

**Episcopal Diocese of Montana**  
**Minutes of Diocesan Council Zoom Media Meeting**  
**March 13, 2021**

The Diocesan Council of the Episcopal Diocese of Montana held a video meeting via Zoom Media, beginning at 10:00 a.m. on Saturday, March 13, 2021.

**Attendance.** Council members present were: The Rt. Rev. Martha (“Marty”) E. Stebbins, The Rev. Stephen Day, Cathy Morris, Keith Kuhn, The Rev. Dorcie Dvarishkis, The Rev. Jaime Leonard, The Rev. Canon Clark Sherman, Jerry Southwood, The Very Rev. Scott Anderson, Rick Harden, Hank Tuell and The Rev. Mary Alice Jones. Council member, Hope Stockwell was absent. Also in attendance were Mark Dvarishkis, Diocesan Treasurer; Barb Hagen, Canon for Administration and Finance; and Gayle Gallik Archey, Diocesan Secretary.

**Call to Order / Adoption of Agenda.** With a quorum participating, The Rt. Rev. Martha (“Marty”) E. Stebbins, Bishop of the Diocese of Montana, began the meeting with an African Bible Study with a reading from Ephesians, followed by an opening prayer. The agenda, as previously distributed, was accepted.

**OLD BUSINESS.**

**Minutes of January 9, 2021 Meeting.** Upon motion duly made by Rick Harden and seconded by Hank Tuell, the Minutes of the January 9, 2021 Diocesan Council meeting were approved as presented.

**Disposal of Surplus Tangible Personal Property.** With a motion made by Hank Tuell and seconded by Rick Harden, Council unanimously approved the following amended Policy on Disposal of Surplus Tangible Personal Property.

**Policy for Disposal of Surplus Tangible Personal Property.**

This surplus disposal policy allows for the Diocesan staff to dispose of surplus tangible personal property without prior approval, providing the following conditions are met:

- Estimated property value is less than \$1,000. The staff member will make a good faith effort to determine the value based on reasonable research. Reasonable research is considered to be information from credible independent sources.
- Items may be gifted to another parish, or non-profit organization in needed.
- Items may also be sold, with the funds being returned to the department or line item of which it was originally acquired.
- Computers will be cleared of all Diocesan data prior to disposal.

- An inventory list of all offloaded surplus items disposed of whether discarded or sold, will be reported to the Diocesan Council to note in their minutes. If sold, the sale price will be included in the item list.
- If the item has been given as a memorial, attempts to contact the giver must be done before disposal. The item may be offered to them.
- Real property (real estate and mineral rights) are excluded from this policy, and their disposal must have the approval of the Bishop, Standing Committee and Diocesan Council.

**Website Updates.** Compared to industry standards, the Diocesan website is very old and klunky. The website is two-fold: (1) a public facing website for visitors, and (2) behind the scenes, for availability of forms, and information for people in the Diocese. An estimate to update the website was received from “Worship Times,” our current website company, for \$9,958.00. It was noted this expense can be paid with money from unrestricted Endowment Earnings, as annual distributions are required from this fund. Upon motion made by Rick Harden and seconded by Stephen Day, Council unanimously agreed the distribution from the Endowment Earnings will be used to update the Diocesan website. Further, a motion was made by Rick Harden and seconded by Stephen Day, to obtain a second estimate from another company for comparison purposes. The motion was unanimously approved.

**Request for Proposals (“RFP”) Process and Timelines.** At Council’s November 14, 2020 meeting, the RFP Subcommittee recommended Council adopt a regular review process of the Diocesan audit, and a regular review process of the asset investment management services, to ensure sound stewardship of the assets entrusted to the Diocese. At that time, Council approved an RFP policy for the Diocesan Audit, and also to direct the Diocesan Foundation Board to adopt an RFP policy for asset investment management services.

#### Diocesan Audit RFP.

Upon motion made by Keith Kuhn and seconded by Stephen Day, Council agreed to form a new subcommittee to work out the details of the RFP process and timelines. The subcommittee will consist of 3 members of Council, 2 members of Finance Department, and Barb Hagen. Those volunteering to serve on the subcommittee include Cathy Morris, Keith Kuhn and Dorcie Dvarishkis (from Council), and Mark Dvarishkis from Finance. Another member of Finance, Doris Gerstner, will be asked if she will serve on the subcommittee, as well. The tasks of the subcommittee will be to: (1) formalize policy; (2) devise a time table for the process for the audit RFP; (3) design RFP format; and (4) manage the process.

#### Asset Investment Management Services RFP.

Upon motion made by Keith Kuhn and seconded by Rick Harden, Council agreed to direct the Diocesan Foundation Board to establish their own subcommittee. The subcommittee will be tasked to: (1) draft their own RFP policy; (2) write a new

Investment Policy; (3) conduct a review and search for a new Investment Manager, as the current manager (RBC Wealth Management), has been with the Diocese for over 7 years; and (4) provide Council with a report of their work.

**Financial Report.** Council members reviewed and acknowledged receipt of the Diocesan financial statements as of December 31, 2020.

**Finance Department Minutes.** Council members acknowledged receipt of Minutes from the Department of Finance meetings held January 7, 2021, and February 25, 2021.

**Audit Response Recommendations.** In November, Council requested the Finance Department reach out to St. James in Bozeman, and St. James in Dillon for clarification of information reported on their 2019 Audit. In February 2021, the Finance Department sent letters to both parishes requesting additional information with respect to their audits. St. James in Dillon responded on February 18, 2021, however, no response has yet been received from St. James in Bozeman. On behalf of St. James in Bozeman, Clark Sherman stated the parish is currently without a Treasurer, but hopes to fill this vacancy soon.

**Farmland Ownership and Oil/Gas Leases.** Mark Dvarishkis provided Council members with a summary of all farmland and oil, gas and mineral interests owned by the Diocese.

1. Natural gas lease by Red Lodge in Carbon County, Montana; currently leased to Big Sky Energy who pays the Diocese approximately \$25.00 per year.
2. Diocese owns a 2% share of mineral rights by the Fort Peck Indian Reservation located in Roosevelt and Daniels County, Montana. This came from an estate bequeathed to the Diocese, along with several other non-profit organizations.
3. Mineral rights on 160 acres under wetlands in Divide County, North Dakota. The well has been capped, so is not producing. Council will continue to retain this mineral right and take no action, thereby preserving the wetlands.
4. 2 Mining claims by Helena in Lewis & Clark County, Montana. Mark stated he is not sure the Diocese has an interest in these, as they are very old claims. He is still doing research on this.
5. 5 acres of farmland by Jordan in Garfield County, Montana. The Diocese received this as a bequest from an estate. Taxes on the property are \$120.00 per year. The neighbor may be contacted to see if they want to buy the real property.
6. 625 acres of farmland by Scobey in Valley County, Montana. The real property is leased to a farmer in the area for \$12,500.00 per year. The lease will expire 12/31/2021. Property tax on the parcel is \$2,073.00 per year. The Diocese previously listed the property for sale at \$760.00 per acre, but it didn't sell. The Diocese will wait until the lease expires, then re-evaluate to determine what to do with the farmland.

**St. Mark's - Havre.** Bishop Marty stated St. Mark's Church in Havre is officially closed. The building will be warehoused, however, there is still an AA Group that meets there and will continue to meet at the Church weekly. Some of the tangible property has been retrieved and is currently at the Diocesan office. Bishop Marty is working with the Mayor of Havre regarding the possibility of making the building compliant with the American Disabilities Act ("A.D.A."). Work is being done to install smoke detectors and carbon monoxide detectors in the building, and to enhance the doors for security. There is approximately \$10,000.00 in the Church checking account, which will come back to the Diocese to pay future bills on the building. Barb Hagen stated bills are approximately \$12,000.00 per year. Upon motion duly made by Stephen Day and seconded by Rick Harden, Council unanimously approved Barb Hagen's request to retain the \$10,000.00 received from St. Mark's Havre in the regular Diocesan account (instead of the Faber Fund) to pay future expenses associated with the Havre building.

#### NEW BUSINESS.

**Diocesan Audit Policy Review.** Barb Hagen stated the Diocesan Audit Policy is reviewed each year. The Finance Department does not recommend any changes to the current policy. Therefore, upon motion made by Cathy Morris and seconded by Clark Sherman, Council approved the current format of the Diocesan Audit Policy. *Note: No vote from Mary Alice Jones or Jaime Leonard, as their internet connection was temporarily lost.*

**Financial Summary Guidelines for Churches with Assessment Abatements.** Council members reviewed a draft form entitled: Quarterly Financial Summary to be completed by Parishes who are receiving an assessment abatement. Upon motion made by Hank Tuell and seconded by Jerry Southwood, the form was approved by Council.

**Average Sunday Attendance ("A.S.A.") Numbers / Convention Delegates.** Upon motion made by Stephen Day and seconded by Clark Sherman, Council unanimously voted to affirm the recommendation of the Diocese that each Parish use the A.S.A. numbers reported in their 2019 Parochial Report to determine the number of delegates said Parish is allowed to have in attendance at the 2021 Diocesan Convention.

**North Dakota Mineral Rights.** Upon motion duly made by Rick Harden and seconded by Mark Dvarishkis, Council unanimously agreed to take no action and to retain the North Dakota mineral rights on 160 acres of wetlands in Divide County, North Dakota owned by the Diocese, in order to continue to protect migratory critical waterfowl habitat in the area.

**Statement of Grant Accountings.** Council members acknowledge receipt of Grant Accounting Reports, as follows:

1. St. Michael's and All Angels - Eureka. They paid off their loan 2 years early.
2. Church of the Ascension - Forsyth. Faber Fund Grant for \$2,240.00.
3. Camp Marshall. \$20,247.17 Vickers Fund Grant they received for 2020 virtual camp. As of Dec. 1, 2020, \$4,394.29 remains to be spent.
4. Camp Marshall. \$27,945.00 Faber Fund Grant for dock repair and other projects, of which \$1,250.50 remains to be spent.
5. Camp Marshall. Faber Fund Grant for \$13,575.00 for Camp projects. As of Dec. 1, 2020, \$12,175.92 remains to be spent.
6. Emmanuel - Miles City. \$30,000.00 Faber Fund Grant they received to build bathroom and kitchenette. Total cost of the project was \$28,775.86. They returned \$1,224.14 to the Diocese.
7. St. Stephen's - Billings. Report submitted to Diocesan office indicates they still retain \$42,000.00 of the \$50,000.00 Vickers Grant monies they received.

**Update of Audit Forms.** Council members acknowledged receipt of the Parish Audit Forms which have been updated by the Finance Department.

**Assessment Abatement Compliance Checklist.** Council acknowledged receipt of a Compliance Checklist sent by Barb Hagen to be used for Churches receiving assessment abatements. Barb reported that St. Andrew's in Livingston is late with their January and February 2021 payments. She will send a follow-up letter to the Parish.

**Proposed Legislation to Change Diocesan Canon 20.** Council members acknowledged receipt of a proposed change to Diocesan Canon 20, submitted by The Department of Finance, which will come before Diocesan Convention this fall.

**Review of Grant Request Forms and Guidelines.** The Finance Department has made revisions and updates to the Grant Request forms and guidelines. The revised forms and guidelines are now on the Diocesan website. Council acknowledged receipt of these revised documents.

**CARES Act - Paycheck Protection Program (PPP).** Barb Hagen announced that most Churches who received money under the PPP Program have received forgiveness from the Federal Government, and have reported this on their Parochial Reports. It was noted that the Standing Committee has voted to not approve any PPP Applications this year.

**Incarnation - Great Falls.** Bishop Marty stated Incarnation's financial situation is reaching critical status, and they might become an Impaired Congregation by this summer. Bishop Marty will have a discussion with Incarnation and start working with their Vestry. Council may need to organize an Impairment Team to work with Incarnation.

**Subcommittee for Stewardship, Evangelism and Future Goals.** Bishop Marty would like to create a subcommittee for stewardship, evangelism, 18-month plan, 5-year plan, and also to provide guidance on the reporting requirements for the Churches with abatements. Mary Alice Jones volunteered to chair the subcommittee. Other possible subcommittee members may include Janis Hansen, Stephen Day and Jim, the past Sr. Warden at Holy Spirit - Missoula.

**Update from Bishop Marty.** Bishop Marty Stebbins stated she is starting to do in-person visitations. Currently, she has scheduled visits at Dillon, Fort Benton and St. Stephens in Billings. However, no out of state travel is planned for the near future. It is her goal to have most Churches open for in-person worship by Easter Sunday.

**Future Diocesan Council Meetings.**

- \* Saturday, April 17, 2021 - *Visioning* (via Zoom) at 10:00 a.m.
- \* Saturday, May 1, 2021 (via Zoom) at 10:00 a.m.
- \* Saturday, July 10, 2021 - *Budget only* (in-person) at 10:00 a.m.
- \* Saturday, August 14, 2021 (via Zoom) at 10:00 a.m.
- \* Saturday, October 23, 2021 - *New Members* (via Zoom) at 10:00 a.m.
- \* Saturday, November 13, 2021 (via Zoom) at 10:00 a.m.

**Adjournment.** There being no further business to come before the Diocesan Council, on motion duly made and seconded, the meeting was adjourned at 12:45 p.m. by The Rt. Rev. Marty E. Stebbins.

Respectfully submitted,  
Gayle Gallik Archey, Diocesan Secretary.