

MEETING OF THE DIOCESAN COUNCIL OF THE DIOCESE OF THE MIDWEST

Chicago, Illinois • 22 May 2018

I. OPENING

The meeting, convened at the Holiday Inn Midway, opened with the singing of the troparion of the Great Feast of the Ascension, led by His Grace, Bishop Paul, at 10:14 a.m.

II. ATTENDANCE.

Present were Bishop Paul; Archpriest John Zdinak, Chancellor; Robert Koncel, Treasurer; Archpriests John Adamcio, James Dank, and Alexander Kuchta; Priests Nicholas Finley and Herman Kincaid; Protodeacon George Potym; James Emrick, Dennis Garlick, Ellyn Gillette, Robert Graban, Simeon Morbey and Carrie Sabourin; Bishop's Council members Archpriests Theodore Bobosh, Andrew Clements, Thomas Mueller, Timothy Sawchak, Paul Wesche, and Andrew Yavornitzky; and Philip Sokolov, Bishop Paul's Secretary.

III. SCRIPTURE READINGS.

Mr. Graban read the day's selection from the Epistles – Acts 21:26-32 -- while Father Kincaid read the day's Gospel reading – John 16:2-13.

IV. MINUTES OF PREVIOUS MEETINGS.

The minutes of the 56th Diocesan Assembly were accepted as presented upon motion by Mr. Garlick, seconded by Father Adamcio. The minutes of the last Diocesan Council meeting were accepted as presented upon motion by Ms. Gillette, seconded by Father Finley.

V. BISHOP'S REPORT.

Bishop Paul reported that there are many events planned for the summer months and that he is enjoying his archpastoral visitations to diocesan parishes.

Bishop Paul went on to report that the "Family Life Ministry" blog/web page was launched shortly after Pascha. Weekly reflections that he is writing form the core of the site, along with readers' reactions and guest reflections. The editorial board includes Priest Jacob van Sickle, Janet Aimes, Adam Lockridge and Stacy Sennott, with Archpriest John Matusiak serving as consultant/editor.

He stated his desire to engage an individual to work one day per week to keep track of reports and to travel with him as a "kelelnik," beginning in September 2018. This would make it possible for him to fly less and drive more.

He noted that with the celebration of his 65th birthday on April 6, 2018, he now receives Medicare, thereby reducing his health care costs.

He noted that the Assembly of Canonical Orthodox Bishops of the USA will meet in October 2018.

With regard to the celebration of the 50th Anniversary of Autocephaly, he reported that the Bishop's Council has developed a plan by which he will visit each deanery, beginning with the Chicago Deanery in February 2020 and continuing every other month thereafter through November. Each gathering will begin on Friday with the celebration of the Akathistos Hymn in honor of the North American Saints, a talk and a simple meal, with the celebration of the Divine Liturgy followed by a simple meal on Saturday. His Eminence, Archbishop Benjamin is chairing a national committee charged with developing Church-wide celebrations.

In response, Father Adamcio recommended that we engage a paid web master for the Family Life site rather than relying on volunteer work. A lengthy discussion was held with regard to ways to raise funds for such initiatives in particular, in addition to raising funds for the ongoing development of the diocese in general.

VI. CHANCELLOR'S REPORT.

Father Zdinak spoke of preparations now being made for the Diocesan Assembly in October 2018, which will be held at Archangel Michael Serbian Orthodox Church and Hall, Lansing, IL. Two main items are on the agenda – the Diocesan By-Laws and the Stewardship Proposal.

He noted that it is important to apply the Clergy Compensation Guidelines to Bishop Paul's remuneration. The Finance Committee has recalculated what his salary should be. This will be further addressed in the Treasurer's report.

VII. DEANERY REPORTS.

A. Chicago Deanery. Father Thomas Mueller reported the Deanery Summer Camp will be held in early July for children and teens ages 12 through 18. New deanery clergy include Priest Jacob van Sickle, Merrillville, IN; Priest Jonathan Lincoln, Associate Priest in Wheaton, IL; and Priest Esteban Vazquez, who began his pastorate in Summit, IL in December 2017 and is developing a Spanish-language ministry. [Saint Panteleimon Church, Summit, IL is receiving \$10,000.00 per year from the Diocese's Mission Endowment Fund to augment his salary.]

B. Cleveland Deanery. Father Clements reported that Deacon Jonathan Lincoln was ordained to the priesthood in Olmsted Falls, OH. Priest Andrew Bartek is now serving in Marblehead, OH, while Priest John Kennerk is serving in Canton, OH.

C. Indianapolis Deanery. Father Bobosh reported that Deacon Joshua Coolman was ordained to the priesthood in Indianapolis and will serve as deanery supply priest, serving a few times each month at the vacant parish in Lima, OH. Saint John Church, Indianapolis, IN will once again be holding its summer camp.

- D. Kansas City Deanery.** Father Sawchak reported that the nuns of Presentation Monastery have relocated and were transferred to the Serbian Diocese. Saint Thomas Church, Springfield, MO is taking care of the former monastery's grounds. Provisions for continuing the former monastery's candlemaking business have been made. The parish in Royalton, IL will become a part of the Kansas City Deanery. The Deanery is hosting the 19th All American Council in July 2018. Subdeacon James Mullin, who was ordained to the diaconate at Holy Trinity Cathedral, Chicago, is serving in Joplin, MO.
- E. Michigan Deanery.** Father Yavornitzky reported that Subdeacon Justin Jackson was ordained to the diaconate in Albion, MI, while James Rimelspach will be ordained in June 2018 in Detroit.
- F. Minneapolis Deanery.** Father Wesche reported that a community was recently established in Bemidji, MN as a chapel of Saint Mary's Cathedral, Minneapolis, MN. Three deanery members are enrolled in the Saint Macrina Institute.

VIII. METROPOLITAN COUNCIL REPRESENTATIVES' REPORT.

In addition to the written report, Mr. Graban noted that the Diocese of the Midwest is remitting 44% to the OCA while the Dioceses of the West and South are remitting 34%. If the Midwest was paying 34%, it would make \$80,000.00 available for diocesan expenses. This matter will be reviewed in a resolution at the 19th All-American Council.

IX. TREASURER'S REPORT.

Mr. Koncel reported that \$41,500.00 was transferred from the Parish/Mission Development Fund to the Mission Projects Fund.

A new vehicle was purchased for \$17,500.00 from the Automobile Reserve Fund.

Two 15-year term life insurance policies were taken out for Bishop Paul. One of them he owns and designates his own beneficiary, although the Diocese pays the premiums. The second policy, for the purpose of providing funeral expenses, names the Midwest Diocese as the beneficiary.

Bishop Paul's insurance premiums, which had been \$14,000.00 annually, have been reduced to \$4,000.00 annually due to Medicare, as noted above. However, since he has not received a raise, the Finance Committee decided to take whatever savings realized on the health insurance and roll it into salary.

We are looking into dropping our current accounting firm and hiring a qualified bookkeeper to handle financial records. The bookkeeper would re-setup our chart of accounts according to the model of the Diocese of the West. We have good internal auditors, but we should have an external auditor in order to have an "outside set of eyes" looking at our books.

Mr. Koncel noted that the 2019 budget, which is essentially the same as the 2018 budget, includes \$20,000.00 for a *keleinik* who also would maintain reports at 30 hours per week, \$12.00 per hour. Bishop Paul's cash compensation is being increased to \$96,061.00.

X. MISSION/PARISH DEVELOPMENT FUND TASK FORCE.

In addition to his written report, Father Kuchta proposed, seconded by Father Finley, that the motion as presented in the final paragraph of the report include the word "Diocesan" before the word "Council." Motion carried.

XI. DIOCESAN BY-LAWS TASK FORCE.

Father Kuchta added that the Task Force is 95% prepared to present a final draft at the October 2018 Assembly. Archpriest Alexander Garklavs and Tom Anastos will provide Diocesan Council members with the current draft, which will subsequently be publicly posted for review by and feedback from parishes.

XII. LATE VOCATIONS.

A written report from Archpriest Elijah Mueller was presented with no additions.

XIII. NEXT MEETING DATE.

The next meeting of the Diocesan Council will take place October 8, 2018.

XIV. ADJOURNMENT.

There being no further business, the meeting was adjourned with the singing of the kontakion of the Great Feast of the Ascension at 2:35 p.m. upon motion by Mr. Garlick, seconded by Mr. Morbey.

Respectfully submitted,

Mr. Philip Sokolov with Archpriest John Matusiak, Diocesan Secretary

Report of Diocesan Metropolitan Council Representatives

The February 2018 Metropolitan Council (MC) meetings took place from February 6-8 at the Immaculate Conception Seminary in Huntington (Long Island) NY. The meeting was chaired by His Beatitude, Metropolitan Tikhon, with His Eminence, Archbishop Michael, His Eminence Archbishop Benjamin and His Grace, Bishop Paul in attendance. Fr. Alexander Kuchta was unable to attend due to an emergency related to flooding in his home.

Metropolitan Tikhon, in his opening remarks, spoke about long-term planning and about our identity as the Orthodox Church in America, particularly in the context of the *Four Pillars of the Guiding Framework* document, which is planned to be released prior to the 19th All-American Council. He then introduced Bishop Daniel, who outlined his work as Consultant to the Primate for optimizing the functioning of the OCA Chancery. His Beatitude's office was relocated from his living quarters, resulting in the relocation of other offices. Bishop Daniel spoke of joint work with the Human Resources Committee to update job descriptions and the Chancery's employee handbook. Metropolitan Tikhon then continued his report by highlighting work in Communications and External Relations, particularly regarding his recent travels to Russia and Mexico. Questions and extensive discussion then ensued concerning a variety of possible ways the Church could appropriately mark the 50th anniversary of autocephaly in 2020.

In the **secretary's report**, Fr. Eric Tosi noted finalization of the standard metrical book and pectoral crosses for military chaplains. He reported on plans and progress for renovation of the Chancery basement, where the OCA Archives are located. The archives project is funded by a \$276k restricted endowment. Separately, at a later point, the MC approved a resolution to spend \$38,500 for renovations to the Chancery building - \$20k roof replacement, \$4,500 driveway paving, \$6,000 window replacement and \$8k for a new customized front door. This will be funded by the unrestricted bequests from the estates of Julia Nazak and Larissa Kondratik.

Fr. Eric also reported on preparations for the **19th All-American Council**. The draft agenda and schedule were presented and approved. Funding to enable clergy from Alaska and Mexico to attend the Council was also discussed.

The MC approved *GIFT AND BEQUEST ACCEPTANCE POLICIES OF THE OCA*, and recommended that all church communities including dioceses, parishes and institutions should adopt similar policies. The MC also approved *GENERAL POLICIES OF THE ORTHODOX CHURCH IN AMERICA REGARDING COMMERCIAL RELATIONSHIPS WITH COMMERCIAL AND FOR-PROFIT VENDORS, SUPPLIERS, AND CONTRACTORS*.

Archdeacon Joseph Matusiak reported on the **Stewards of the OCA**; the recent drive resulted in \$8k being received from 27 parishes, averaging \$296 per parish, including mission parishes and mature parishes, such as Ss Peter & Paul in Detroit. Fr. Adn. Joseph then introduced Andrew Romanov, who reported on his internship assignment, supporting the Metropolitan and the Chancery. Andrew's education is in Broadcast Journalism, and he has experience as a television reporter. Andrew produced videos and web content; his white paper, available on request, details the benefits of an organization's use of social media, along with the OCA's challenges and opportunities therein. The white paper explores (1) multimedia tactics, (2) media relations and (3) strategic communication.

Of the various committee reports, the **Charity Committee** will need a new chairperson due to expiration of Fr. Alexander Kuchta's term, and will likewise need several new members. The **HR Committee** is working with Bishop Daniel on the chancery personnel structure, as well as reviewing job descriptions and updating the employee handbook. **Internal Governance** recommended D'Arcangelo & Co., LLP as external auditor of the 2017 financials, and the motion was approved.

In the **treasurer's report**, Melanie Ringa reported a net budget surplus of \$351k for the year ended December 31, 2017, of which \$44k is unrestricted (compared to \$37k last year). The Diocesan support is slightly more than expected, and the budget is within \$4,400 on operating expenses. She also reported on her extensive work together with the staff at St. Catherine's OCA Representation Church in Moscow and officials from the Moscow Patriarchate to audit its finances and to rectify disorders in recordkeeping, which had been going on for several years. She noted that new controls and staff are now in place to ensure accountability and transparency.

A motion was made to submit to the Holy Synod a recommendation for a draft finance resolution, which will be presented for adoption at the 19th AAC. For territorial Dioceses, excluding Alaska, Canada and Mexico, under the approved motion:

- Dioceses contributing at a rate greater than 34% of their "net operating budgets" [*which includes the Diocese of the Midwest*] shall decrease their annual diocesan financial obligation by 2% annually from 2019 through 2022, not to fall below 34%.
- Dioceses contributing at the 34% rate of their "net operating budgets" [*i.e., South and West*] shall continue to remit their annual financial obligation at the 34% rate from 2019 through 2022.

The Diocese of the Midwest will be contributing at a 44% rate for 2019, decreasing to 42% in 2020, 40% in 2021, etc., until it reaches 34%, presumably in 2024 at this rate. Much discussion ensued on this proposal at both the Finance Committee meeting and at the MC session, with alternative proposals to slightly increase the contribution rate of the Dioceses at 34% while slightly reducing those at the higher rate during the transition, with a neutral effect on the total, but the motion as stated passed by a 20-5 margin. For 2017, the Diocese of the Midwest provided 23% of the total OCA contributions.

Other financial motions approved were:

- Amending the 2018 operating budget to increase Diocesan Support revenue by \$20k to reflect updated projections from diocesan treasurers.
- Increase the operating budget for St Catherine's Representation Church by \$21,500, to include a one-time expense of \$11,500 for relocation of the rector's family to Moscow and 4 months of apartment rent expense while their permanent residence is being renovated.
- Approved the Finance Committee recommendation to release the bequest from the estate of Father Alexander Pihach (\$36,880) to be used to renovate the Moscow apartment for the OCA Representative to St Catherine's Church in Moscow.
- Approved the recommendation of the Finance Committee to take \$150,000 from the Missions Endowment Fund and invest this sum in a 5-year unsecured promissory note with OCCIF (Orthodox Church Capital Improvement Fund) at a simple interest rate of 2.75%.

In the **External Affairs** report, Protospesbyter Leonid Kishkovsky highlighted the fruitful contacts with the Moscow Patriarchate and other Orthodox Churches during the celebrations in Moscow in December. He noted the importance of the appointment of Father Daniel Andrejuk as the new OCA Representative in Moscow. Bishop Daniel reported the appointment of the Advisory Committee for Saint Catherine's Church appointed by His Beatitude, Metropolitan Tikhon last summer, which includes Fathers Leonid Kishkovsky and Nazari Polataiko as well as Melanie Ringa and Bishop Daniel. This committee will continue the work in facilitating the supervision of the OCA Representation Church.

Archpriest Christopher Rowe presented the **Youth, Young Adult and Campus Ministries** Department's report via conference call. Fr. Eric Tosi provided additional information on OCA participation in scouting programs.

Dr. David Drillock, **Music Department** Chairman, presented his report and noted the growing number of music downloads and liturgical texts on the OCA website; it is one of the most visited areas of OCA.org. He expressed particular satisfaction with the success of the online choral conducting courses that are offered by the Department. Training the choir director is an effective way to raise the level of the singers.

Fr. Eric Tosi delivered the **Pension Board** report submitted by Father Gleb McFatter, Pension Board Chairman. Fr. Jillions indicated that every effort is made to ensure that all those who are eligible are enrolled in the OCA Pension Plan. His Beatitude spoke of the need for a brotherly forum to strengthen the pension plan. There were many questions and much discussion including the adequacy of funding, but in the absence of a pension board member, there were no definitive answers. Metropolitan Council members requested that a Pension Board member be present at its every meeting to answer questions and provide information, including audited financial statements.

His Beatitude, reflecting on the OCA's long 50-year period of molding and formation, is very encouraged, noting that we are dealing with issues in an inspiring way and acting as an autocephalous church should in dealing with issues we must face. The growth of the church starts at the parish level. Parishes must get children involved, encourage acolytes to become priests, and take the initiative on communications, sharing them with the OCA. The goal is for the church as a whole to grow, allowing the dioceses to grow so the Central Church will be stronger – we are all in this together! Reflecting on the strategic plan, His Beatitude asked:

- What can your diocese offer to common vision of OCA?
- What does your diocese need from Central Administration?
- What specific departments does your diocese need help with?
- What are your diocese's greatest challenges?
- What does your diocese want to see as outcome of AAC?

The meeting concluded with a wide-ranging discussion on various issues focusing largely on the Questions for Reflection from Metropolitan Tikhon. Notable topics included the vision and identity of the Orthodox Church in America and preparations for the upcoming celebration of the 50th anniversary of our Church's autocephaly. Events for the anniversary should encourage both reflection on our past and a look forward towards the future. Other points raised included:

- The need for updated parish education materials
- "Catechesis of the Good Shepherd:" experience in some dioceses is showing success
- The need to face an emerging clergy shortage
- Support for the "1% resolution" from past AACs, calling all parishes to give at least 1% of their budget to support theological seminaries
- Encourage and support candidates to attend seminary
- Assess need for consolidation of dwindling congregations in some parts of the country
- Call for systematic strategic planning, especially in theological education, to address vocations, clergy shortage, alternative forms of clergy formation, funding of seminaries
- Articulate a path forward for Orthodox unity in North America
- Re-evaluate the aims and membership of all departments, including External Relations"

Respectfully submitted,
Bob Graban
May 14, 2018

Report of the Mission/Parish Development Fund Task Force

Members of the group include Archpriests Thomas Mueller and Alexander Kuchta, Protodeacon George Potym, and James Emrick.

We met by conference call on Tuesday, March 6 and discussed how the fund is currently designated and used and what we would like to see the Diocesan Council do as we move forward. It was the unanimous conclusion of the group that Mission/Parish Development Fund should be designated as a true endowment: maintaining a reserve of capitol (restricted funds) that would produce funds from investments that could be used for parishes and missions.

Some ideas discussed included: conservative investments that protect capitol through diversified investment, investing in such things as index funds that have much lower fees than actively managed investment funds. We are not sure who is ultimately responsible for making these decisions: our Diocesan Finance Committee or another committee appointed to administer the endowment?

We absolutely want to restrict the funding and use of this endowment to Parish renewal for aging parishes and Mission activity. This philosophy will be promoted to members of the Diocese and other potential donors. We would like to set a goal of raising \$1M dollars for the endowment (EF) and also to have a target of growth of 10% per year through donations and money generated by investments until we reach that goal.

While we do not want to spend EF principle, we believe that we could spend funds generated by EF investments that do not exceed the diocese' established baseline of \$450,000. As money is added through donations, the baseline would increase by an equal amount. For example, if the Diocese were to receive donations of \$50,000, to the EF, the baseline would increase to \$500,000 and only funds in excess of that amount could be spent. If the total value of the EF diminished because of market fluctuations no money would be taken until its recovers its value.

The group also brainstormed some ideas about promotion of the EF which included:

- a. Use of Diocesan web site
- b. Fliers for distribution at diocesan events/meetings such as the Annual Assembly.
- c. Targeted mailing
- d. Posters sent to parishes
- e. Promotion of the endowment on Diocesan stationery: e.g. "Remember the Diocesan Endowment for Missions and parish development in your will."
- f. The approach would be low key –no annual appeal, but simply consistent reminders that the EF exists.

We feel that the work of this task force is now complete and request that Diocesan Council act on the following recommendation:

This task force places the following motion before the Diocesan Council: "Members of the Mission/Parish Development Task Force move that the Diocesan Council establish the present Mission/Parish Development Fund as the Diocesan Mission/Parish Endowment Fund as a true endowment fund with the goal of achieving a total value of 1 Million dollars through donations and earned dividends and/or interest. Details regarding the Endowment's promotion and administration shall be determined by the Bishop, Chancellor and Council."

Respectfully submitted,

Archpriest Alexander Kuchta



St. Macrina Orthodox Institute

for Renewal of Diakonia and Catechesis in the Midwest
Diocese of the Midwest, Orthodox Church in America, 927 N. LaSalle St. Chicago IL 60610
Fr. Elijah Mueller, Ph.D., Director, 312-714-9775 elijahmueller@sbcglobal.net

Midwest Diocesan Council, May 22, 2018.
Report of St. Macrina Institute.

Cohorts in Seven Deaneries: **Detroit**—*finished the end of this last year*; **Indianapolis** (Dayton)—*finishes this summer*; **Cleveland**—*finished this year*; **Chicago**—*mid-cycle*; **Minneapolis/St. Paul**—*mid-cycle*; **Lincoln**—*momentarily stalled*.

Planning well underway for 5th Annual Summer Conference, 3rd year at St. Iakovos Retreat Center. Featured speaker, Deacon Nicholas Denysenko, Professor at Valparaiso University: theme of the Conference “In Peace let us pray to the Lord:” Peace and Diakonia.”

Approximately, over course of year: 40 full students (34 OCA Midwest, 3 OCA Bulgarian, 2 Serb, 1 GOA), few more occasional students

4 Students, having completed work, were approved at last Synod meeting for ordination: James Rimelspach, John Tutoki, Mark Roosien, and Dana Bichler. At least 10 catechist certificates are soon to mail out to those who have completed and will help in the teaching ministry of the Church.

There are 11 students (8 Midwest students) at present close to completing the curriculum cycle that have expressed interest in ordination.

We have developed new paperwork to keep track of students with the gracious assistance of Mina Jacobs of Holy Trinity in St. Paul, MN.

We are also instituting an administrative fee of \$100 per course, to go back to the Diocese to partially defray the cost of the St. Macrina Institute’s work. The total cost of tuition per student for each course is now \$500, most of which goes to the instructors who put a great deal of work and time into their courses. It is still a very cheap educational cost compared to continuing education fees for non-credit, or lower level courses colleges often offer as community outreach. Far below college tuition....

Please let us know if there are other students or faculty. If you desire to start a local program, please contact Fr. Elijah Mueller, 312-714-9775, elijahmueller@sbcglobal.net

Fr. Elijah Mueller