nominating Committee.

## IV. REPORT OF THE TREASURER.

Mr. Koncel initiated a discussion on options with regard to Father Gassios’ vehicle. There was no opposition to purchasing his car or reimbursing him monthly for automotive expenses.

Mr. Koncel reviewed the proposal to end the collecting of escrow funds and that funds already placed in escrow be used to balance the budget for the next three years, at which time a possible assessment increase could be considered. Upon motion by Father Zdinak, seconded by Ms. Mecera, it was decided to propose the budget as presented by Mr. Koncel.

With regard to parishes who are behind in remitting assessment payments, it was decided to review the circumstances facing the affected parishes after the election and consecration of a new diocesan hierarch.

## V. ADJOURNMENT.

There being no further business, the meeting was adjourned with the singing of the Hymn to the Theotokos at 8:15 p.m. upon motion by Mr. Garlick, seconded by Mr. D’Fantis.

*Respectfully submitted,  
Archpriest John Matusiak, Secretary with  
Mr. Philip Sokolov*





# MEETING OF THE DIOCESAN COUNCIL OF THE DIOCESE OF THE MIDWEST

Chicago, Illinois • 13 January 2015

## I. OPENING.

The meeting, convened at the Holiday Inn Midway, opened with the singing of the troparion of Theophany, led by His Grace, Bishop Paul, at 10:21 a.m.

## II. ATTENDANCE.

Present were Bishop Paul; Archpriest John Zdinak, Chancellor; Archpriest John Matusiak, Secretary; Mr. Robert Koncel, Treasurer; Archpriests Alexander Garklavs, Emilian Hutnyan, Alexander Kuchta; Priests James Dank and Nicholas Finley; Mr. Samuel D'Fantis, Mr. Dennis Garlick, Mr. Barry Gluntz, Ms. Christine Hoover, and Ms. Daria Petrykowski.

Also present were Archpriests Theodore Bobosh, Andrew Clements, Thomas Mueller, Timothy Sawchak, Andrew Yavornitzky, and Paul Wesche, Bishop's Council; and Mr. Philip Sokolov, Bishop's Secretary.

Absent were Priest Elijah Mueller and Mr. Michael Herzak, Diocesan Council members.

## III. SCRIPTURE READINGS.

Father Hutnyan read the day's selection from the Epistles – James 3:1-10 – while Father Finley read the day's Gospel reading – Mark 10:2-12. Bishop Paul and others offered reflections.

## IV. MINUTES OF PREVIOUS MEETINGS.

The minutes were accepted as presented upon motion by Father Garklavs, seconded by Father Finley.

## V. BISHOP'S REPORT.

Bishop Paul thanked everyone for their prayers and concern. He reported that he had already made 35-40 parish visitations, and that the most fruitful visits are those in which he arrives on Thursday and returns late Sunday, as this provides an opportunity to visit with each priest in a local area. He expressed gratitude to those who participated in his consecration and said that he would be spending some time at Saint Tikhon's Monastery for "boot camp," so to speak. Bishop Paul went on to identify five "stewardship issues" that need to be addressed.

**A. The sexual misconduct guidelines of the OCA.** Bishop Paul said that it is necessary to develop a plan to implement them fully over the next three years. Parishes must not be vulnerable to liability. More on this matter will be considered at the May 2015 Clergy Convocation.

**B. Stewardship and finances.** Bishop Paul said that he has always been a believer in percentage giving and that he would like to move away from the "head tax." A committee should be formed in the next six months to consult with the Diocese of the West, which is moving in the same direction. There are many in our diocese who are comfortable with a head tax, so the transition to percentage giving will not be easy.

**C. Mission Committee.** This should be reconstituted, hopefully within the next three months, to develop an understanding of guidelines for starting missions.

**D. Christ the Savior Church.** Within the next year to year and a half, decisions regarding the relationship between Christ the Savior Church and the Diocese should be clarified. Bishop Paul said he would like to see such efforts accelerated in 2015 as meaningful options are developed. After offering additional observations, Bishop Paul said that he perceives two options – selling the property to Christ the Savior parish or entering into a rental relationship.

**E. Liturgical directives.** Bishop Paul noted that he will not be issuing any "blanket" liturgical directives in the near future as he wishes to visit more parishes to observe current practices. Any questions on specific liturgical matters may be addressed to him.

## VI. CHANCELLOR'S REPORT.

Father Zdinak spoke positively about Chancery operations and the high degree of communication and direction shared on a day-to-day basis.

He presented background information with regard to a meeting he and Mr. Garlick had with representatives of Christ the Savior Church. In short, he noted that given the age of the building and the need for constant maintenance, the property will continue to require significant financial expenditures. He also spoke about the possibility of renting the property to the parish. An informal enquiry has been made with an attorney concerning restrictions on the property. In the end, a plan needs to be developed for presentation to the Diocesan Assembly for approval.

Father Zdinak fielded a lengthy discussion on various issues and scenarios with regard to the disposition of the property.

**MOTION:** *Mr. D'Fantis, seconded by Mr. Koncel, made a motion that the Diocesan Council authorize that up to \$10,000.00 in expenses be allocated to look into whatever professional opinions, evaluations, and appraisal are needed to expedite the sale of the properties, as needed. After lengthy discussion, the motion carried.*

With regard to the 2015 Diocesan Assembly, Fr. Zdinak proposed that since the All-American Council will convene in Atlanta in July, the Assembly be held concurrently in order to cut expenses for parishes.

**MOTION:** *Mr. Gluntz, seconded by Mr. D'Fantis, motioned that the Assembly be held in conjunction with the AAC. After additional discussion, the motion carried.*

**MOTION:** *Fr. Finley, seconded by Mrs. Petrykowski, motioned that elected terms of office be extended by one year due to the timing of the Assembly. The motion carried.*

The session closed at 12:40 p.m. and resumed at 1:46 p.m.

**VII. DEANERY REPORTS.**

- A. Chicago Deanery.** Fr. Thomas Mueller reported on a number of transitions. Priest John Russin is being assigned to Holy Virgin Protection Church, Merrillville, IN, while Priest John Beal has already been assigned to Saint Nicholas Church, Joliet, IL. Effective Holy Week, Priest Fred Janacek will be assigned to the Protection of the Holy Virgin Church, Royalton, IL, pending his move there. Fr. Matusiak will be retiring at the end of January, but will remain at Saint Joseph Church, Wheaton, IL as pastor emeritus. The deanery's winter youth camp will be held 15-17 February.
- B. Cleveland Deanery.** Fr. Clements reported that Archpriest Basil Stoyka recently retired from Saints Peter and Paul Church, Lorain, OH. Priest Joseph McCartney has been transferred from Archangel Michael Church, Broadview Heights, OH to Lorain.
- C. Kansas City Deanaery.** Fr. Sawchak asked for prayers on behalf of Archpriest Moses Berry, who had been hospitalized in Cleveland during the most recent Diocesan Assembly. His health continues to decline.
- D. Michigan Deanery.** Fr. Yavornitzky reported that "Zoe For Life" has opened a chapter in Livonia, MI. He also reported that FOCUS Motor City will have a resident director by March 2015 and will be renting space at Saints Peter and Paul Cathedral, Detroit. The cathedral is seeking the services of a full-time rector, while the diocese will provide development funding.
- E. Minneapolis Deanery.** Fr. Wesche reported that the members of Holy Cross Mission, Chisago City, WI voted to disband on 30 November 2015. A letter of petition was received by Bishop Paul asking that the mission be closed. Assets will be passed on to the diocese. Priest Bill Neumann believes that after all the fees associated with the mission's different bank accounts are paid, the diocese should receive about \$100,000.00. [According to the Bylaws, the first priority is that said sum should be distributed within the deanery.] He added that discussions between himself, Fr. Neumann and Bishop Paul indicate that said funds could be used at the Bishop's discretion to support developing missions in the Minneapolis Deanery.  
Fr. Wesche added that two other deanery missions – Christ the Savior, Anoka, MN, and Saint Andrew Chapel, Minocqua, WI – have closed in the past two years. A fourth mission – Holy Myrrhbearers, St. Cloud, MN – continues to struggle. With the transfer of Priest Oliver Herbel to the chaplaincy, Holy Resurrection Church, Fargo, ND, will be seeking a new rector.  
Saint Nicholas Church, Chisholm, MN, is now officially closed. The deanery is working with Attorney Simeon Morbey towards constituting three individuals who grew up in Chisholm as a 501c3 – the "Saint Nicholas Preservation Society." All assets of Saint Nicholas parish – about \$8,500.00 – were placed in a new account under the name of Saint Nicholas. Fr. Wesche pointed out that Attorney Morbey's work was pro-bono and suggested that a note of gratitude be sent to him on behalf of the Diocesan Council.

**VIII. METROPOLITAN COUNCIL REPRESENTATIVES' REPORT.**

In light of the fact that the Metropolitan Council will meet 10-12 February 2015, Fr. Kuchta noted that there is nothing to report at this time.

**IX. TREASURER'S REPORT.**

Mr. Koncel highlighted the Profit and Loss Budget vs. Actual for 2014. He reported that at the most recent meeting of the Finance Committee, members attempted to determine a fair market value for Bishop Paul's 2012 Ford Fiesta. The average of various estimates is \$8,851.00.

**MOTION:** *Mr. Koncel moved, second by Fr. Matusiak, that the diocese purchase the Fiesta for \$9,000.00. Motion carried.*

Mr. Koncel further reported that \$453,000.00 in accounts receivable is due from parishes that owe the diocese assessment funds. The Finance Committee recommended that Mr. Sokolov or Mr. Koncel print a list of parishes that owe money and that Bishop Paul and the deans make recommendations with regard to each parish, which then will be presented to the Diocesan Council.

**X. MISSION/PARISH DEVELOPMENT COMMITTEE.**

Fr. Thomas Mueller presented an overview of the committee, which had been disbanded in 2011 but recently reconstituted. A meeting of representatives from mission parishes was held during the Diocesan Assembly, and there was a strong consensus among the 15-20 attendees that something should be done to encourage mission priests and to support their families. At the end of 2014, he and Bishop Paul approved stipends of \$500.00 to all mission priests. Combined with related disbursements, a total of \$25,000 was made available.

He reported that the OCA is setting up a mission training program – a week-long "Mission School" slated to be held in Detroit in April 2015. Bishop Paul has designed one priest and layperson from our diocese to participate. He further reported that the Mission Committee is being reconstituted and will meet by phone conferences. Priorities include developing guidelines for establishing missions and disbursement of budgeted funds, such as the parish project grants [\$12,000.00], mission grants, and the parish revival/matching grant for Detroit's Saints Peter and Paul Cathedral to sustain a priest for three to four years. Funds also should be earmarked for participation in the Small Parish Conference to be held during the summer of 2015.

**XI. OLD BUSINESS.**

- A. Clergy Psychological Evaluations.** Fr. Zdinak reported that there is a need to determine how evaluations will be paid for. He noted that Mr. Koncel and Mrs. Polly Walker will be asked to include a line item in the budget for said evaluations with the diocese and parishes splitting the cost.

**XII. ADJOURNMENT.**

There being no further business, the meeting adjourned at 3:30 p.m. upon motion by Fr. Clements, seconded by Mr. D'Fantis.

*Respectfully submitted,  
Archpriest John Matusiak with Mr. Philip Sokolov.*



# MEETING OF THE DIOCESAN COUNCIL OF THE DIOCESE OF THE MIDWEST

Chicago, Illinois • 16 June 2015

## I. OPENING.

The meeting, convened at the Holiday Inn Midway, opened with the singing of “O Heavenly King,” led by His Grace, Bishop Paul, at 10:21 a.m.

## II. ATTENDANCE.

Present were Bishop Paul; Archpriest John Zdinak, Diocesan Chancellor; Archpriest John Matusiak, Secretary; Mr. Robert Koncel, Treasurer; Archpriest Alexander Garklavs, Archpriest Alexander Kuchta, Priest Nicholas Finley, Priest Elijah Mueller, Mr. Samuel D’Fantis, Mr. Dennis Garlick, Mr. Michael Herzak Jr., Ms. Christine Hoover, and Mrs. Daria Petrykowski. Also present were Archpriest John Jillions, OCA Chancellor; Ms. Melanie Ringa, OCA Treasurer; and Archpriests Theodore Bobosh, Andrew Clements, Thomas Mueller, Timothy Sawchak, Paul Wesche and Andrew Yavornitzky, Bishop’s Council; and Mr. Philip Sokolov.

Absent were Archpriests James Dank and Emilian Hutnyan and Mr. Barry Gluntz.

## III. SCRIPTURE READINGS.

Ms. Hoover read the day’s selection from the Epistles – Romans 7:14-8:2 – while Father Finley read the day’s Gospel reading – Matthew 10:9-15.

## IV. MINUTES OF PREVIOUS MEETINGS.

The minutes were accepted as presented.

## V. DISCUSSION ON AAC FUNDING PROPOSAL.

At this time, Father John Jillions and Ms. Ringa were introduced.

Father John began by noting that His Beatitude, Metropolitan Tikhon and representatives of the Assembly of Canonical Orthodox Bishops of the USA are meeting with His All-Holiness, Ecumenical Patriarch Bartholomew today, adding that Metropolitan Tikhon is being received as a head of a Church. He noted that the OCA’s vision of a united Orthodox Church in North America is more in line with the Patriarch’s vision than those of the ethnic churches. He also spoke of the release of Metropolitan Jonah to the Russian Orthodox Church Outside of Russia, the drafting of regulations concerning readers, subdeacons and monastics, and related matters.

In speaking of the proposed funding resolution prepared for the 18th All-American Council, Ms. Ringa reported that she and other members of the Administration have been visiting each diocese in this regard. Immediately after the 16th All American Council in Seattle, the first meeting of diocesan chancellors and treasurers was held at the OCA Chancery, at which discussions on how to transition to proportional giving were held. Meetings with individual dioceses were initiated. In February 2015, the Metropolitan Council Finance Committee developed a resolution moving towards proportional giving, but with a “floor,” adding that the consensus was that the OCA could not sustain itself with less funding. In practical terms, the assessment for 2016-2018 will be the greater of the 2015 dollar amount or 34% of the diocesan budget. Some dioceses – New York/New Jersey, New England, and Eastern Pennsylvania – objected to the “floor,” necessitating the revision of the resolution at the March 2015 Session of the Holy Synod. “If we’re going to eliminate the ‘floor,’ there has to be some compromise on the other end,” she observed.

Ms. Ringa went on to explain further amendments to the resolution drafted during last week’s Holy Synod retreat.

Father Zdinak said that it needs to be made clear that the Diocese continues to collect assessments according to 2015 levels – \$86 for the Diocese and \$90 for the OCA – so that \$176 is the new Diocese assessment from which we tithe.

After considerable discussion, it was clear that Diocesan Council members agreed that the funding level for the Central Church should *not* be reduced.

## VI. BISHOP’S REPORT.

Bishop Paul reported that progress is being made on the priorities he had established at the January 2015 meeting. With regard to visitations, he noted that he has visited 60-65 parishes to date and spoke of his experiences, especially with regard to full weekend visits, hierarchical services, meetings with the clergy and their families, parish councils, etc.

With regard to liturgical practices, he stated that he does not envision issuing any “guidelines” in the immediate future in light of the diversity in the Diocese and the fact that he firmly believes in pastors’ discretion in such matters. He is considering establishing a liturgical work group to “standardize” the order of certain services, such as Vespers and Baptismal Liturgies, for which there are no uniform orders.

Bishop Paul also noted that he has met with some, but not all, of the other bishops in the Chicago area and that he is confident in his positive experiences with the Holy Synod.

## VII. CHANCELLOR’S REPORT.

Father Zdinak reported on a number of matters.

**A. Administrative Action Concerning Parishes in Arrears on Assessments.** At present we carry on our books accounts receivable of nearly \$500,000. A new process for contacting parishes in arrears in their assessments has been put in place and will be initiated in the immediate future.

**B. Diocesan compliance, sexual misconduct guidelines.** Bishop Paul sees this as a three-step process: getting background checks on priests and deacons; compiling a list of tonsured subdeacons and readers and conducting

appropriate background checks, at parish expense; and seeking clarification as to what kind of screen procedure is required for Church school teachers.

- C. Diocesan Funding/Stewardship Committee.** As mandated by the 2012 Diocesan Assembly, a committee was formed to explore ways to fund the Diocese. Committee members include Simeon Morbey, Jerry Roberts, Warren Griggs, Daria Petrykowski, and Father Finley. An account has been established with Cisco WebEx to facilitate video conferencing for up to 20 individuals.
- D. Policy and Procedures for Assignment of Priests to Parishes.** Appropriate procedures have been issued, emphasizing the fact that assignments are made by the Bishop in cooperation with the parishes through their deans.
- E. Vacancy for Lay Representative to the Metropolitan Council.** In response to Mr. D’Fantis’ request to be relieved of his duties as Metropolitan Council lay representative and the inability of the elected alternate to fulfill said duties, it was agreed that a new delegate will be elected at the Diocesan Assembly to complete Mr. D’Fantis’ term only.

#### **VIII. EXECUTIVE SESSION.**

The Council discussed matters related to the Diocesan Center and Christ the Savior Church.

#### **IX. DEANERY REPORTS.**

- A. Chicago Deanery.** Father Thomas Mueller had nothing to add to his report.
- B. Cleveland Deanery.** Father Clements had nothing to add to his report.
- C. Indianapolis Deanery.** It was noted that Father Bobosh is suffering from stage three lung cancer.
- D. Kansas City Deanery.** Father Sawchak noted that the Nativity of the Virgin Mary Church, Madison, IL, and Saints Cyril and Methody Church [OCA Bulgarian Diocese], are exploring the possibility of merging into a single parish. Father Finley added that Bishop Paul and His Grace, Bishop Alexander have given their blessing to this possibility. The merged parish would use the facilities at Saints Cyril and Methody but fall within the Diocese of the Midwest, with Father Finley serving as rector. Some joint services are already being held.
- E. Michigan Deanery.** Father Yavornitzky spoke of finding a pastor for Detroit’s Saints Peter and Paul Cathedral.
- F. Minneapolis Deanery.** Father Wesche reported that two mission parishes in the northern Twin Cities suburbs have closed. A plan to merge the missions did not materialize. One mission had significant assets with property and over \$100,000 in the bank. The property was given back to the original donor, while the \$100,000 has been given to the diocese “to be used for missions in the Minneapolis Deanery.” Bishop Paul and the deanery clergy will establish the parameters for use of said funds.

#### **X. METROPOLITAN COUNCIL REPORT.**

In addition to the written report, Father Kuchta spoke of the proposed revisions to the OCA *Statute*, to be considered at the 18th All-American Council. He noted that the Metropolitan Council supports the revision and its adoption.

#### **XI. TREASURER’S REPORT.**

Mr. Koncel highlighted various points of his written report, noting that the diocese is currently experiencing a \$26,000 deficit. This will necessitate accessing money from the escrow funds.

Father Thomas Mueller reminded the Council that consideration had been given to earmarking \$15,000 per year from the Parish Mission Development Fund to establish a planting grant for Detroit’s Saints Peter and Paul Cathedral.

#### **XII. PARISH DEVELOPMENT/MISSIONS.**

Father Thomas Mueller reported that one priest and one lay person – Priest Joel Weir and Mr. Greenwald – participated in the OCA’s first Mission School, held in Detroit in April 2015. He and Bishop Paul will meet with them in the near future to determine how they might be engaged in the Diocese on a wider level. He also noted plans to republish the Mission Planting Guidelines developed a few years ago. He hopes to revive the Parish Development Grants and hopefully to issue a call for applications in August or September. A few thousand dollars could be earmarked for parishes to engage in imaginative, creative projects outside their usual budgeted concerns.

Father Elijah Mueller spoke of the Saint Macrina Orthodox Institute, reporting that there are currently 50-plus students enrolled throughout the Diocese. The Second Annual Conference will be held at Saint Andrew Retreat Center, Detroit, August 7-8, 2015. Father Bogdan Bucur will be the keynote speaker. In 2014, 40 individuals attended.

#### **XIII. OLD BUSINESS.**

With regard to Diocesan Archives, it was reported that Mr. Nicholas Groves submitted a proposal to box, sort and ultimately digitize the archives. It was recommended that Mr. Groves sign a confidentiality and non-disclosure agreement due to the sensitive nature of the archives.

#### **XIV. NEW BUSINESS.**

The next Diocesan Council meeting will be convened in November or December at a date and time to be announced.

#### **XV. ADJOURNMENT.**

There being no further business, the meeting was adjourned with the singing of the Hymn to the Theotokos at 2:43 p.m. upon motion by Mr. Garlick, seconded by Mr. D’Fantis.

*Respectfully submitted,  
Archpriest John Matusiak with Mr. Philip Sokolov.*



DIOCESE OF THE MIDWEST – *Orthodox Church in America*

54TH DIOCESAN ASSEMBLY

JULY 20, 2015, ATLANTA, GEORGIA

## **RESOLUTION FORM**

TITLE of RESOLUTION:

ORIGIN of RESOLUTION:

RESOLUTION TEXT (a printed copy of the resolution may be attached to this form).

BE IT RESOLVED THAT:

### Instructions for Submitting Resolution:

1. All Resolutions must be received by the Diocesan Chancery by 4:00pm, Monday, July 13, 2015.
2. Resolutions may be submitted by:
  - US POST to:  
Diocese of the Midwest  
927 N LaSalle Blvd  
Chicago, IL 60610
  - Electronically to [chancery@domoca.org](mailto:chancery@domoca.org)  
(electronically submitted resolutions must be signed)
  - Fax to: (312) 202-0427





# DIOCESE OF THE MIDWEST

## Diocesan Bylaws

*(Approved 1996)*

- I. The Diocese of the Midwest (hereinafter referred to as Diocese) is comprised of faithful Orthodox Christians united in local worshipping communities (hereinafter referred to as Parishes) within the territory assigned to it by the Holy Synod of Bishops of the Orthodox Church in America. It is a non-profit corporation chartered under the laws of the State of Illinois.
  - A. The Corporate Officers shall be: Diocesan Bishop as President, Chancellor as Vice President, Diocesan Secretary as Secretary, and Diocesan Treasurer as Treasurer.
  - B. A candidate for Bishop is nominated, elected, consecrated and/or installed as described in the Statute of the Orthodox Church in America (OCA), Article VI, Sections 9-11. The Diocesan Chancellor, Secretary, and Treasurer are appointed by the Bishop, as described in the Statute of the OCA, Article VI, Section 4, part 1. (Also see Article VIII, Section 6.)
  - C. The Bishop shall preside at the Diocesan Assembly and at the Diocesan Council meetings. The Bishop may appoint Vice Chair(s) at Diocesan Assemblies and Diocesan Council meetings.
  - D. The Bishop is the keeper of the corporate seal.
  - E. The Chancellor shall act as a liaison between the Diocesan Bishop and deans, clergy, parishes and Diocesan departments and committees. He is responsible for implementing the decisions of the Bishop, Diocesan Assemblies, Council, Bishop's Council, and any departments and committees. He will co-ordinate overall operation of the Chancery office and together with the Bishop be responsible for administration of the Diocese and its concerns.
  - F. The Secretary shall be responsible for:
    - 1. Keeping an accurate record of all Diocesan Council meetings and all Diocesan Assemblies;
    - 2. The notification of all parishes of all such meetings;
    - 3. Performing such other duties as may be assigned by the Diocesan Bishop, Bylaw, and decision of the Diocesan Assembly or Council.
  - G. The Treasurer shall be responsible for:
    - 1. Overseeing the receipt, safekeeping, and proper disbursement of all money and other property of the Diocese entrusted into his care, according to the direction of the Diocesan Assembly or Diocesan Council;
    - 2. Providing a financial statement at the Diocesan Assembly and at such other times as may be requested by the Diocesan Council. The annual financial statement shall be audited and certified as provided in the Rules of Procedure;
    - 3. Having a complete account of the finances of the Diocese on books which shall be and remain the property of the Diocese;
    - 4. Such other duties as may be assigned by the Bishop, Bylaws, Rules of Procedure, and decision of the Diocesan Assembly or Council.

- H. The execution of contracts, not included in the Diocesan Operating budget, and authorized by the Diocesan Council may be accomplished with the signature of one of the following: The Bishop, Chancellor, Treasurer, or Secretary.
  - I. The establishment of financial accounts and payment of funds may be accomplished with no less than two signatures of the following: The Bishop, Chancellor, Treasurer, or Secretary.
- II. The Annual Diocesan Assembly is the annual corporate meeting. It is held on the first Monday, Tuesday, and Wednesday in October and conducted in accordance with the provisions of the Statute of the Orthodox Church in America. (See Appendix No. 1.) The time of the Assembly may be changed for cause by the Bishop or Diocesan Council, with thirty (30) day notice to Diocesan Parishes and Clergy. Extraordinary Assemblies may be convoked as described in the Statute of the OCA, Article VII, Section 4. The Diocesan Assembly shall elect:
- A. One (1) Clergy Vice Chairman and one (1) Lay Vice Chairman.
  - B. Diocesan Council Representatives:
    - 1. There shall be ten (10) people, [five (5) clergy and five (5) lay elected at-large]. Each year at the annual Diocesan Assembly, two (2) clergy and two (2) lay representatives will be elected. A term in office on the Diocesan Council is three (3) years.
    - 2. The length of consecutive service as an elected member of the Diocesan Council is six (6) years. A one (1) year sabbatical is required before running again for election to the Diocesan Council.
  - C. Diocesan Representatives to the Metropolitan Council:
    - 1. There shall be two (2) representatives, one (1) clergy and one (1) lay, elected at the Diocesan Assembly. These representatives shall be elected at the Diocesan Assembly their three-year terms being staggered. Representatives to the Metropolitan Council are members of the Diocesan Council ex officio. The term of newly elected representatives shall begin with the first Metropolitan Council meeting of the new calendar year.
  - D. Auditing Committee:
    - 1. The Auditing Committee shall consist of three (3) members elected at-large for a three (3) year term. One member shall be elected at the annual Diocesan Assembly each year.
    - 2. The senior member (the person in the final year of his term) shall be the Chairman.
    - 3. The Auditing Committee shall review the financial operations of the Diocese and make a written report to the Diocesan Assembly; this report shall be mailed to the parishes (30) days prior to the annual Diocesan Assembly.
  - E. Advisory committees may be established by the Bishop or by the Diocesan Council with the Bishop's approval as deemed necessary.
  - F. Assistants to the Secretary and Treasurer. If it is deemed necessary to have

assistants to the Secretary or the Treasurer, the Bishop shall appoint such persons as needed.

- G. The clergy and lay person receiving the next highest number of votes after vacancies on the Council have been filled are considered to be alternates who would fulfill the remainder of a vacant term of a Diocesan Council member or Diocesan Representative to the Metropolitan Council. In case of need, the Bishop may also appoint a temporary replacement until the next Diocesan Assembly.
  - H. The Diocesan Assembly shall establish the fiscal year and annual Diocesan assessment. (cf. Statute of the OCA, Article VII, Sec. 3, d.)
  - I. Removal from the Diocesan Council
    - 1. All Diocesan Council members must continue to fulfill the qualifications for membership in the Council, as mandated by the Diocesan Assembly, during their entire tenure of office. Members of the Council whose membership status in a Diocesan parish changes due to Sacramental participation, etc. are subject to removal.
    - 2. Council members whose parish membership changes because of a move outside the boundaries of their parish and the Diocese must resign their position.
    - 3. Three (3) absences from Diocesan Council meetings between Diocesan Assemblies may be considered a resignation from the Diocesan Council.
    - 4. All actions regarding removal are subject to the final decision of the Diocesan Bishop.
  - J. A Nominating Committee of three (3) members shall be selected by the Diocesan Council. The members of the Committee are not to be candidates for election.
  - K. The duties of the Nominating Committee shall be:
    - 1. To compile a list of candidates nominated by members of the Assembly prior to the election session;
    - 2. To maximize the number of candidates running for open positions;
    - 3. Not to endorse or recommend any candidate for election.
  - L. Nominations from the floor shall be accepted. Voting is by secret ballot.
  - M. One must be an accredited delegate of and present at the Diocesan Assembly to be nominated.
  - N. All parishes are required to meet the financial obligations for the Diocesan Assembly (i.e., registration fees) for a minimum of one (1) clergy and one (1) lay delegate.
  - O. All parishes are required to be current with their Central Annual and Diocesan Annual Assessments in order to have delegates seated at the Annual Diocesan Assembly.
- III. The Diocesan Council is the corporate board of Directors. The Diocesan Council shall be composed of:
- A. Voting members:
    - 1. Ruling Bishop and any Auxiliary Bishops;

2. Diocesan Chancellor;
  3. Diocesan Secretary;
  4. Diocesan Treasurer;
  5. Five (5) clergy (Priests and/or Deacons) and five (5) laity;
  6. Representatives to the Metropolitan Council [one (1) clergy and one (1) lay].
- B. Non-Voting members:
1. Deans;
  2. Editor of The Vigil;
  3. Department and committee chairmen
- C. The Bishop (and any Auxiliaries) and the Chancellor are “Ex-officio” voting members of the Council.
- IV. In the event of any conflicting provisions, the corporation and Statute of the Orthodox Church in America shall take precedence over those of the Diocese. The corporation and Bylaws of the Diocese shall take precedence over that of the parishes.
- V. If the Diocese is dissolved or ceases to exist, all assets held in the name of the Diocese shall become the property of the Orthodox Church in America.
- VI. These Bylaws can be amended by a two-third (2/3) vote at a Diocesan Assembly with the proviso that the exact text of any proposed amendment be mailed with the approval of the Bishop to all parishes for distribution to their members at least 30 days prior to the meeting.

#### Appendix No. 1 – The Statute of the Orthodox Church in America

These bylaws were approved at the 36<sup>th</sup> Diocesan Assembly of the Diocese of the Midwest in Dayton, Ohio held October 7-9, 1996.

**ADDRESS OF THE BISHOP**  
**54<sup>th</sup> DIOCESAN ASSEMBLY**  
**Atlanta, Georgia**  
**July 20, 2015**

It is an honor for me to stand before you today to offer my first report as your Diocesan Bishop to this 54<sup>th</sup> Annual Assembly of the Diocese of the Midwest.

Since arriving here in August of 2014 and with my recent consecration in December of 2014, my life has drastically changed. Prior to August of last year, I led a very simple life owning little and was the priest of a small church in Toledo. I now oversee over 75 parishes. I travel constantly; lots of people come to me asking for blessings to do certain things and asking for direction on various matters. So I am still going through an adjustment phase in this new life I have embarked upon. I would like to begin by making some general comments on life in our diocese.

What I have most enjoyed thus far in my episcopal ministry has been parish visitation. I have really made an effort to get to know the parish as opposed to just going to do Vespers on Saturday, Liturgy on Sunday, and then leave after having a bagel or a donut. My visitations have involved taking the priest and his wife out to dinner, meeting with the parish council, and visiting outreach programs related to the Church. I even visited the Rock and Roll Hall of Fame in Cleveland last April. I was awarded a cheese hat when I went to Green Bay in March! What I have learned in all of these visits is that there is a lot of good will in our diocese. I am very grateful for the kindness and hospitality that has been extended to me by everyone whether clergy or lay people. This has helped a whole lot when having to deal with the downside of traveling; lugging luggage around and dealing with late flights. There is a lot of good work being done by many parishes in the diocese by very dedicated people of which I am thankful to God for. By the late winter of next year I will have visited every parish in the diocese at least once. I would now like to turn to some specific issues.

At the Diocesan Council Meeting in January of this year, I identified four areas of concern that need attention in the short term. I would like to report on those four areas in terms of progress.

**The sexual misconduct guidelines of the OCA**

We are nearing the end of phase one of implementing the Guidelines on Sexual Misconduct issued by the Holy Synod of Bishops of the Orthodox Church in America. That phase consists of obtaining background checks on all priests and deacons of the diocese. I am very pleased with the response here. This phase will be coming to a close in September of this year. After that those who have not obtained those checks will be contacted directly to firmly address this concern. Phase two will involve obtaining background checks on the minor orders in the church (sub-deacons and readers). The last phase will involve developing an overall screening program for church school and

youth workers. I would like to see this begin sometime in spring of 2016. We are still waiting to hear from Cindy Heise of ORSMA\* regarding what this screening program involves. But that clarification will come well before we start phase three of the implementation. To help us in this process we had Bob Koory, legal consultant to SMPAC\*, and Cindy Heise come to our Clergy Convocation last May to educate us on the importance of these Guidelines and why we need to have them as part of our parish life.

\*Office of Review of Sexual Misconduct Allegations

\*Sexual Misconduct Policy Advisory Committee

### **Stewardship and finances**

The 2012 Diocesan Assembly passed a resolution to investigate the idea of moving to a proportional giving formula as a way to support the life of the Diocese as opposed to a per capita head tax. In March of this year a committee was formed to follow up on this resolution. Simeon Morbey is the chairperson of the workgroup. Fr. Nicholas Finley, Daria Petrykowski, Gerald Roberts, and Warren Griggs were also appointed. Since last May the group has been meeting regularly and Fr. Nicholas Finley will give a summary of that work later on in today's meeting. I am looking forward to that continued work. I have one observation to make. If we do move to a proportional giving formula, this will not work unless people practice this same way of giving in their local parishes. There will be an important discussion on this same topic during the sessions of this week's All American Council.

### **Mission Committee**

There will be a concerted effort in the next three to six months to get the Mission Committee back in operation. Last April two people, Fr. Joel Weir, and Gator Greenwill attended an intense Mission Training School in Detroit offered by the Central Administration. We hope to utilize what they learned from that experience in the development of new missions, and ongoing growth of current missions. During the All American Council the Mission Group will meet to continue its work. Joe Kormos will be joining us to help the Mission Committee in terms of whether we adopt a structure similar to what was used in the past or whether a new direction is needed. Fr. Tom Mueller continues as the chairperson of this committee.

### **Relationship between the Diocese and Christ the Savior Church**

In the last year the Bishop along with the Diocesan Council has begun to explore a separation of Christ the Savior from the Diocese with it possibly resulting in a long-term plan of the Diocese relocating elsewhere. Earlier in the year with the Bishop's blessing, the Diocesan Council authorized the Chancellor of the Diocese to contact Christ the Savior with an offer to purchase the church and the adjoining residence from the Diocese. Christ the Savior did not accept that initial offer. However Christ the Savior has indicated a willingness to form a group to meet with Diocesan Council members to further look at other options that can be considered.



I wish to make some comments here. Over the years I realize there have been concerns raised over the nature of the relationship between the Diocese and Christ the Savior. But there are a couple of things that need to be clarified. This is a diocesan issue.

Archbishop Job of blessed memory did have a vision and he had strong convictions about pursuing the La Salle Street property in the late 1990's. The Diocese approved his desire to purchase the property for \$1 and expend the needed funds to renovate it. Both Archbishop Job and Bishop Matthias gave clear direction to maintain the current reality. As you know Archbishop Job directed Christ the Savior to begin a major iconography project that is now complete. The funds for doing this were all generated by Christ the Savior (about \$300,000). I bring these things up to call people's attention to the fact that Christ the Savior is not the problem here. In the year I have been here I have heard comments made that Christ the Savior is getting a "free ride." I reject that notion and have actively worked to discourage that kind of characterization of the issue. Christ the Savior has experienced significant growth over the last seven years. I attend services there and I see a very energetic community that gives sacrificially to make things work.

I realize as your bishop I have blessed a plan that may take us in a different path from the direction of our previous hierarchs. Two main issues motivate me. First, there is a stewardship issue. Since obtaining the property in the late 1990's the diocese has spent over 1.8 million dollars on the maintenance, renovation, and improvement of the church and the residential building. The diocese in 2008 took out a two hundred fifty thousand dollar loan for necessary repairs/renovation to take place. More work will probably be required but I can't speak with any authority here. In light of other needs our diocesan budget is responsible for; can we address those needs and continue as we are? I don't believe so. We are taking on more than we can chew at this point. The second issue is that Christ the Savior is a growing community. I believe they can make better use of the residential building next door for their use instead of diocesan use. I see a lot of potential for continued growth to occur with Christ the Savior taking on the complete care and of the church and residence as its "steward." Given these two realities, this is what I want to see happen.

I strongly endorse the continued dialogue between Christ the Savior and the Diocesan Council over the possible sale of the church and residence and resulting in the separation of Christ the Savior from the Diocese. I will not bless any solution that would involve the Diocese selling the church and/or the residence that would adversely impact on Christ the Savior. I see nothing good coming out of that option. Dependent on what transpires in dialogue between Christ the Savior and the Diocese, my thinking might change in the future.

### **Liturgical matters**

At this point I am still not prepared to issue any diocesan wide directives on such matters. I think I need another year of learning through dialogue and visitation of parishes to better understand the current dynamics of the Midwest Diocese. Should any clergy have questions about liturgical practices in their church and require direction,

they are to contact me directly and I will address those issues with them. There are however some thoughts I have on certain values or principles that will guide me in addressing liturgical order in the Diocese.

When I was a priest in the diocese for 13 years, I did perform Vespereal Liturgies and Baptismal Liturgies on a regular basis. I don't have a problem with them myself. However from my experience in the Bulgarian Diocese in the OCA, I have learned to become more "pastoral" and less "dogmatic" in discerning the appropriateness of those services. Thus once I do issue any directives here, they will emphasize the pastoral dimension of the use of those services and the need for me to trust that the priest of the parish knows his people and what is best for them. Secondly good order and consistency will be important in what I come up with. Thus, I want to see one order for a Vespereal Liturgy or a Baptismal Liturgy and not several different versions of it. I would like to see one authorized "You" form for services, and one authorized "Thou" form; not two or three different versions of them. I don't know how I am going to get there yet, but at least I wanted to let you know my current thinking. Finally, I do believe that priests should respect previous practices of a parish when they become newly assigned to one. Thus if the parish prays in the "You" form that needs to be respected not changed. The same goes for parishes that pray in the "Thou" form. Musical traditions and church school practices need to be respected and not immediately changed. Whether it is in language, music, or church school, change should only happen after a long period of time where the priest has established a pastoral relationship with their parish and has earned the trust of the parish. It should be addressed in a hierarchical/conciliar manner and not just by the priest or parish dictating the change. Time needs to be given to prepare people for change before implementing change.

Eventually I will also speak to the issue of clergy attire and dress. With the advent of the Sexual Misconduct Guidelines, I offer the following that will impact on matters of attire in the tonsuring of readers and ordination of sub-deacons. I have already given directives to readers I tonsure that they only wear their cassock on days they are fulfilling their ministry to be a reader. When it comes to sub-deacons I will only ordain someone to the sub-diaconate if they intend to function as one in a hierarchical service. I will still bless someone to wear the orarion but will direct him to wear it as servers do in the byzantine practice. I will view him as a senior altar server and not as a sub-deacon blessed to wear the orarion. I know many have been blessed to wear the orarion as a sub-deacon by previous bishops. I need to do some more thinking about how I will address that. If you have any questions to ask here please do. We recently did a workshop in Livonia, MI on training people to serve hierarchical liturgies. I was very pleased with this. It took three hours to complete. That even allowed time for people to practice vesting with the long omophorion; the greatest challenge to being a sub-deacon! I would like to see this happen in all of our deaneries. One is scheduled for Chicago in October of this year.



**Other areas to focus on**

In the future I would like to see our diocesan assembly and clergy convocation take on a more spiritual/educational focus as part of our time together. We have made some strides in doing so with the convocation in that we have agendas planned for the next four years. This will enable us to plan better and locate speakers in advance as opposed to doing so at the last minute.

We need to take a look at how we store our various files and documents. I have concerns that they are not stored in a proper environment. We need to make use of digitalizing our documents to lessen the space they take up. We have been in communication with Nicholas Groves who did archive work for the Diocese several years ago. He has submitted a report as to how we can proceed on this topic in the next two years. I would like see us follow through on that report. We need to make more frequent use of the internet to have meetings on line related to diocesan projects and life. Two things have been done to further assist here. We now use Cisco Web Ex for web meetings that seem to work better than Skype. Secondly we have improved our internet connections to decrease the prospect of video freezing and audio disruption.

Finally, today and in the years to come our church faces a challenge in how we bear witness to the Gospel of our Lord in a world that has becoming increasingly more diverse, polarized, and secular; where many may no longer believe and accept traditional church teachings on various issues. The polarization greatly concerns me. I am troubled by extreme viewpoints that ally church teaching with one's political ideology and judge others as not being "Orthodox" because they don't believe in that political ideology. Jesus was neither a "conservative" nor a "liberal" and yet he was both a "conservative" and a "liberal." He was neither a "capitalist" nor a "socialist" and was both a "capitalist" and a "socialist." In regards to the recent Supreme Court decision on same-sex marriage, I want to hold both my recent statement on the issue in conjunction with Metropolitan Tikhon's statement issued several days after I shared mine. One without the other is incomplete.

I wish to end here by expressing my thankfulness to the Chancellor, Deans, and Diocesan Secretary for their hard work and support in overseeing the many needs of the life of our Diocese. Thanks to all the clergy and parishes that have been so kind to me. I only hope that I can continue to behave in a manner that will enable me to earn your trust and make it easier for you to give me your obedience; especially as I embark on providing more active direction regarding the life of our diocese in the years to come.

+Paul, Bishop of Chicago, Diocese of the Midwest



## **Metropolitan Council Representative Report**

### **June 16, 2015**

Spring meetings of the Metropolitan Council took place Tuesday, February 10 through Thursday, February 12, 2015 at the Immaculate Conception Seminary in Huntington NY, Minutes and all reports generated for and by these meetings are available on OCA.org

Apart from the regular reports given by Metropolitan Tikhon, chancery officers and Committee heads, the most important reports given had to do with the convening of the OCA's All American Council (AAC) in Atlanta, GA in July. Fr. Eric Tosi presented highlights of the planning taking place under the guidance of the Pre-Conciliar Committee and presented a draft agenda for the week. FOCA's annual convention will be combined with the AAC.

Two items of special importance to be addressed by the AAC will be the adoption of updated Statutes for the Church and the resolution formulated for funding the work of the OCA:

On Statute Revisions: The MC heard reports of the Statute revision Committee given by Fr. Alexander Rentel and Judge E.R. Lanier. As of the time of this meeting, the document was being reviewed by a legislative editor and with the blessing of the Holy Synod it will be posted for review by the entire Church. If there are any revisions or corrections suggested during this review they will be included as appropriate. The intention of the Task Force is to present this document to the AAC for an up or down vote because any more detailed discussion of the document which is 50 pages in length would be virtually impossible to manage. The statute revisions do not propose or include any structural changes to the OCA. Rather, they take into account the history and challenges that we have faced as an autocephalous church over the past 45 years for which we have had little or no statutory guidance. The MC supports this revision and the adoption of this document is highly recommended. Again, this document is easily available online.

The other issue of importance that the AAC will undertake is the funding of the Church over the next triennium. As you recall, the last regular AAC in Seattle saw the adoption of a funding resolution that reduced the annual assessments and which supposedly had the intention of increasing funding by encouraging increased stewardship/proportional giving as opposed to the long relied upon "head tax". This approach has been embraced by the Dioceses of the West and the South. I believe that Fr. John Jillions, OCA Chancellor, and Ms. Melanie Ringa, OCA Treasurer will be present for our Diocesan

Council meeting on June 16 in order to share background and the rationale of the funding resolution. Funding the work of the Church has and continues to be an extremely difficult issue. Many parishes and dioceses are struggling to fund their work. An additional problem has been the desire on the part of some to convey the message to Central Church Administration that they must “live within their means”.

Administration in Syosset is not bloated as it was in the past. Costs have been cut and staffing has been tremendously reduced. In the end, we need to focus on better stewardship and foster generosity on every level of the Church: parish, dioceses and Central. I hope that the desire to do this will be an integral feature of our next AAC with its theme of expanding the mission.

Respectfully submitted,

Archpriest Alexander Kuchta

**REPORT OF THE TREASURER**  
**54<sup>th</sup> DIOCESAN ASSEMBLY**  
**Atlanta, Georgia**  
**July 20, 2015**

The primary responsibilities of the Treasurer are to oversee the financial affairs of the Diocese; monitor Diocesan investments, together with the Diocesan Council and Finance Committee; oversee the distribution of funds and judiciously invest Diocesan funds; and convene and chair regular and special Finance Committee meetings. The members of the Finance Committee currently are: Bishop Paul, Fr. John Zdniak, Mr. Sam D'Fantis, Fr. Alexander Garklavs and Mr. Barry Gluntz. The Finance Committee also receives input from our Bookkeeper Phillip Sokolov and accountant Polly Walker.

Attached to this report is a summary of:

- Attachment A: 2014 Profit and Loss Budget vs. Actual: January thru December 2014
- Attachment B: Summary Balance Sheet as of December 31, 2014
- Attachment C: 2015 Profit and Loss Budget vs. Actual: January thru June 30<sup>th</sup>, 2015
- Attachment D: Summary Balance Sheet as of June 30<sup>th</sup>, 2015
- Attachment E: Diocesan Parish / Mission Development Fund Status as of June 30<sup>th</sup>, 2015
- Attachment F: Fidelity Investment Account Status as of July 6<sup>th</sup>, 2015
- Attachment G: 2016 Budget: To be drafted and presented to the Diocesan Council for review and approval at the Year End 2015 Diocesan Council Meeting.

**Attachment A: 2014 Profit and Loss Budget vs. Actual**

For 2014, based on the budget, we had projected an income from assessments of \$439,116. The actual income from assessments was \$438,549.53. The total received from assessments was \$566.47 less than anticipated. The total actual income from all sources was \$640,182.03 compared to \$534,962.80 projected, a difference of \$105,219.23. This additional income to the Diocese was greater than anticipated and was primarily due to \$10,700 from the 2014 Diocesan Assembly, Funds collected from the OCA 2014 Escrow, \$66,292.72 and \$31,875.22 from Program Income.

The total of all normal expenses for 2014 was \$532,868.85. This resulted in a surplus of ordinary income of \$31,494.57. Taking into consideration other income received and the interest expense on our loan, there was a net surplus of \$93,640.74.

The following is a summary of the some of the major categories:

- Diocesan Staff Expenses (Bishop, Chancellor, Secretary, Property Manager). Due to the way the books are set up in QuickBooks, this is not readily apparent by looking at the 2014 P&L Summary. From the 2013 Approved Budget, the total amount for Salaries was \$86,623, Pensions; \$12,967.22, Social Security; \$11,415.26 and Health Insurance; \$21,987 which totaled \$132,992.48.

The actual amount spent was \$156,771.90 which takes into consideration the \$16,891.69 + \$5,174.17 = \$22,065.86 (Administrator/Bishop Paul), \$36,636.48 (Chancellor), \$13,246.20 (Property Manager), \$44,382.44 (Secretary), \$13,526.00 (Bishop Mathias Separation Package Stipend), \$21,297.15 (Health Insurance) and \$5,617.77 for Payroll Expenses (SS).

The Diocesan Staff Expenses were \$23,779.42 more than budgeted.

- Total Insurance Expenses were \$689.85 less than budgeted, \$45,717.12 vs \$43,675.
- Program expenses were \$6,917.88 more than budgeted, \$80,717.88 vs. \$73,800 budgeted.
- Repairs and Maintenance Expenses were \$23,170.13 more than budgeted, \$47,670.13 vs. \$24,500.
- Diocesan Travel Expenses were \$597.70 more than budgeted, \$41,997.701 vs. \$41,400 budgeted.
- Total Utility Expenses were \$411.59 less than budgeted, \$24,711.59 vs. \$24,300,

### **Attachment B: Summary Balance Sheet as of December 31, 2014**

This balance sheet is shown in Attachment B, pages 1-2, and provides a summary of all of our assets and liabilities from January 1, 2014 to December 31, 2014.

**Attachment C: 2015 Profit and Loss Budget vs. Actual: January thru June 30<sup>th</sup>, 2015**

For the first six months of 2015, we had projected an income of \$213,580.98 from assessments. The actual Income was \$212,826.73. The amount received from assessments was \$754.25 less than anticipated. An additional \$2,595 was received from the Clergy Convocation and \$10,530.62 was received from program income for total net income of \$235,202.35 vs. a budgeted amount of \$223,070.98.

For the first six months of 2015, the total of all expenses is \$243,515.75 vs an estimate of \$235,254.82 resulting in \$8,260.93 more than anticipated.

Currently, we show a net income at the end of June of \$85,946.10. This is misleading in that a total of \$103,236.15 was deposited into the Bank of America General fund due to the proceeds from the closing of the Holy Cross Orthodox Mission in Minneapolis. These funds were deposited into the bank account on May 19<sup>th</sup> and are only being parked in the account until it is decided where the funds will be deposited, either into the Morgan Stanley Mission Fund or the Fidelity Operating Money Market Fund. However, it should be noted that this money is restricted and is designated to be utilized solely by the Minneapolis Deanery to further Mission Work in their Deanery at their discretion.

**Attachment D: Summary Balance Sheet as of June 30<sup>th</sup>, 2015:**

This balance sheet is shown in Attachment D, pages 1-3, and provides a summary of all of our assets and liabilities as of June 30<sup>th</sup>, 2015.

**Attachment E: Diocesan Parish / Mission Development Fund Status as of June 30<sup>th</sup>, 2015:**

The Mission Endowment Fund was created to provide additional funding to the Mission Department through its earnings on interest. The money is invested in both a Portfolio Fund (approximately 60%) and an Income Fund (approximately 40%) in an account with Salomon Smith Barney. We consider the Mission Endowment fund to be a long-term investment fund. As such, investment history has shown that having a mix of funds in equities and income funds provides the highest returns in the long term. Currently, the market continues to be very volatile. As of June 30<sup>th</sup>, 2015, the total in the Mission Development Fund is \$438,499.69, compared to \$434,819.50 at the start of the year. Throughout the year, you can see that monthly totals have risen and fallen quite dramatically, hitting a current fund high of \$448,370.21 at the end of May, 2015. Since we are in it for the long term, we are not looking at the short-term variations that the market will inevitably experience. To date, there have been no additional funds added to the Mission Endowment Fund. Previously, money was allocated to this fund as part of a budget line item and when parishes in the Diocese have closed, any remaining funds were placed in this account. A summary of the monthly totals as of June 30<sup>th</sup>, 2015 as well as the progress since 12/31/1999 (\$113,216.57) is shown in Attachment E.

**Attachment F: 2013 Fidelity Investment Account Status as of July 6<sup>th</sup>, 2015:**

We have two money market Investment Accounts with Fidelity. The Operating Fund and Maintenance Reserve Fund. The Operating Fund consists of reserve funds for either planned or unplanned expenses. As of 7/6/2015, the total in this fund is \$151,781.95. These reserve funds were created as a result of both known expenditures that we wanted to plan and budget for, such as the General Operating Reserve Fund (\$12,175.24), Auto Reserve Fund (\$11,303.69), and expenses that were incurred that we may be unprepared for; Legal (\$37,000) and Special Visit Reserve Funds (\$6,000). So that we would be prepared for the future, the Legal and Special Visit Reserve Funds were established to provide a cushion in these areas should these expenses be incurred. They have been funded in the past as planned expenditures from our operating budget. Note, on 6/24/2015, \$9,000 was withdrawn from the Auto Reserve Fund for the purchase of Bishop Paul's vehicle. This money was transferred to the Bank of America Checking Account. The purchase of the vehicle (\$9,000) is shown on the 2015 Balance Sheet.

Bishop Job Memorial Fund: Currently there is \$12,177.76 held in escrow.

OCA Reserve Fund: The fund reached an amount of \$108,125.26. On 7/6/2015, \$35,000 was transferred to the Bank of America Checking Account to cover general expenditures leaving a balance of \$73,125.26 in the escrow fund. See further discussion on this Reserve Fund on page 5 of this report.

The other money market account is our Maintenance Reserve Fund, Changed (Name changed from the Maintenance Endowment Reserve Fund at the 6/22/2012 Diocesan Council Meeting.) This was previously our Building Account. However, since no major building projects are planned for the future, the fund was renamed as a Maintenance Reserve Fund in order to have funds set aside for emergent, major maintenance should it become required. At the 6/22/2012 Diocesan Council Meeting, a motion was made and approved to transfer \$20,000 from the Special Visit Reserve Fund (\$26,000) to the Maintenance Reserve Fund. This transfer took place on 12/24/2012.

As of June 30<sup>th</sup>, 2015, there is a total of \$29,196.98 in this Fidelity Money Market Account. Since there is not enough money in this Reserve Fund to cover any major expenses, funds for any maintenance/repairs are taken from the Bank of America Checking Account as required. However, if the balance in our checking account is sufficient at the end of the year, then this money will remain in this reserve fund and not be transferred out.

Since both of these funds are money market funds, the amount of interest earned on them is negligible. This information is also shown in the Balance Sheet in Attachment D as of 6/30/2015. A summary of the monthly totals for the Fidelity Account is shown in Attachment F.



**Audit Recommendation:**

One of the recommendations of the 2015 Audit was to “investigate options to re-invest the Morgan Stanley and Fidelity Securities funds with the intent of increasing the interest produced by the monies.” Since the Morgan Stanley Funds for the Diocesan Parish/Mission Development Fund Mission are already professionally managed, no further action will be taken for this fund. However, for the Fidelity Funds which are both money market funds earning negligible interest, contact has been made with the Bank of America Financial section to explore options to increase interest revenue.

**Attachment G: Proposed Budget for 2016**

Due to the timing of this Diocesan Assembly, no budget is being presented for 2016. Near the end of the year, one will be drafted and presented to the Diocesan Council for discussion and final approval. The budget will be based on what our anticipated membership is projected to be for 2016.

It is anticipated that the proposed 2016 budget will be essentially the same as the budgets for 2010 through 2015.

Based on a motion at the 1995 Diocesan Assembly, the annual parish assessment for each adult shall be the current assessment plus an amount based on the previous 12 month Consumers Price Index (CPI), rounded up to the nearest dollar. However, based on the current economic situation and the fact that the Diocese continually strives to work within its budget, improving where required and cutting back where required, there is no proposed increase in the diocesan assessment for 2016. **Therefore, the yearly assessment for 2016 is currently proposed to remain at \$86.00 per adult member. Please note that there has been no assessment increase since 2009.** The operating fund income for the Diocese is currently proposed to be the \$86.00 assessment multiplied by the projected 2016 membership of the Diocese. Note, as for the 2015 Budget, it may be a deficit budget with the shortfall of funds being made up from the OCA Escrowed Funds currently in the Fidelity Investment Account. (See Escrowed Funds below)

**ESCROWED FUNDS:**

The final total of escrowed funds from 2013 and 2014 was \$108,125.26. As discussed last year at the Diocesan Assembly, rather than raising the assessment, the money that has been collected from our “OCA Escrow account” will be utilized to make up any shortfall in the budget for 2015. To date, \$35,000 has been withdrawn to cover general expenses, leaving a balance of \$73,125.26 in the escrow. It is anticipated that this will last about another 2 years barring any major unknown/unplanned for expenses. **However, at the end of this period we will most likely have to have a Diocesan Assessment increase to have a balanced budget.**

**DIOCESAN LOAN INFORMATION:**

The 5 year term for the original \$250,000 loan from Bank of America to cover major maintenance issues at both the residence and Christ the Savior Church was due in February of 2012. Loan renewal paperwork was submitted in December of 2011 and a new 5 year term for the loan was approved. The original interest rate for the loan was 7.1% with a 5 year balloon with monthly payments of \$1,814.81. The new 5 year term for the loan is for a starting balance of \$227,563.95 with an interest rate of 4.68%. At the end of this 5 year term, 2017, the outstanding balance will be \$189,410.57.

Contact has been made with our account representative at the Bank of America to see if we can get a fixed rate on the balance of the loan until the loan for the remaining duration of the loan vs. renewing it every 5 years. The required paperwork is currently being gathered to present to the bank to support this request.

**CLOSING:**

Beginning in 2009 we switched to using QuickBooks. With the current system setup, Polly, Philip, Fr. John and myself have been able to remotely access the data in QuickBooks at any time from our personal computers should the need arise. Also, in addition to all of the above, Polly reviews all of the income, expenses and investments and ensures that everything is categorized properly in QuickBooks and meets standard accounting practices given our current set-up. The goal when this effort was started was to ensure that the financial condition of the Diocese would remain transparent at any time and information available when requested. This is a work in progress and we will continue to work on this making changes as required.

I would also like to thank Philip Sokolov who is not only the Secretariat of the Diocese, but also our bookkeeper and Polly Walker as our accountant. I would also like to thank the other members of the Finance Committee, our Chancellor, Fr. John Zdniak, Mr. Sam D'Fantis, Fr. Alexander Garklavs and Mr. Barry Gluntz, who all deserve a big thanks for the extra time and effort they put in throughout the year and once again, for their valuable advice and ideas presented throughout the year. I also would like to thank Bishop Paul Gassios for his input and understanding of our financial matters. Finally, I would again like to thank my wife Karen for her patience and support during this time.

It has been a pleasure serving the Diocese as Treasurer this past year.

Sincerely,



Robert A. Koncel, Treasurer

Diocese of the Midwest

2015 DIO ASSEMBLY TREASURER REPORT.DOC

**Please see the following pages for all of the Attachments  
identified on the first page.**

# **2015 DIOCESAN TREASURER'S REPORT**

## **ATTACHMENT “A”**

### **2014 Profit and Loss Budget vs. Actual: January thru December 2014**



**Diocese of the Midwest - OCA**  
**Profit & Loss Budget vs. Actual**  
**January through December 2014**

	Jan - Dec 14	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
Diocesan Assembly 2014 Income	10,700.00		
Convocation Income	0.00	9,250.00	-9,250.00
Diocesan Assessments	438,549.53	439,116.00	-566.47
CTS Reimbursement	86,764.56	80,596.80	6,167.76
OCA 2014 \$13 Escrow	66,292.72		
<b>Program Income</b>			
Late Vocations	6,995.00	6,000.00	995.00
Missions	16,479.05	0.00	16,479.05
Scholarships	14,401.17		
<b>Total Program Income</b>	<b>37,875.22</b>	<b>6,000.00</b>	<b>31,875.22</b>
<b>Total Income</b>	<b>640,182.03</b>	<b>534,962.80</b>	<b>105,219.23</b>
<b>Gross Profit</b>	<b>640,182.03</b>	<b>534,962.80</b>	<b>105,219.23</b>
<b>Expense</b>			
<b>Salaries &amp; Wages</b>			
<b>Administrator</b>			
Salary	13,320.83		
Social Security	535.50		
Pension	3,035.36		
<b>Total Administrator</b>	<b>16,891.69</b>		
<b>Bishop</b>			
Salary	5,174.17		
Social Security	0.00	0.00	0.00
Life Insurance	0.00	0.00	0.00
Pension	0.00	0.00	0.00
<b>Total Bishop</b>	<b>5,174.17</b>	<b>0.00</b>	<b>5,174.17</b>
<b>Chancellor</b>			
Salary	32,424.78	32,596.00	-171.22
Social Security	1,304.78	4,987.19	-3,682.41
Pension	2,906.92	4,563.44	-1,656.52
<b>Total Chancellor</b>	<b>36,636.48</b>	<b>42,146.63</b>	<b>-5,510.15</b>
<b>CTS Choir Director</b>			
Salary	8,500.00		
<b>Total CTS Choir Director</b>	<b>8,500.00</b>		
<b>CTS Clergy</b>			
Salary	56,232.68		
Social Security	7,541.30		
Housing (Cash)	1,650.00		
Pension	6,840.44		
CTS Clergy - Other	0.00	80,596.80	-80,596.80
<b>Total CTS Clergy</b>	<b>72,264.42</b>	<b>80,596.80</b>	<b>-8,332.38</b>
<b>Property Manager</b>			
Salary	6,306.00	6,000.00	306.00
Social Security	3,366.00	3,672.00	-306.00
Pension	3,574.20	3,360.00	214.20
<b>Total Property Manager</b>	<b>13,246.20</b>	<b>13,032.00</b>	<b>214.20</b>

**Diocese of the Midwest - OCA**  
**Profit & Loss Budget vs. Actual**  
**January through December 2014**

	Jan - Dec 14	Budget	\$ Over Budget
<b>Secretariat</b>			
Salary	41,529.57	36,027.00	5,502.57
Social Security	1,419.94	2,756.07	-1,336.13
Pension	1,432.93	5,043.78	-3,610.85
<b>Total Secretariat</b>	<b>44,382.44</b>	<b>43,826.85</b>	<b>555.59</b>
<b>Total Salaries &amp; Wages</b>	<b>197,095.40</b>	<b>179,602.28</b>	<b>17,493.12</b>
<b>Stipends</b>			
Bishop's Stipend	13,526.00	12,000.00	1,526.00
Bishop's Driver	0.00	0.00	0.00
Communications Director	3,300.00	3,000.00	300.00
<b>Deans</b>			
Chicago			
Stipend	3,300.00	3,000.00	300.00
<b>Total Chicago</b>	<b>3,300.00</b>	<b>3,000.00</b>	<b>300.00</b>
Cleveland			
Stipend	3,300.00	3,000.00	300.00
<b>Total Cleveland</b>	<b>3,300.00</b>	<b>3,000.00</b>	<b>300.00</b>
Indianapolis			
Stipend	3,300.00	3,000.00	300.00
<b>Total Indianapolis</b>	<b>3,300.00</b>	<b>3,000.00</b>	<b>300.00</b>
Kansas City			
Stipend	3,000.00	3,000.00	0.00
<b>Total Kansas City</b>	<b>3,000.00</b>	<b>3,000.00</b>	<b>0.00</b>
Michigan			
Stipend	3,300.00	3,000.00	300.00
<b>Total Michigan</b>	<b>3,300.00</b>	<b>3,000.00</b>	<b>300.00</b>
Minneapolis			
Stipend	3,300.00	3,000.00	300.00
<b>Total Minneapolis</b>	<b>3,300.00</b>	<b>3,000.00</b>	<b>300.00</b>
<b>Total Deans</b>	<b>19,500.00</b>	<b>18,000.00</b>	<b>1,500.00</b>
<b>Late Vocations Coordinator</b>			
Stipend	13,000.00		
Late Vocations Coordinator - Other	0.00	12,000.00	-12,000.00
<b>Total Late Vocations Coordinator</b>	<b>13,000.00</b>	<b>12,000.00</b>	<b>1,000.00</b>
<b>Treasurer</b>			
Stipend	3,300.00	3,000.00	300.00
<b>Total Treasurer</b>	<b>3,300.00</b>	<b>3,000.00</b>	<b>300.00</b>
<b>Total Stipends</b>	<b>52,626.00</b>	<b>48,000.00</b>	<b>4,626.00</b>
<b>AAC Fees</b>			
18th AAC Special Assessment	1,000.00		
<b>Total AAC Fees</b>	<b>1,000.00</b>		
<b>Advertising</b>	<b>110.00</b>	<b>500.00</b>	<b>-390.00</b>
<b>Automobile Expense</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Bank Service Charges</b>	<b>12.00</b>	<b>240.00</b>	<b>-228.00</b>
<b>Convocations</b>	<b>0.00</b>	<b>9,250.00</b>	<b>-9,250.00</b>

**Diocese of the Midwest - OCA**  
**Profit & Loss Budget vs. Actual**  
 January through December 2014

	Jan - Dec 14	Budget	\$ Over Budget
<b>Diocesan Assembly Expense</b>			
2014 Diocesan Assembly	6,546.89		
<b>Total Diocesan Assembly Expense</b>	<b>6,546.89</b>		
<b>Dues &amp; Subscriptions</b>	389.95	240.00	149.95
<b>Fines &amp; Penalties</b>	915.25	0.00	915.25
<b>Hospitality</b>	385.43	2,400.00	-2,014.57
<b>Insurance</b>			
Auto	716.68	275.00	441.68
Health Insurance			
Bishop	9,638.40	8,140.00	1,498.40
Secretariat	9,813.75	13,847.00	-4,033.25
Health Insurance - Other	1,845.00		
<b>Total Health Insurance</b>	<b>21,297.15</b>	<b>21,987.00</b>	<b>-689.85</b>
<b>Liability</b>	771.44		
Life			
Bishop	0.00	0.00	0.00
Secretariat	0.00	0.00	0.00
<b>Total Life</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Property</b>	19,645.00	18,298.00	1,347.00
<b>Workers' Comp</b>	3,286.85	1,465.00	1,821.85
<b>Umbrella</b>	0.00	1,650.00	-1,650.00
<b>Total Insurance</b>	<b>45,717.12</b>	<b>43,675.00</b>	<b>2,042.12</b>
<b>Internet Service Provider</b>	2,429.62	1,700.00	729.62
<b>Library &amp; Periodicals</b>	0.00	0.00	0.00
<b>Miscellaneous</b>	0.00	600.00	-600.00
<b>Office Supplies</b>	3,387.34	6,600.00	-3,212.66
<b>Outside Contractors</b>	0.00	1,200.00	-1,200.00
<b>Payroll Expenses</b>			
Wages	0.00		
Pension	0.00		
Taxes	5,617.77		
<b>Total Payroll Expenses</b>	<b>5,617.77</b>		
<b>Postage</b>	520.59	3,600.00	-3,079.41
<b>Printing &amp; Reproduction</b>	79.60	1,200.00	-1,120.40
<b>Professional Fees</b>			
Accounting	3,000.00	6,000.00	-3,000.00
Audit	0.00	2,400.00	-2,400.00
Investment Fund Management Fees	3,033.81	2,500.00	533.81
Legal	0.00	1,200.00	-1,200.00
Payroll Preparation	471.72	550.00	-78.28
<b>Total Professional Fees</b>	<b>6,505.53</b>	<b>12,650.00</b>	<b>-6,144.47</b>
<b>Program Expense</b>			
Charity	0.00	1,000.00	-1,000.00
Late Vocations	6,147.00	6,000.00	147.00
Mission Grants	25,650.00	46,800.00	-21,150.00
Seminarian Scholarships			
Budgeted Portion	26,611.07	20,000.00	6,611.07
Fundraisers Portion	22,309.81		
<b>Total Seminarian Scholarships</b>	<b>48,920.88</b>	<b>20,000.00</b>	<b>28,920.88</b>
<b>Total Program Expense</b>	<b>80,717.88</b>	<b>73,800.00</b>	<b>6,917.88</b>

**Diocese of the Midwest - OCA**  
**Profit & Loss Budget vs. Actual**  
 January through December 2014

	Jan - Dec 14	Budget	\$ Over Budget
<b>Repairs and Maintenance</b>			
Labor	12,932.33	8,000.00	4,932.33
Repairs	31,700.00	12,000.00	19,700.00
Supplies	3,037.80	4,500.00	-1,462.20
<b>Total Repairs and Maintenance</b>	<b>47,670.13</b>	<b>24,500.00</b>	<b>23,170.13</b>
<b>Service Contracts</b>	<b>4,157.70</b>	<b>2,400.00</b>	<b>1,757.70</b>
<b>Taxes and Licenses</b>	<b>10.00</b>	<b>120.00</b>	<b>-110.00</b>
<b>Telephone</b>	<b>7,765.36</b>	<b>13,000.00</b>	<b>-5,234.64</b>
<b>Travel</b>			
Administrator	4,339.30		
AAC	0.00	0.00	0.00
Auditors	3,164.85		
Diocesan/Bishop's Council	21,286.32	30,000.00	-8,713.68
Late Vocations	607.42		
Bishop	3,343.07	4,000.00	-656.93
Chancellor	8,113.72	3,600.00	4,513.72
Secretariat	667.02	1,800.00	-1,132.98
Deans	476.00	1,000.00	-524.00
Metropolitan Council	0.00	1,000.00	-1,000.00
<b>Total Travel</b>	<b>41,997.70</b>	<b>41,400.00</b>	<b>597.70</b>
<b>Diocesan Staff</b>	<b>0.00</b>	<b>10,400.00</b>	<b>-10,400.00</b>
<b>Diocesan Chancery Office</b>			
Professional Fees			
Accounting	2,500.00		
<b>Total Professional Fees</b>	<b>2,500.00</b>		
<b>Total Diocesan Chancery Office</b>	<b>2,500.00</b>		
<b>Utilities</b>			
Electric	7,583.65	8,700.00	-1,116.35
Gas	14,996.63	13,000.00	1,996.63
Water & Sewer	2,131.31	2,600.00	-468.69
<b>Total Utilities</b>	<b>24,711.59</b>	<b>24,300.00</b>	<b>411.59</b>
<b>SUSPENSE</b>	<b>0.00</b>		
<b>Total Expense</b>	<b>532,868.85</b>	<b>501,377.28</b>	<b>31,491.57</b>
<b>Net Ordinary Income</b>	<b>107,313.18</b>	<b>33,585.52</b>	<b>73,727.66</b>
<b>Other Income/Expense</b>			
<b>Other Income</b>			
Gain (Loss) on Sale of Assets			
Long-Term	1,353.15		
<b>Total Gain (Loss) on Sale of Assets</b>	<b>1,353.15</b>		
Investment Income	17.30		
Returned Check Charges	12.00		
Other Income	4,796.91		
<b>Total Other Income</b>	<b>6,179.36</b>		
<b>Other Expense</b>			
Bishop's Discretionary Fund	0.00	0.00	0.00
Interest Expense	10,289.03	10,021.24	267.79



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Accrual Basis

**Diocese of the Midwest - OCA**  
**Profit & Loss Budget vs. Actual**  
January through December 2014

	Jan - Dec 14	Budget	\$ Over Budget
Other Expense			
Administrator's Moving Expense	721.84		
Consecration Expense	8,840.95		
Other Expense - Other	-0.02	37,239.28	-37,239.30
Total Other Expense	9,562.77	37,239.28	-27,676.51
Total Other Expense	19,851.80	47,260.52	-27,408.72
Net Other Income	-13,672.44	-47,260.52	33,588.08
Net Income	93,640.74	-13,675.00	107,315.74



# **2015 DIOCESAN TREASURER'S REPORT**

## **ATTACHMENT “B”**

### **Summary Balance Sheet as of December 31<sup>st</sup>, 2014**



**Diocese of the Midwest - OCA**  
**Balance Sheet**  
**As of December 31, 2014**

	Dec 31, 14
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Bank of America Checking	53,625.53
<b>Savings Bonds</b>	
Series EE Bond X2887816EE	15,104.00
Series EE Bond X2887817EE	15,104.00
Series EE Bond X2887818EE	15,104.00
<b>Total Savings Bonds</b>	45,312.00
<b>Fidelity Funds</b>	
Money Market	195,770.67
US Government Money Market Fund	29,195.28
<b>Total Fidelity Funds</b>	224,965.95
<b>MS 8772 Inv Advisory Fund</b>	
MS Liquid Asset Fund	10,599.18
Stocks	135,209.33
Exch Tr & Closed End Funds	56,489.80
<b>Total MS 8772 Inv Advisory Fund</b>	202,298.31
<b>MS 8774 Basic Sec Income Fund</b>	
Cash	36.00
MS Liquid Asset Fund	1,860.80
Exch Tr & Closed End Funds	18,507.46
Mutual Funds	212,116.93
<b>Total MS 8774 Basic Sec Income Fund</b>	232,521.19
<b>Total Checking/Savings</b>	758,722.98
<b>Accounts Receivable</b>	
Accounts Receivable	503,106.17
<b>Total Accounts Receivable</b>	503,106.17
<b>Total Current Assets</b>	1,261,829.15
<b>Fixed Assets</b>	
<b>Fixed Assets</b>	
Computers	9,453.61
Furniture & Fixtures	4,429.78
<b>Total Fixed Assets</b>	13,883.39
<b>Total Fixed Assets</b>	13,883.39
<b>TOTAL ASSETS</b>	<b>1,275,712.54</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
Due to OCA Assessments	657,187.42
<b>Payroll Liabilities</b>	
Federal Taxes (941/944)	4,624.14
IL Withholding	736.12
OH Withholding	264.45
OH Local Tax	396.03
<b>Total Payroll Liabilities</b>	6,020.74
<b>Total Other Current Liabilities</b>	663,208.16
<b>Total Current Liabilities</b>	663,208.16

**Diocese of the Midwest - OCA**  
**Balance Sheet**  
As of December 31, 2014

	Dec 31, 14
<b>Long Term Liabilities</b>	
N/P Bank of America	207,323.11
<b>Total Long Term Liabilities</b>	207,323.11
<b>Total Liabilities</b>	870,531.27
<b>Equity</b>	
Unreal Gain (Loss) on SvgBonds	
Series EE Bond X2887816EE	5,104.00
Series EE Bond X2887817EE	5,104.00
Series EE Bond X2887818EE	5,104.00
<b>Total Unreal Gain (Loss) on SvgBonds</b>	15,312.00
Unreal Gain (Loss) on Invest	
Fidelity	
S-T Gain (Loss) on Investments	
Spartan Money Market	10.28
Govt Money Market	1.29
<b>Total S-T Gain (Loss) on Investments</b>	11.57
<b>Total Fidelity</b>	11.57
MS 8772 Inv Adv (Port Fund)	
8772 LT Gain (Loss) on Invest	
8772 Stock	63,644.33
8772 Exc & Closed End Funds	29,454.88
<b>Total 8772 LT Gain (Loss) on Invest</b>	93,099.21
<b>Total MS 8772 Inv Adv (Port Fund)</b>	93,099.21
MS 8774 Basic Sec (Inc Fund)	
8774 ST Gain (Loss) on Invest	
8774 Exc & Closed End Funds	13.90
8774 Mutual Funds	-42.77
<b>Total 8774 ST Gain (Loss) on Invest</b>	-28.87
8774 LT Gain (Loss) on Invest	
8774 Exc & Closed End Funds	-6,511.02
8774 Mutual Funds	26,486.75
<b>Total 8774 LT Gain (Loss) on Invest</b>	19,975.73
<b>Total MS 8774 Basic Sec (Inc Fund)</b>	19,946.86
<b>Total Unreal Gain (Loss) on Invest</b>	113,057.64
<b>Temp. Restricted Net Assets</b>	
Archbp Job Scholarship Mem Fd	12,177.76
Auto Reserve	20,303.69
Legal Reserve	37,000.00
Maintenance Reserve	29,192.60
Mission Funds	-5,532.81
Seminarian Reserve	-5,548.98
Seminarian Scholarships	-18,729.32
General Operating Reserve	11,949.34
Special Visit Reserve	6,000.00
<b>Total Temp. Restricted Net Assets</b>	86,812.28
<b>Unrestricted Net Assets</b>	96,358.61
<b>Net Income</b>	93,640.74
<b>Total Equity</b>	405,181.27
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,275,712.54</b>

# **2015 DIOCESAN TREASURER'S REPORT**

## **ATTACHMENT “C”**

### **2015 Profit and Loss Budget vs. Actual: January thru June 30<sup>th</sup>, 2015**





**Diocese of the Midwest - OCA**  
**Profit & Loss Budget vs. Actual**  
**January through June 2015**

	Jan - Jun 15	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
Convocation Income	11,845.00	9,250.00	2,595.00
Diocesan Assessments	212,826.73	213,580.98	-754.25
Program Income			
Late Vocations	4,852.00		
Missions	4,927.62		
Scholarships	751.00		
<b>Total Program Income</b>	<b>10,530.62</b>		
Uncategorized Income	0.00	240.00	-240.00
<b>Total Income</b>	<b>235,202.35</b>	<b>223,070.98</b>	<b>12,131.37</b>
<b>Gross Profit</b>	<b>235,202.35</b>	<b>223,070.98</b>	<b>12,131.37</b>
<b>Expense</b>			
<b>Salaries &amp; Wages</b>			
Bishop			
Salary	33,285.00	19,999.98	13,285.02
Social Security	0.00	4,896.00	-4,896.00
Life Insurance	0.00	499.98	-499.98
Pension	2,986.62	4,479.96	-1,493.34
Discretionary Fund	0.00	600.00	-600.00
<b>Total Bishop</b>	<b>36,271.62</b>	<b>30,475.92</b>	<b>5,795.70</b>
Chancellor			
Salary	13,441.32	11,080.98	2,360.34
Social Security	0.00	1,695.48	-1,695.48
Pension	886.50	1,551.48	-664.98
<b>Total Chancellor</b>	<b>14,327.82</b>	<b>14,327.94</b>	<b>-0.12</b>
Property Manager			
Salary	5,556.00	3,000.00	2,556.00
Social Security	0.00	1,836.00	-1,836.00
Pension	1,240.00	1,680.00	-440.00
<b>Total Property Manager</b>	<b>6,796.00</b>	<b>6,516.00</b>	<b>280.00</b>
Secretariat			
Salary	25,275.72	18,345.00	6,930.72
Social Security	0.00	1,403.46	-1,403.46
Pension	1,907.58	2,568.00	-660.42
<b>Total Secretariat</b>	<b>27,183.30</b>	<b>22,316.46</b>	<b>4,866.84</b>
<b>Total Salaries &amp; Wages</b>	<b>84,578.74</b>	<b>73,636.32</b>	<b>10,942.42</b>
<b>Stipends</b>			
Bishop's Stipend	3,471.00	5,600.00	-2,129.00
Communications Director	1,800.00	1,800.00	0.00
Deans			
Chicago			
Stipend	1,800.00	1,800.00	0.00
<b>Total Chicago</b>	<b>1,800.00</b>	<b>1,800.00</b>	<b>0.00</b>
Cleveland			
Stipend	1,800.00	1,800.00	0.00
<b>Total Cleveland</b>	<b>1,800.00</b>	<b>1,800.00</b>	<b>0.00</b>
Indianapolis			
Stipend	1,800.00	1,800.00	0.00
<b>Total Indianapolis</b>	<b>1,800.00</b>	<b>1,800.00</b>	<b>0.00</b>

**Diocese of the Midwest - OCA**  
**Profit & Loss Budget vs. Actual**  
 January through June 2015

	Jan - Jun 15	Budget	\$ Over Budget
<b>Kansas City</b>			
Stipend	2,100.00	1,800.00	300.00
<b>Total Kansas City</b>	2,100.00	1,800.00	300.00
<b>Michigan</b>			
Stipend	1,800.00	1,800.00	0.00
<b>Total Michigan</b>	1,800.00	1,800.00	0.00
<b>Minneapolis</b>			
Stipend	1,800.00	1,800.00	0.00
<b>Total Minneapolis</b>	1,800.00	1,800.00	0.00
<b>Total Deans</b>	11,100.00	10,800.00	300.00
<b>Late Vocations Coordinator</b>			
Stipend	6,000.00	6,000.00	0.00
<b>Total Late Vocations Coordinator</b>	6,000.00	6,000.00	0.00
<b>Treasurer</b>			
Stipend	1,800.00	1,800.00	0.00
<b>Total Treasurer</b>	1,800.00	1,800.00	0.00
<b>Total Stipends</b>	24,171.00	26,000.00	-1,829.00
<b>Advertising</b>	110.00	249.96	-139.96
<b>Automobile Expense</b>	307.85	499.98	-192.13
<b>Bank Service Charges</b>	0.00	0.00	0.00
<b>Convocations</b>	13,376.96	9,250.00	4,126.96
<b>Diocesan Assembly Expense</b>			
2015 Diocesan Assembly	466.03		
<b>Total Diocesan Assembly Expense</b>	466.03		
<b>Dues &amp; Subscriptions</b>	24.00	30.00	-6.00
<b>Fines &amp; Penalties</b>	199.13		
<b>Hospitality</b>	2,522.33	1,200.00	1,322.33
<b>Insurance</b>			
Auto	365.44	285.00	80.44
Health Insurance			
Bishop	0.00	5,070.00	-5,070.00
Secretariat	0.00	5,499.96	-5,499.96
<b>Total Health Insurance</b>	0.00	10,569.96	-10,569.96
<b>Liability</b>	829.42	1,650.00	-820.58
<b>Property</b>	10,286.07	10,022.00	264.07
<b>Workers' Comp</b>	1,454.00	1,524.00	-70.00
<b>Total Insurance</b>	12,934.93	24,050.96	-11,116.03
<b>Internet Service Provider</b>	1,327.23	1,249.98	77.25
<b>Library &amp; Periodicals</b>	37.75		
<b>Miscellaneous</b>	3,757.63		
<b>Office Supplies</b>	2,204.21	1,999.98	204.23
<b>Outside Contractors</b>	0.00	600.00	-600.00
<b>Payroll Expenses</b>			
Taxes	5,546.42		
<b>Total Payroll Expenses</b>	5,546.42		
<b>Postage</b>	449.90	1,800.00	-1,350.10
<b>Printing &amp; Reproduction</b>	0.00	249.96	-249.96

**Diocese of the Midwest - OCA**  
**Profit & Loss Budget vs. Actual**  
 January through June 2015

	Jan - Jun 15	Budget	\$ Over Budget
<b>Professional Fees</b>			
Accounting	3,500.00	3,000.00	500.00
Audit	0.00	2,000.00	-2,000.00
Investment Fund Management Fees	1,519.29	1,500.00	19.29
Legal	0.00	600.00	-600.00
Payroll Preparation	307.78	274.98	32.80
<b>Total Professional Fees</b>	<b>5,327.07</b>	<b>7,374.98</b>	<b>-2,047.91</b>
<b>Program Expense</b>			
Charity	0.00	498.00	-498.00
Late Vocations	3,427.50	3,000.00	427.50
Mission Grants	6,096.00	23,400.00	-17,304.00
Seminarian Scholarships			
Budgeted Portion	9,999.99	9,999.96	0.03
Fundraisers Portion	11,782.80		
<b>Total Seminarian Scholarships</b>	<b>21,782.79</b>	<b>9,999.96</b>	<b>11,782.83</b>
<b>Total Program Expense</b>	<b>31,306.29</b>	<b>36,897.96</b>	<b>-5,591.67</b>
<b>Repairs and Maintenance</b>			
Labor	16,456.98	3,999.96	12,457.02
Maintenance	115.00	0.00	115.00
Repairs	0.00	6,000.00	-6,000.00
Supplies	1,159.94	2,250.00	-1,090.06
<b>Total Repairs and Maintenance</b>	<b>17,731.92</b>	<b>12,249.96</b>	<b>5,481.96</b>
<b>Service Contracts</b>	<b>1,743.60</b>	<b>1,800.00</b>	<b>-56.40</b>
<b>Taxes and Licenses</b>	<b>196.00</b>	<b>64.98</b>	<b>131.02</b>
<b>Telephone</b>	<b>3,953.12</b>	<b>6,000.00</b>	<b>-2,046.88</b>
<b>Travel</b>			
Auditors	799.46		
Diocesan/Bishop's Council	12,025.95	9,999.96	2,025.99
Late Vocations	0.00	499.98	-499.98
Bishop	6,395.22	3,000.00	3,395.22
Chancellor	1,041.35	1,500.00	-458.65
Secretariat	76.53	249.96	-173.43
Deans	0.00	1,500.00	-1,500.00
Metropolitan Council	0.00	499.98	-499.98
<b>Total Travel</b>	<b>20,338.51</b>	<b>17,249.88</b>	<b>3,088.63</b>
<b>Utilities</b>			
Electric	3,282.34	3,499.98	-217.64
Gas	6,616.05	7,999.98	-1,383.93
Water & Sewer	1,006.74	1,299.96	-293.22
<b>Total Utilities</b>	<b>10,905.13</b>	<b>12,799.92</b>	<b>-1,894.79</b>
<b>SUSPENSE</b>	<b>0.00</b>		
<b>Total Expense</b>	<b>243,515.75</b>	<b>235,254.82</b>	<b>8,260.93</b>
<b>Net Ordinary Income</b>	<b>-8,313.40</b>	<b>-12,183.84</b>	<b>3,870.44</b>
<b>Other Income/Expense</b>			
<b>Other Income</b>			
Consecration Income	4,410.00		
Gain (Loss) on Sale of Assets	0.89		
<b>Insurance Rebate</b>	<b>735.00</b>		
<b>Investment Income</b>	<b>12.98</b>		
<b>Other Income</b>	<b>104,714.53</b>		
<b>Total Other Income</b>	<b>109,873.40</b>		
<b>Other Expense</b>			
Interest Expense	4,881.22	4,860.58	20.64

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Accrual Basis

**Diocese of the Midwest - OCA**  
**Profit & Loss Budget vs. Actual**  
January through June 2015

	Jan - Jun 15	Budget	\$ Over Budget
Other Expense			
Consecration Expense	10,732.60	5,000.00	5,732.60
Other Expense - Other	0.08		
Total Other Expense	10,732.68	5,000.00	5,732.68
Total Other Expense	15,613.90	9,860.58	5,753.32
Net Other Income	94,259.50	-9,860.58	104,120.08
Net Income	85,946.10	-22,044.42	107,990.52

# **2015 DIOCESAN TREASURER'S REPORT**

## **ATTACHMENT “D”**

### **Summary Balance Sheet as of June 30<sup>th</sup>, 2015**



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Accrual Basis

**Diocese of the Midwest - OCA**  
**Balance Sheet**  
As of June 30, 2015

	Jun 30, 15
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Bank of America Checking	153,027.24
<b>Savings Bonds</b>	
Series EE Bond X2887816EE	15,408.00
Series EE Bond X2887817EE	15,408.00
Series EE Bond X2887818EE	15,408.00
<b>Total Savings Bonds</b>	46,224.00
<b>Fidelity Funds</b>	
Money Market	186,781.95
US Government Money Market Fund	29,196.98
<b>Total Fidelity Funds</b>	215,978.93
<b>MS 8772 Inv Advisory Fund</b>	
MS Liquid Asset Fund	11,071.02
Stocks	131,698.81
Exch Tr & Closed End Funds	61,338.46
<b>Total MS 8772 Inv Advisory Fund</b>	204,108.29
<b>MS 8774 Basic Sec Income Fund</b>	
MS Liquid Asset Fund	2,112.80
Exch Tr & Closed End Funds	17,292.47
Mutual Funds	214,985.53
<b>Total MS 8774 Basic Sec Income Fund</b>	234,390.80
<b>Total Checking/Savings</b>	853,729.26
<b>Accounts Receivable</b>	
Accounts Receivable	505,631.20
<b>Total Accounts Receivable</b>	505,631.20
<b>Other Current Assets</b>	
Undeposited Funds	14,506.67
Due from Bank of America	3.00
<b>Total Other Current Assets</b>	14,509.67
<b>Total Current Assets</b>	1,373,870.13
<b>Fixed Assets</b>	
<b>Fixed Assets</b>	
Computers	11,768.61
Furniture & Fixtures	4,429.78
Vehicles	9,000.00
<b>Total Fixed Assets</b>	25,198.39
<b>Total Fixed Assets</b>	25,198.39
<b>TOTAL ASSETS</b>	<b>1,399,068.52</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	2,932.27
<b>Total Accounts Payable</b>	2,932.27
<b>Other Current Liabilities</b>	
Due to OCA Assessments	695,413.43

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Accrual Basis

**Diocese of the Midwest - OCA**  
**Balance Sheet**  
**As of June 30, 2015**

	Jun 30, 15
<b>Payroll Liabilities</b>	
Federal Taxes (941/944)	3,899.26
IL Withholding	396.31
OH Withholding	268.74
OH Local Tax	235.20
<b>Total Payroll Liabilities</b>	4,799.51
<b>Total Other Current Liabilities</b>	700,212.94
<b>Total Current Liabilities</b>	703,145.21
<b>Long Term Liabilities</b>	
N/P Bank of America	203,387.81
<b>Total Long Term Liabilities</b>	203,387.81
<b>Total Liabilities</b>	906,533.02
<b>Equity</b>	
<b>Unreal Gain (Loss) on SvgBonds</b>	
Series EE Bond X2887816EE	5,408.00
Series EE Bond X2887817EE	5,408.00
Series EE Bond X2887818EE	5,408.00
<b>Total Unreal Gain (Loss) on SvgBonds</b>	16,224.00
<b>Unreal Gain (Loss) on Invest</b>	
Fidelity	
S-T Gain (Loss) on Investments	
Spartan Money Market	10.28
Govt Money Market	1.29
<b>Total S-T Gain (Loss) on Investments</b>	11.57
<b>Total Fidelity</b>	11.57
<b>MS 8772 Inv Adv (Port Fund)</b>	
8772 LT Gain (Loss) on Invest	
8772 Stock	60,135.03
8772 Exc & Closed End Funds	34,303.54
<b>Total 8772 LT Gain (Loss) on Invest</b>	94,438.57
<b>Total MS 8772 Inv Adv (Port Fund)</b>	94,438.57
<b>MS 8774 Basic Sec (Inc Fund)</b>	
8774 ST Gain (Loss) on Invest	
8774 Exc & Closed End Funds	-50.11
8774 Mutual Funds	3.40
<b>Total 8774 ST Gain (Loss) on Invest</b>	-46.71
8774 LT Gain (Loss) on Invest	
8774 Exc & Closed End Funds	-7,961.53
8774 Mutual Funds	27,111.87
<b>Total 8774 LT Gain (Loss) on Invest</b>	19,150.34
<b>Total MS 8774 Basic Sec (Inc Fund)</b>	19,103.63
<b>Total Unreal Gain (Loss) on Invest</b>	113,553.77



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Accrual Basis

**Diocese of the Midwest - OCA**  
**Balance Sheet**  
**As of June 30, 2015**

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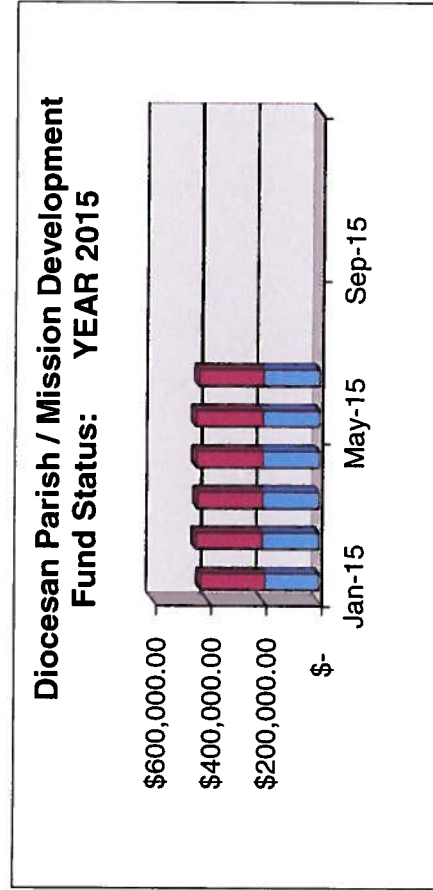
	Jun 30, 15
<b>Temp. Restricted Net Assets</b>	
Archbp Job Scholarship Mem Fd	12,177.76
Auto Reserve	20,303.69
Legal Reserve	37,000.00
Maintenance Reserve	29,192.60
Mission Funds	-651.19
Seminarian Reserve	-5,548.98
Seminarian Scholarships	-39,761.11
General Operating Reserve	11,949.34
Special Visit Reserve	6,000.00
<b>Total Temp. Restricted Net Assets</b>	70,662.11
<b>Unrestricted Net Assets</b>	206,149.52
<b>Net Income</b>	85,946.10
<b>Total Equity</b>	492,535.50
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>1,399,068.52</b>



# **DIOCESAN PARISH / MISSION DEVELOPMENT FUND STATUS FOR 2015**

<b>Morgan Stanley/Smith Barney: Yearly Summary</b>			
<b>Portfolio Fund</b>	<b>Income Fund</b>	<b>Total of Both Funds</b>	
12/31/1999	\$76,901.68	\$36,314.89	\$113,216.57
12/31/2000	\$55,941.71	\$35,833.37	\$91,775.08
12/31/2001	\$48,666.52	\$39,127.56	\$87,794.08
12/31/2002	\$29,910.32	\$35,685.27	\$65,595.59
12/31/2003	\$40,302.91	\$46,454.48	\$86,757.39
12/31/2004	\$65,577.59	\$94,944.45	\$160,522.04
12/31/2005	\$73,368.45	\$106,883.52	\$180,251.97
12/31/2006	\$80,468.45	\$138,634.24	\$219,102.69
12/31/2007	\$122,947.79	\$170,513.99	\$293,461.78
12/31/2008	\$80,842.09	\$110,129.02	\$190,971.11
12/31/2009	\$108,519.41	\$147,874.94	\$256,394.35
12/31/2010	\$129,492.41	\$166,087.12	\$295,579.53
12/31/2011	\$129,973.68	\$159,986.27	\$289,959.95
12/31/2012	\$150,262.53	\$184,556.53	\$334,819.06
12/31/2013	\$194,762.29	\$218,837.99	\$413,600.28
12/31/2014	\$202,298.31	\$232,521.19	\$434,819.50

<b>Morgan Stanley/Smith Barney: Monthly Summary</b>			
<b>Portfolio Fund</b>	<b>Income Fund</b>	<b>Total of Both Funds</b>	
<b>105833</b>	<b>105834</b>		
1/31/2015	\$ 195,859.34	\$ 231,721.52	\$ 427,580.86
2/28/2015	\$ 206,208.31	\$ 239,777.26	\$ 445,985.57
3/31/2015	\$ 205,246.27	\$ 236,821.26	\$ 442,067.53
4/30/2015	\$ 204,801.41	\$ 241,044.85	\$ 445,846.26
5/31/2015	\$ 206,340.49	\$ 242,029.72	\$ 448,370.21
6/30/2015	\$ 204,108.89	\$ 234,390.80	\$ 438,499.69
7/31/2015		\$ -	-
8/31/2015		\$ -	-
9/30/2015		\$ -	-
10/31/2015		\$ -	-
11/30/2015		\$ -	-
12/31/2015		\$ -	-
<b>Gain/Loss</b>	<b>\$1,810.58</b>	<b>\$1,869.61</b>	<b>\$3,680.19</b>





# **2015 DIOCESAN TREASURER'S REPORT**

## **ATTACHMENTS ‘E’ and ‘F’**

### **Attachment ‘E’**

**Diocesan Parish / Mission Development  
Fund Status as of June 30<sup>th</sup>, 2015**

### **Attachment ‘F’**

**Fidelity Investment Account Status as of  
July 6<sup>th</sup>, 2015**

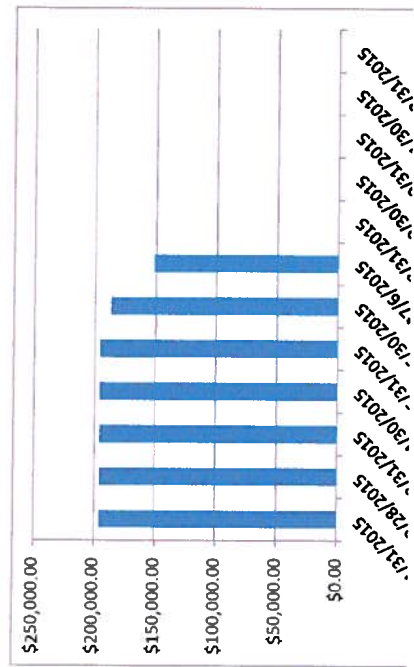


**2015 FIDELITY INVESTMENT ACCOUNT STATUS:  
OPERATING RESERVE FUNDS AND MAINTENANCE RESERVE FUND**

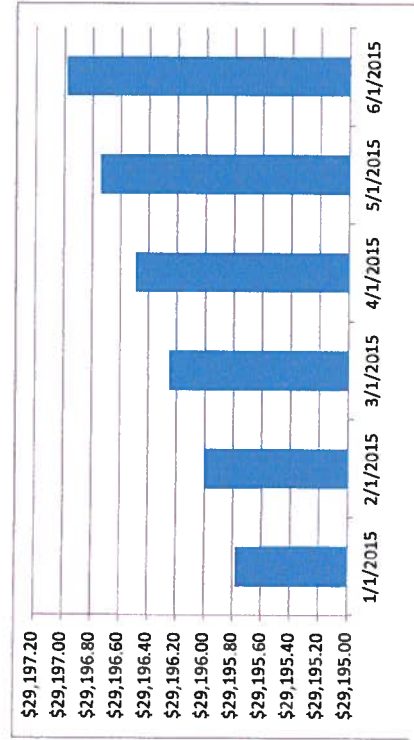
OPERATING FUND (SPRXX)	TOTALS	MAINTENANCE RESERVE FUND (SPAXX)	TOTALS	FUND TOTALS
12/31/2014	\$195,772.27	12/31/2014	\$29,195.53	\$224,967.80
1/31/2015	\$195,773.73	1/31/2015	\$29,195.78	\$224,969.51
2/28/2015	\$195,775.43	2/28/2015	\$29,196.00	\$224,971.43
3/31/2015	\$195,777.09	3/31/2015	\$29,196.25	\$224,973.34
4/30/2015	\$195,778.70	4/30/2015	\$29,196.49	\$224,975.19
5/31/2015	\$195,780.36	5/31/2015	\$29,196.74	\$224,977.10
*6/30/2015	\$186,781.95	6/30/2015	\$29,196.98	\$215,978.93
**7/6/2015	\$151,781.95			
8/31/2015				
9/30/2015				
10/31/2015				
11/30/2015				
12/31/2015				
<b>*Gain/Loss</b>	<b>-\$8,990.32</b>		<b>\$1.21</b>	<b>-\$8,988.87</b>

Note, Based on the motion made at the June 2012 Diocesan Council meeting, on 12/24/2012, \$20,000 was transferred from the Special Visit Reserve Fund in our Operating Fund to the Maintenance Reserve Fund	
Note, \$46,692.95 deposited in Operating Reserve Fund on 1/2/14 for funds for the OCA Escrow Account for the year 2013	
Note, For 2014, \$11,712.37, \$16,187.98, \$5,873.44, \$2,749.55, \$3,846.82, \$5,993.23, \$5,398.58, \$4,802.87 and \$5,067.47 were deposited in Operating Reserve Fund on 3/14/14, 6/13/14, 7/31/14, 8/28/14, 9/8/14, 10/29/14, 11/14/14, 12/15/14 and 12/31/14. Total of \$108,125.26 deposited for funds for the OCA Escrow Account for the years 2013 and 2014	
*On 6/24/15, \$9,000 was transferred from Auto Reserve Fund account to the Bank of America Money Market/Checking Account to cover the cost of vehicle purchase from Bishop Paul	
**On 7/6/15, \$35,000 was transferred from the OCA Reserved Fund account to the Bank of America Money Market/Checking Account to cover General Fund Expenditures.	

**Operating Reserve Fund**



**Maintenance Reserve Fund**





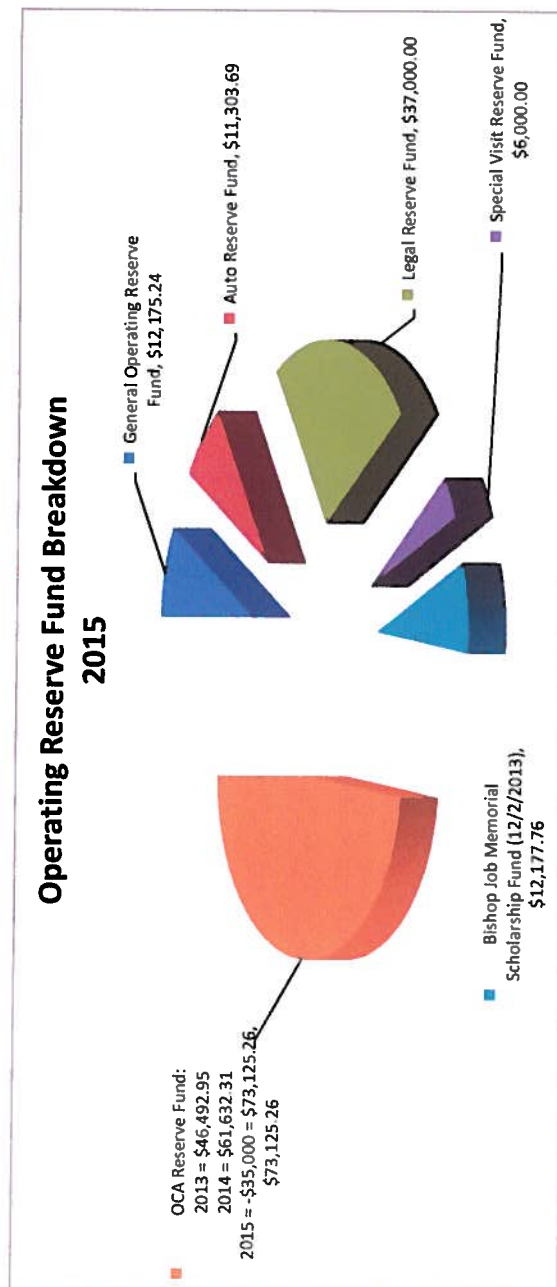


**2015 FIDELITY INVESTMENT ACCOUNT STATUS:  
OPERATING RESERVE FUNDS AND MAINTENANCE RESERVE FUND**

<b>Operating Reserve Fund Breakdown</b> Summary from 2009 to 7/6/2015			<b>NOTES:</b>
<b>General Operating Reserve Fund</b>	<b>\$12,175.24</b>		
<b>Auto Reserve Fund</b>	<b>\$11,303.69</b>		Used Ford Edge Purchased on 9/22/11 for \$19,751.09. Rather than transfer this entire amount into the Bank of America (BOM) Money Market account, it will be distributed as follows: \$7,680 transferred from this account to BOM on 12/13/11 to cover the Bishops Pension Payment. \$11,191.79 moved from Auto Reserve into new category for escrow: Parish Development Ministry, balance in Dept. at 2010 year end. (per Diocesan Council Motion) Total of funds moved is equal to \$18,871.79.  Purchased Ford Focus from Bishop Paul for \$9,000 on 5/19/2015. However, did not withdraw funds from Auto Reserve Fund until 6/24/2015. The \$9,000 was deposited into the Bank of America Money Market/Checking Account.
<b>Legal Reserve Fund</b>	<b>\$37,000.00</b>		
<b>Special Visit Reserve Fund</b>	<b>\$6,000.00</b>		\$20,000 transferred from the Special Visit Reserve Fund to the Maintenance Reserve fund on 12/24/2012 based on June 22, 2012 Diocesan Council Motion
<b>Bishop Job Memorial Scholarship Fund (12/2/2013)</b>	<b>\$12,177.76</b>		12/02/2013: Created from funds from a rebate from the 16th All American Council Held in Seattle (Oct/Nov. 2011) to the Diocese of the Midwest. Voted and accepted by the delegates present at the 51st Diocesan Assembly in Broadview Heights to create the fund. See minutes; Other Business, Section XVI.A, Funds transferred from BOA Checking Acc into Fidelity Fund on 12/02/2013.
<b>OCA Reserve Fund: 2013 = \$46,492.95 2014 = \$61,632.31 2015 = -\$35,000 = \$73,125.26</b>	<b>\$73,125.26</b>		As of 6/30/2013: \$10 per member in assessments held by the Diocese due to the OCA decreasing the assessment from \$105 per person to \$95 per person. (Actual Dollar amount calculated based on a percentage basis, 5.2% of funds received from parishes for 2013.) Money to be used by the Diocese to fund programs no longer funded by the OCA or at the discretion of the Diocese. This decision was reaffirmed at the 52nd Dico. Assembly in Lansing, IL. Funds transferred from BOA Checking Acc into Fidelity Fund on 12/28/2013. They were deposited in the Fidelity Account on 1/2/2014. Note, For 2014: on 3/14/14; \$11,712.37, 6/13/14; \$16,187.98, 7/31/14; \$5,873.44, 8/28/14; \$2,749.55, 9/8/14; \$3,846.82, 10/29/14; \$5,993.23 11/14/14; \$5,398.58, 12/15/14; \$4,802.87 and on 12/31/14 (Actually Deposited on 1/5/15). \$5,057.47 = \$51,644.61 was deposited in Operating Reserve Fund.
<b>7/6/15: \$35K Withdraw</b>	<b>(\$35,000.00)</b>		On 7/6/15, \$35,000 was transferred from this OCA Reserve Fund into the Bank of America Money Market fund to cover general expenditures.
<b>TOTAL</b>	<b>\$151,781.95</b>		



2015 FIDELITY INVESTMENT ACCOUNT STATUS:  
OPERATING RESERVE FUNDS AND MAINTENANCE RESERVE FUND





# **2015 DIOCESAN TREASURER'S REPORT**

## **ATTACHMENT “G”**

### **Proposed budget for 2016**

**To be drafted and presented to the  
Diocesan Council for Approval at the  
Year End 2015 Diocesan Council Meeting**



## **Diocese of the Midwest -**

### **Audit findings: June 22-23, 2015**

The Diocesan Audit Committee performed a routine audit of the Operating Account, Checking Account, Investment Accounts and Payroll Records of the Diocese of the Midwest for the periods of July – December 2014 and January - March 2015. The audit was conducted as a select review of financial activity and presentation for the months of September and November 2014, and January 2015, by verifying check stubs, receipts and reports. Due to the early date of the Diocesan Assembly, scheduled for July 2015, this audit represents only three quarters for the audited period. This audit is not governed by accepted auditing standards.

The 2016 audit will encompass the last nine months of 2015 and the first six months of 2016.

### **Effect of 2014 Recommendations:**

- Recommendation: *All credit card charges must be supported by receipts detailing the items purchased, date, and cost. Detailed descriptions need to be provided for all charges for which the receipt is not explicit.*

Result: Support for the charges to the Diocesan Credit Card has been addressed by all card holders. Details are in the Findings Section of this report.

- Recommendation: *Semi-annual documentation is required for audit purposes by July 31<sup>st</sup> of the current year. This includes all reports that are submitted to the Diocesan Council for meetings, Diocesan Council Minutes (including attachments), Treasurer's Reports (including Balance Sheet, P&L) and other informational or financial documents and reports. (Addendum I)*

Result: Preparation for the 2015 Audit was timely and complete.

### **2015 Findings and Recommendations are as follows:**

#### **Checking Account:**

Account balances were confirmed and reconciliation was reviewed.

September 2014:

- Checking Account Reconciliation indicates an outstanding Invoice for \$509.33 to St. Matthew, Green Bay WI. Submitted to St. Matthew Church for March Assessment Check returned due to a change in account numbers.

Payment was completed by St. Matthew Church on Ck# 4914, August 2014, \$521.33, March Assessment plus \$12.00 fee repayment, totaling \$521.33. The check was deposited to the Diocesan account on August 28, 2014. The account reconciliation indicates the payment is still outstanding.

November 2014:

- The above invoice from St. Matthew Church is still indicated as an Un-cleared Transaction in the Account Reconciliation.

January 2015:

- The above invoice from St. Matthew Church is still indicated as an Un-cleared Transaction in the Account Reconciliation.
- Check #12923 was listed as cleared in January but was not in bank documents for that month. In reality, Check #12922 was cleared in January but posted as cleared in December when reconciliation was completed. Upon investigation, check #12923 was found to have cleared in December.

## **Credit Card Statements:**

All statements reviewed were found to be complete. All required documentation was present.

September 2014:

No Issues

November 2014:

No Issues

January 2015:

No Issues

## **Payroll:**

Payroll was reviewed for the 12-month period of January to December of 2014.

1099-Misc forms were confirmed to the Profit & Loss Statement. All were correct.

The following issues were found:

- 2014 W2s were reviewed but the Auditors were unable to reconcile the information to the Profit & Loss Statement.

The Auditors will work with the Bookkeeper to establish a procedure to confirm the accuracy of the W2s each year.



## **Investment Accounts:**

- Balances were checked on the original sheets from the bank/brokerage firms and totals were verified to reports submitted by the Treasurer and Bookkeeper
- Reports were reviewed and checked.

## **U. S. Savings Bonds:**

- We verified the bonds: three \$10,000.00 bonds purchased in October of 1992.
- Value, as of March 31, 2015, \$15,104 each for a total of \$45,312.

## **Recommendations:**

- The Auditors recommend that the Finance Committee investigate options to re-invest the Morgan Stanley and Fidelity Securities funds with the intent of increasing the interest produced by the monies.
- As per the Financial Audit Guidelines of the Midwest Diocese, it is recommended that Diocesan Council establish a written policy for Financial Record Retention, Security and Destruction

In follow-up with the Bookkeeper, issue regarding the outstanding invoice, noted above, has been resolved as of the date of this printing.

Once again, we would like to thank Philip Sokolov for his assistance.

Respectfully submitted,  
Diocesan auditors;

Frank Tkacz  
Judi Wienclaw  
Samuel F. Jacob

## Audit Committee Requirements

Date Due: Annually July 31<sup>st</sup>

To be deposited in DROP BOX folder on internet

### Bookkeeping & Accounting Services –

#### \*P&L Statements

December 31 prior year

June 30 current year

#### \*Balance Sheet –

December 31 prior year

June 30 current year

#### Checking Account Statements –

July through December prior year

January through June current year

#### Checking Account Reconciliation –

July through December prior year

January through June current year

#### \*Payroll Records –

\*Salary Spreadsheet – indicate date and amount of changes in wages if applicable

#### \* 1099 Vendor Summary

July through December prior year

January through June current year

#### \* 1099s issued –

December prior year

#### \*W2s issued –

December prior year

#### Investment and Securities Statements –

July through December prior year

January through June current year

### Treasurer –

#### Investment Information –

##### Summary –

December 31 prior year

June 30 current year

##### Reconciliation –

December 31 prior year

June 30 current year

#### Loan Balance –

December 31 prior year

June 30 current year