

## **The Diocese of the South**

**Orthodox Church in America**

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2014 Diocesan Assembly  
Diocese of the South  
St Seraphim of Sarov Cathedral  
Dallas, TX

First Plenary Session – Tuesday, July 22, 2014

1. The first plenary session of the 2014 Diocesan Assembly began with an opening Molieben at 2:04pm at St Seraphim of Sarov Cathedral, Dallas, TX, on Tuesday July 22, 2014.
2. Fr Marcus Burch, Chancellor, presented the Praesidium for approval, consisting of:  
President: Archbishop Nikon  
Clergy Chair: Fr Marcus Burch  
Credentials Committee: Fr Basil Zebrun and Fr Christopher Foley  
Secretariat: Fr Joseph Lucas and Fr Nicholas Roth  
Tellers: Fr Nikolay Miletkov, Fr Jason Foster, Fr Daniel Hickman, Mr Gary Popovich  
Fr Ernestos Rios moved to accept the Praesidium, and Fr Peter Smith seconded. Carried unanimously.
3. Archbishop Nikon presented his opening remarks. [See report on dosoca.org]
4. The credentials committee reported that 1 bishop, 55 clergy, 34 lay delegates, and 24 observers were present at the first plenary session, for a total of 114.
5. The 2013 Diocesan Assembly minutes were presented for approval. Fr Dimitri Cozby offered a friendly amendment to correct the spelling of his name; Mat. Elizabeth Perdomo offered a friendly amendment to correct another spelling mistake. Fr Leo Poore moved to accept the minutes as so amended, and Fr John Maxwell seconded the motion. Carried unanimously.
6. Chancellor's Report. Fr Marcus Burch began by expressing his gratitude to the Dallas clergy and parishioners for all their hard work in hosting the Assembly, particularly Archimandrite Gerasim and the Cathedral, and Fr Seraphim Hipsh for coordinating the Youth Program. Fr Marcus also noted his appreciation for the synergistic relationships currently enjoyed in the Diocese among the Deans, Diocesan Council, Metropolitan Council, Treasurer, and His Eminence in particular. Looking toward the future, it is important that we start putting an emphasis on taking care of our clergy, to include clergy development, assignments, and transitions. This process needs to start when we send people off to

Seminary so that they can maintain integration within the Diocese. Additionally, everyone ought to remember to take advantage of the availability of their Deans, as they should be the first point of contact when a need outside of the parish first arises. Because Vladyka Nikon shepherds three dioceses, it is important to streamline and organize his involvement in these matters. Fr Marcus also thanked Mr Milos Konjevich for the great job he continues to do in the Diocese. His insight, ability, and desire have been foundational in the growth efforts of the Diocese, and it would be a great opportunity for us to hire a financial secretary in the Diocese to assist Milos with all of his hard work so that we can regularize our policies and procedures. Additionally, thanks to the hard work of the Audit Committee, we finally have an Audit Report that will be presented at the Assembly for the first time. The regular audits will allow the next generation of financial staff to begin their duties with the same trust and integrity that Milos has earned over the last few decades. We have been blessed to have Archbishop Nikon as our pastor until we have a ruling hierarch, and we now have a special nominating assembly on the horizon to look forward to. The Diocese has continued its growth in the past year, and financial strength continues to be one of our hallmarks. The 2015 budget that is being presented will greatly increase our capacity to help ourselves grow our deaneries. Fr Marcus closed by noting that as clergy, we have to help both each other and our Deans, especially by developing relationships with one another and sharing the Gospel together. Any success we enjoy comes from working together, while our failures normally come when we try to go it alone.

7. Treasurer's Reports. [See reports on [dosoca.org](http://dosoca.org)] Mr Milos Konjevich began by thanking Fr Marcus for all his hard work. He has never felt better about the future of the Diocese than he does now, and we are finally in a position where we have the financial wherewithal to do all the things we've wanted to do. Despite cutbacks in tithing, the Diocese finished 2013 in the black for the first time since 2009, when the Diocese decided to assume the OCA Assessment on behalf of all the parishes. Last year's numbers were good particularly because of staying underbudget on all expenses, especially payroll. The Diocese is on track to have a record year in terms of tithes, but the final seven months will determine that. If the 2015 proposed budget is accepted, it will be another act of faith just like when we decided to have the Diocese pay the OCA Assessments. The budget will restrict 25% of tithe income for funds to be used by each Deanery. However, we have always invested more and more in our parishes and missions, and it's reasonable to expect them to continue to be more productive in the future. Milos then presented a new report, the Expense Distribution Analysis, which shows how the Diocese has evolved financially since 1996, and has projections through 2035. Basically, it shows each year's tithe income with both the dollar amount and percentage spent on overhead, missions, and the OCA. Our goal is to regularize these percentages with 40% dedicated to Diocesan overhead, eventually getting to approximately 50% for missions and development, and then the rest to the OCA. The big unanswered question is how this might change if the OCA changes its funding model next year at the All-American Council. Currently, our goal is not to pay the OCA a specific percentage, but rather to establish our current giving as a baseline, and then to give them 10% of whatever increase in tithes the Diocese receives.

Fr John Anderson (St Seraphim's) asked to clarify how payment to the OCA would work. Milos said that he thinks the OCA will enter into a separate agreement with each diocese, but the current proposal is appealing to both the OCA and the Diocese.

Fr John Parker thanked Milos for all his hard work, and pointed out that in 2008, the Diocese spent more on missions than it received in tithes in 1996, even though it was the height of the Great Recession.

Fr Joseph Lucas asked how the 25% would be allocated to each Deanery. Milos answered that each Deanery would retain 25% of its own tithes, not 1/6 of the total tithes. Fr Joseph then asked what the approval process would be for use of those funds. Milos reported that it would be a decision taken in concert with the bishop, chancellor, and dean. The upside is that it removes the treasurer from the business of deciding how to use these funds, and allows decisions to be made at the local level with the people who best know the situation on the ground.

Fr Marcus Burch noted that the 25% is in addition to, not instead of, the amount already being allocated for missions and parish development each year. This will greatly increase our capacity to grow the Diocese.

Milos then turned to the Sources and Uses of Funds Statement to examine the past few years' financials. Even if the 25% option is approved, we will still have enough money to continue what we've been doing at the Diocesan level, especially in terms of Diocesan building programs. Unfortunately, one of our current setbacks is that it is getting harder and harder to secure loans as the industry turns to the idea of a nationwide, instead of local, bank, which removes local interests from the equation.

Fr Stephen Freeman asked whether any studies have been undertaken to discern how the loss of tax-exempt status would affect our ability to move forward. Milos replied that we probably need to brace ourselves for the day when that comes, as it seems that the nation is moving that direction.

Milos then explained the proposed 2015 budget that the Diocesan Council recommended, with the restriction of 25% of tithe income for Deanery Funds. He also explained the inclusion of \$32,500 to cover the OCA's assessment for the All-American Council, which would relieve the individual parishes of having to pay \$12.50 per member to the OCA.

Mother Thecla asked what unencumbered payroll was. Milos explained that the 40% mark is what we think is the best practice for restricting spending on payroll. The unencumbered amount indicates the dollars not being spent on an employee that would then be available for other uses. The 40% target gives us a sense of proportion and prevents the development of a bloated chancery, allowing more money to be spent on the actual parishes.

Maureen Jury asked whether the proposed budget indicated that we did not expect to have a ruling bishop in 2015 since there is no allocation for one. Milos responded

that it was not a concern of the Diocesan Council to develop a specific salary package for a bishop that does not yet exist, as there are still a lot of moving parts that have to be figured out. Priscilla Rivera noted that it could be confusing that we have clear guidelines from Archbishop Nikon on the timeline of enthroning a hierarch, but no indication of that within the budget. Milos replied that he would be open to accepting a friendly amendment to include a bishop salary package in the 2015 budget. Fr Marcus noted that the Diocesan Council did not get into the specifics, but there is plenty of money available within the budget to pay a bishop once we have one, including \$38,000 in unencumbered payroll, plus \$50,000 that is allocated for a financial assistant that does not yet exist.

Fr Ernesto Rios moved to approve the budget as presented. Fr Peter Smith seconded the motion, and it passed unanimously.

8. Audit Committee Report [See report on dosoca.org] After Mr Rudy Reudelhuber presented the report, the floor was opened for questions.

Fr John Cox asked whether we were still moving toward an outside audit. Rudy noted that we are; however, it will probably not be until Milos has a financial secretary that we are realistically in a position to move forward with an outside audit.

9. Mat. Rebecca Myers moved to adjourn for the day, and Hieromonk John (Anderson) seconded. The motion was carried unanimously, and the Assembly adjourned for the day at 5:33pm.

#### Second Plenary Session – Wednesday, July 23, 2014

10. The second plenary session was called to order at 1:38pm with the singing of “O Heavenly King.”

11. OCA Secretary’s Report. Fr Eric Tosi thanked the Diocese for inviting him to speak, and then gave an brief overview of his responsibilities as Secretary of the OCA before turning to the 18<sup>th</sup> All-American Council, which is scheduled for Atlanta next summer. He showed Metropolitan Tikhon’s welcome video from the new website, and again stated that the two main goals of the Council will be statute revision and finance reform. He noted that the Diocese has many of the major contributors to this process in the persons of Fr Dimitri Cozby, Fr Gleb McFatter, and Judge Lanier. Given that the OCA Statute assumes a head tax to support the central administration, the statutes have to be revised in order for the finances to then be reformed. The goal is to have the proposed revisions available to everyone by this Fall so that everyone will have enough time to review them and offer feedback before the Council begins. Fr Eric also noted that this Council will have more workshops instead of plenary sessions in order to allow the participants to engage in activities that they can take back to their parishes, such as evangelism. Fr Alexander Fecanin, Local Clergy Chair for the Council, thanked everyone for all their support.

Fr Eric then spoke briefly about the \$1 million bequest recently received by the OCA. The Holy Synod decided to use the bequest to establish a Missions School, wherein clergy and lay leadership in the parishes can attend a week-long workshop to help them learn about evangelism. The School will move around the country to help cut down on costs to the parish. Currently, the hope is to have the first session held prior to the All-American Council.

Fr Eric additionally spoke about the St Vladimir's Seminary/OCA Parish Mentorship Program, in which third-year MDiv Seminarians are paired with local clergy to serve in parishes during their final year of seminary. This program helps accomplish similar goals to those which the Diocese is trying to institute for all Seminarians.

12. Elections. Fr Marcus noted that, although they have one year remaining on their terms, neither Fr Gleb McFatter nor Judge Lanier are eligible for reelection to the Metropolitan Council next year when their terms expire. Because of this, we need to start thinking about whom we would like to elect at next year's All-American Council.

a. Diocesan Council. Fr Marcus Burch explained the requirements to hold office as stipulated by the Diocesan By-Laws. The hope is for a reasonable amount of continuity on the Council, so it is desirable that some members return next year. After a brief recess for Deanery caucusing, the results were as follows:

<u>Deanery</u>	<u>Delegate</u>	<u>Alternate</u>
Appalachian	Mr Bert Walther	Mr Michael Romanchik
Carolinas	Rdr Gregory Hayda	Mr Willard Brown
Central Florida	Mr Noel Busch	Mr Rudy Reudelhuber
Southcentral	Mat. Elizabeth Perdomo	Mr Daniel Homiak
Southeastern	Dr Barbara Massoudi	Mat. Angela Alessandrone
South Florida	Mr Gary Popovich	Mrs Priscilla Rivera

Maureen Jury noted that the Southcentral Deanery is grossly under-represented on the Diocesan Council. Fr Marcus Burch noted that, even though within the competence of the Diocesan Council, Archbishop Dmitri always determined the Deanery boundaries and numbers. When we have a new ruling hierarchy, we will defer to his judgment.

b. Audit Committee. Fr Ernesto Rios made a motion that all three members of the committee be reelected. Mr Gary Popovich asked whether the Diocesan Council wanted to endorse someone as an alternate or new member, such as Mat. Carissa Avant. It was noted that her current responsibilities precluded her involvement on the Committee. The Assembly unanimously approved all three current members.

Fr Marcus Burch asked for all members of the Diocesan Council and Audit Committee to submit a one-paragraph biography to be posted on the Diocesan website.

13. The credentials committee reported that 1 bishop, 52 clergy, 31 lay delegates, and 12 observers were present at the second plenary session, for a total of 96.

14. Reports. [See reports on dosoca.org]

- a. Deaneries. Each Dean mentioned some of the highlights of the year, as mentioned in the Deanery Reports, with a particular focus on missions and building programs.
- b. Monastic Institutions. Mother Thecla highlighted the progress of the building program at Ss Mary & Martha Monastery, and thanked everyone for their continued prayers and support.
- c. Metropolitan Council. Fr Gleb McFatter noted the three main issues of the Metropolitan Council: statute revision, finance reform, and issues with the OCA Pension Plan, as noted earlier and in the Diocesan Council meeting.

Fr Marcus Burch asked if there would be both time and space allotted to the individual Dioceses to hold their Assemblies within the context of the All-American Council. Fr Eric Tosi answered that the evening of Monday, July 20 is tentatively scheduled, and that space would be allotted within the hotel by request. Fr Marcus noted that the Diocese required a space.

Fr Gleb then reminded everyone that Ms Cindy Davis, ORSMA Coordinator, will be talking on Thursday at 2:30pm, and everyone ought to attend.

15. Other Business.

- a. Consecration/Enthronement Plans. Fr Marcus Burch noted that our timeline for the Special Episcopal Nomination Assembly in February means that we could possibly have the enthronement and consecration (if necessary) in early to mid-May in Dallas, hopefully in conjunction with the reinterment of Vladyka Dmitri in the Memorial Chapel. This would also mean that we will have a ruling hierarch to represent our Diocese during the All-American Council.
- b. Holy Chrism. Fr Marcus Burch noted that a number of priests had asked about getting more Holy Chrism; Fr Eric Tosi was kind enough to bring a supply from Syosset, so everyone who needs it ought to see him before leaving the Assembly.
- c. Mission Updates. Due to time restrictions earlier in the day, Fr John Cox and Fr Nicklas Aiello gave their updates at this time.
- d. Archbishop Dmitri Memorial Chapel Update. Archimandrite Gerasim reported that progress on the chapel is moving along steadily, even though we are a little behind where we thought we would be. The dome and the exterior were actually slated for completion this week, but the workers were asked to delay because of the Assembly. We were unaware of the actual process of bringing Vladyka Dmitri home, which led to some snags, but know that we know the process, it's mostly just a matter of paperwork and time. Sbdn Vladimir Grygorenko is preparing the icon

program for the frescoes, and they will be completed as time allows. Although we might be able to move a little faster, coordinating the timing with our other major anticipated events of 2015 looks like the best plan.

16. Upcoming Meetings.

a. 2015 Pastoral Conference. As announced, the 2015 Pastoral Conference will be held in Miami, FL at Christ the Saviour Cathedral with the Special Episcopal Nomination Assembly, from February 16 – 20.

b. 2015 Diocesan Assembly. As announced, the 2015 Diocesan Assembly will be held within the context of the 18<sup>th</sup> All-American Council in Atlanta, GA tentatively on July 20, 2015.

17. Igumen Sergious (Gerken) moved to adjourn, and Fr Kevin Rigdon seconded. The motion passed unanimously, and the 2014 Diocesan Assembly adjourned with the singing of “It is Truly Meet” at 4:22pm.

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