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Minutes of the 797th Provincial Council Meeting February 2, 2010, Hales Corners, Wisconsin

PRESENT: Fr. Thomas Cassidy, provincial superior; Fr. Yvon Sheehy, Fr. Vien Nguyen, Fr. Jack Kurps, Fr. Jim Brackin and Dn. David Nagel, councilors; Br. Frank Presto, provincial secretary; and Mary Gorski, minutes.

- I. Minutes — The council acknowledged that they had voted to approve the minutes of the 796th council meeting during a prior conference call.
- II. Bill Weidner — Before councilors addressed their agenda they met Bill Weidner who has been hired by Dn. Nagel to serve as the owner's representative in regards to construction of Sacred Heart at Monastery Lake. Mr. Weidner will provide oversight for the building project.
- III. Personal Sharing — Councilors took a few minutes to update each other on themselves and their ministries. Some items of note: 1) Fr. Cassidy spent New Year's with the Raymondville community during which he was able to work with the community to formulate a letter to the bishop of Brownsville regarding the province's ministerial commitment to Willacy County (the province will withdraw from the Valley in 2011); 2) councilors noted that Frater Duy Nguyen's final vows ceremony was a good experience for individual SCJs and for the community as a whole; and 3) there is good progress on Sacred Heart at Monastery Lake.
- IV. Finance
 - A. Sacred Heart at Monastery Lake
 1. General Comments — As noted at the start of the meeting, Bill Weidner has been hired to serve as the owner's representative on the building project. Kathleen Dahlgren, province attorney, has completed the contracts for the general contractor, architect, and the owner's representative. Work is still being done on the permits — a large number of permits from a variety of entities is required. The impact fee is in the process of being calculated.

Permits were received for the foundation so excavation has begun. Dirt from the excavation is being placed on the front lawn of Sacred Heart Monastery/School of Theology to save on hauling costs (this will be graded to blend in with the lawn). A place for the storm water retention pond has been dug. The old convent has been demolished.

Designs for the interior have been finalized and bids are in process. Dn. Nagel and John Kuxhause have met with the Oak Brook Corporation about managing the facility. They will meet with a second management company soon and then make a recommendation to the Provincial Council for approval. Such an organization will take care of all aspects of the public part of the facility – rentals, activities, marketing and maintenance. Maintenance concerns for the SCJ section are under review. The current Villa Maria staff may continue to serve in a similar capacity in the new facility either as employees of the province or perhaps as employees of the management organization.

Twenty percent of the apartments (12) in the first phase of the development will be set aside for low income housing.

Dn. Nagel said that there have been 55 inquiries regarding the apartments. The first section, in which the SCJs will reside, is expected to be completed in early September, 2010, with an anticipated move-in date of October 1.

The province has increased its insurance to \$13 million in response to the project.

2. Financing — The Province Finance Commission has reviewed several financing options for the project which Dn. Nagel presented to the council. The council voted to approve the financing of Phase 1, Stage 1 (SCJ portion) as follows: \$4 million will come from the Province Ministry Fund (\$4 million is the amount received for the sale of farmland in Baileys Harbor) and \$1.3 million will come from an estate gift left by Fr. Justin Guiltane. The total cost for the SCJ wing is estimated at \$5.3 million (including furnishings).

The council voted to approve the financing of Phase 1 (market-rate wing), Stage 2 as follows: \$4 million from the Charitable Gift Annuities Pool, \$1.7 million from the Province Reserve Fund, \$1 million from St. Joseph's Indian School funds (the school's development office will be asked to contribute \$1 million over two years), and two \$1 million loans — one from the Province Ministry Fund and one from the Support and Maintenance Fund. The two internal loans will be done at a 5.6% interest rate.

Fr. Cassidy asked that an effort be made to pay back the Province Support and Maintenance Fund first. Dn. Nagel said that approximately \$7 million will remain in the fund following the loan; this is enough to cover the province operating budget for about a year.

When asked if there was a sense as to when the province might see a payback on the rest of the money that it is putting into the project Dn. Nagel said that calculations are being done and to keep in mind that payback on such a large project could easily take 20 years or more.

- B. Review of Support and Maintenance Trust Fund — There are currently 95 members in the U.S. Province. Forty-two percent of the membership have retirement status. The Support and Maintenance Trust is being financed by only 58% of the membership. As more members of the province reach retirement status that percentage of support continues to decline. With the decline in the markets and increased needs of the province, the fund dropped from \$26 million in 2005 to \$18 million in 2009.

Dn. Nagel prepared a fund projections chart along with a narrative. It is attached as Addendum A.

Dn. Nagel proposes that to adequately meet the needs of the province in the future that the monthly contribution of SCJs who are not retired be raised from \$100 to \$200 a month. Those of retirement status would be asked to contribute \$250 a month. This would come from a reduction in the retiree's monthly stipend. Dn. Nagel noted that at first glance, this seems like a significant jump. However, he added that for many years the contribution remained at \$75 per month. It was raised to \$100 soon after Dn. Nagel became treasurer yet the increase did not reflect the actual needs of the province.

The Finance Commission has reviewed Dn. Nagel's proposal and is in agreement with it. The fund needs to be at a level that will adequately meet retirees' needs well into the future. At this point it does not.

The council was in favor of Dn. Nagel's proposal. In regards to the reduction of retiree stipends Dn. Nagel said that generally retired SCJs do not use their full stipend each month so the reduction should not be a burden on them or their communities. Non-retirement communities may be impacted more by the stipend reduction than Pinellas Park and Villa Maria; it is more economical for retirees to live within retirement communities. However, in noting this fact neither the treasurer nor the council want to give the impression that retirement outside of a retirement community is unwelcome. It is simply a fact of which the province membership should be aware.

Later, the council suggested that the retiree contribution be the same as that of the non-retirees. Both should pay in \$200 per month. Again, for the retirees this will come as a reduction in their monthly stipend.

Before voting on the increase in contributions councilors want to allow province membership an opportunity to give feedback (again, it was suggested that Addendum A would be very helpful to SCJs as they consider the increase). Members will be encouraged to share concerns they might have about the contribution increase. They can voice their thoughts to Fr. Cassidy or any member of the council. The council will vote on the increase at its March 10-11 meeting.

- C. Medical Coverage for Retirees — In answering a question about the impact of Medicare Dn. Nagel noted that medical coverage for retired SCJs does not come out of the Support and Maintenance Trust unless the council approves such use. Councilors thought that such expenses should come out of Support and Maintenance. Doing so gives a more realistic picture of retirement expenses. The council will revisit this issue at its March meeting.
- D. Stakeholders' Investment Meeting — Councilors are welcome to attend the February 17 Stakeholders' Investment Meeting at the Provincialate. It begins at 9:15 a.m.

V. Personnel

- A. Fr. Mark Mastin — Fr. Mastin has requested permission to apply to serve as a military chaplain with the U.S. Army. The council voted to approve Fr. Mastin's request to apply to serve as a chaplain with the U.S. Army. The council did so with the stipulation that every effort be made on Fr. Mastin's part to find ways to be connected with the SCJ community, including attendance (as possible) at province functions. It was also noted that the vote simply gives Fr. Mastin permission to apply for service; he still needs to be approved by the military.
- B. Fr. Guy Blair — Fr. Blair has written a letter — with the knowledge of Fr. Cassidy — to Fr. Paul Demuth, personnel director for Green Bay, requesting that he reconsider his decision to move Fr. Blair to St. Paul Parish in Combined Locks. Fr. Blair noted that much work has been done to develop ministry to the deaf at Fr. Blair's current parish of St. John the Evangelist. Fr. Blair has not yet heard back from the bishop but Fr. Cassidy told Fr. Blair that he will support him in his dialogue with the bishop.
- C. Fr. Thi Pham — The council voted to recommend that Fr. Pham be presented to Archbishop ListECKI as associate pastor of St. Martin of Tours parish and as such, serve as chaplain to the Milwaukee Vietnamese Catholic community which worships at the parish. Br. Presto is going to contact the Milwaukee chancellor to determine the appropriate title for the position (chaplain to the Vietnamese community).
- D. Fr. Paul Grizzelle Reid — Fr. Grizzelle Reid has agreed to serve as director of the province vocation department. He will begin a three-year term on July 1, 2010. He will be closely involved in helping to write a job description for the office manager. At previous council meetings it was noted that the office manager will serve a significant role at the office. Fr. Grizzelle Reid will also be involved in the hiring process. Several SCJs will be assisting the office on a part-time basis, including Fr. Mike Burke and Fr. Dominic Peluse.

VI. Administration

- A. Pinellas Park — Fr. Cassidy said that Br. Ben Humpfer and Fr. Greg Speck seem to be doing well as the new leadership team at the SCJ community in Pinellas Park.
- B. ESL — It was noted that Fr. Chuck Wonch is aware of his expanded role with ESL as superior of the monastery community. Councilors asked who is attending to the paperwork involved with the incoming students. It was thought that Jo Calcagnino, assistant to the rector, supervises this.
- C. General Administration's Six-Year Program — The council will be reviewing the program with Fr. John van den Hengel at its July meeting. It was noted that individual entities are expected to prepare a three-year program. Since the current administration is almost at the end of its term it was thought that it would be more appropriate to leave this task to the next administration.

Councilors briefly discussed a few items in the general administration's plan. While councilors appreciated why North America was being combined into a geographic zone with South America, the differences between the people of the two continents is significant. Councilors noted the new efforts in areas such as China and a reorganization of the SCJs' presence in Vietnam.

One councilor said that he was pleased to see that health insurance for the elderly is an issue of concern in the general plan.

D. India — Fr. Cassidy sent a letter to the province with a request from the District of India for personnel assistance. Fr. Cassidy invited members of the U.S. Province to let him know — in writing — if they might be interested in serving the district. As of the February council meeting no one has contacted Fr. Cassidy about this.

E. Province Gatherings —

1. Council Reflection — In January, 2010, the province had the third of its three province gatherings. Fr. Cassidy said he saw positive growth during the process; communication among those who took part in the gatherings is better now than at the beginning of the process. There was a good spirit among the membership at the last gathering. He regrets that there were those who chose not to be present. How can they be made a part of the process? Fr. Cassidy said that Sr. Barbara Stanbridge seemed to adapt to and work well with the group.

Several councilors agreed that there was a good spirit in the group and good communication. The membership socialized well together and talked from the heart. The novices were an excellent part of the gathering. It was good for them to spend time with the membership and they made significant contributions to the conversation.

It is important that the province – including its youngest members and novices – now have a significant shared experience.

Councilors felt that the first day-and-a-half went well but that the last day didn't seem to have the same spirit. One person noted that he was uncomfortable with Sr. Stanbridge's emphasis on "letting go" instead of talking about "redefining" or "reinterpreting."

There is a feeling that the province is now better equipped to address issues. There is a sense of a "shared struggle."

One councilor said that while the dialogues were good and that conversation skills were enhanced by the gatherings he would have preferred that the province moved toward more concrete tasks. There was much preparation to begin discussions about ministry locations but no "real" planning discussions took place.

Others noted the concern but said that these conversations laid the groundwork for concrete discussions.

A side-benefit of the gatherings is that the Sacred Heart at Monastery Lake was shared and discussed with the membership. There seems to be a sense of ownership and acceptance of the project because of it.

2. Steering Committee — The steering committee met by conference call soon after the gathering. They suggested that Fr. Greg Murray, facilitator of the June election assembly, be briefed on the gatherings and asked to use the language that was effective at the gatherings. He should encourage the membership to slow down and talk from the heart.

The committee suggested that once a year — perhaps in January — the province continue to get together for an assembly or gathering to continue to have conversations. Also, the committee suggested that an ad hoc committee be established that would develop a process to use on the local level to continue what was begun. The suggested committee would include some members of the planning committee along with Fr. Jim Schroeder and Fr. Bob Tucker.

One councilor suggested that there be a focus on renewal and spirituality; perhaps a province retreat. Could a process on the local level prepare the membership for a retreat on SCJ spirituality or something similar?

Fr. Cassidy will write a letter to the province asking for input on the suggestion of scheduling the next province gathering in January, 2011. It would not necessarily take the form of the previous three gatherings. Instead, it would be something that the ad hoc committee would develop — perhaps a retreat or renewal experience.

F. Election Assembly

1. Schedule — Br. Presto presented two scenarios for the first day of the assembly. The council prefers the option that has the assembly beginning at 11 a.m. on Monday, June 14, with holy hour. A basic schedule has been determined for the rest of the days; however, there needs to be flexibility in Thursday and Friday's schedule. It is hoped that after the election of the final councilor that the assembly can have either a Mass or a prayer service soon after during which the new administration is blessed.

It was noted that Fr. John van den Hengel, general councilor, will be present at the assembly; he should be the main celebrant at one of the Masses (perhaps the opening liturgy).

2. Discernment Ballots — The results from the discernment ballot were shared with the council. These will be forwarded to the membership. Individuals will have until February 18 to contact Fr. Cassidy to request that their names be removed from consideration. After reviewing the final list of eligible candidates, minus any removals, the council will forward it to Rome for approval by Fr. General and his council. The Provincial Council will have a conference call on Wednesday, February 24 at 11 a.m. to review the list of names.

- G. Praesidium — Br. Presto shared a letter with the council that he will be sending to the membership in the next two weeks. In it is a reminder that the province commitment to Praesidium requires that "All members who serve in public ministry, even those who only occasionally serve in public ministry, must participate in a minimum of three hours of education (safe behavior training in regards to minors and vulnerable adults) over a three year period."

Members of the province need to submit written information about training they have received since April 2008. If they have not had such training they need to do so in the near future and again, provide written documentation.

The council agreed that a province program should be developed so that there is an assurance that all members have had similar training.

- H. Sacred Heart Monastery Community Plan — Before completing his term as administrator of Sacred Heart Monastery Br. Ray Kozuch listed several goals developed by the SHM community for itself. This list was shared with the council.

VII. Conference Call — The council will next meet by conference call on Monday, February 8 at 10 a.m. (CST).

ADDENDUM A

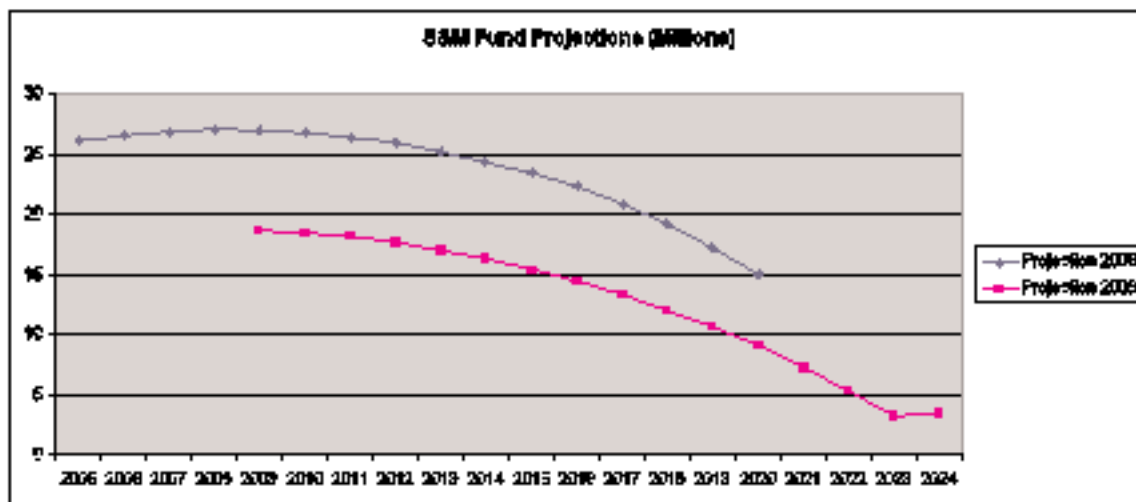
Retirement Options:

The total number of SCJs has dropped below 100 members and is currently at 95 members. 42% of the Province members have retirement status. The Support & Maintenance Fund is being financed by 58% of the membership but this level of support continues to decline as more members achieve retirement status.

Active Members	58%	55 Members	Present Contribution \$100	Proposed Contribution \$200
Retired Members	42%	40 Members	Present Stipend \$2,625	Proposed Contribution \$200 – Stipend \$2,425

An individual SCJ giving \$100 per month to the Support & Maintenance Fund contributes \$1,200 per year. A retired SCJ would receive a stipend of \$2,625 per month or \$31,500 per year. The Support & Maintenance Fund cannot afford to provide living stipends in the foreseeable future unless more money is contributed to the Support & Maintenance Fund.

In 2005 the Support & Maintenance Fund was at \$26 million dollars with the decline in the markets, departure gifts to older members, and increased needs of elders by June of 2009 the Fund was \$18 million. The graph below shows the fund level going forward 15 years taking into account the increase in the number of members retired and the decrease in contributions from active members. Projections are based on a program provided by the Religious Retirement Association.



The present monthly contribution to the Support & Maintenance Fund is \$100 per month for active members. This is an increase of \$25 from \$75 that had been contributed five years ago. The contribution level is not sufficient to provide ongoing assistance to members of the Province who are unable to work.

As more SCJs retire, there are fewer members to contribute to the fund. At the present time those who reach retirement status are excluded from contributing to the Support & Maintenance Fund.

Proposal:

I am proposing raising the monthly contribution to \$200 for those who are not retired and \$200 for those who have retirement status. The contribution will come from the income of the local community for those who are active. The contribution for those who are retired would be made through a reduction in the monthly stipend.

Pre-Retired:

SCJs under 70 years of age or who have not reached retirement status will contribute \$200 per month to the Support & Maintenance Fund. The doubling of the monthly contribution would help to grow the Fund over the year and make up for the decrease in the number of active members who are contributing.

Retired:

The present stipend for SCJs with retirement status is \$2,625 per month. The total per year is \$31,500. According to government reports the income for a retired person is about \$28,500 per year. The Federal Government has also put a two to three year hold on increases to benefits for Medicare and Social Security. I would suggest a monthly stipend of \$2,425 per month or \$29,700 per year. This would provide a savings keeping more money invested in the S&M Fund.

The savings would be \$200 per month or \$2,400 per year by reducing the monthly stipend. In addition, the retirement houses are currently using less money than is being sent to them. The change should not be a financial burden to the retirement residences. The decrease in funds going out of the S& M Fund would help to grow the resource going forward.

Other:

The financial markets have started to regain some of the losses experienced in late 2008 and early 2009. The S & M Fund was at \$17.1 million at the end of November of 2009 but has come back to \$20.1 million by the middle of December 2009. The increase in the size of the S & M Fund will help meet required funding needs for SCJ members who are retired and will retire in the future.

CALENDAR

2010	
March 10-11	Provincial Council meeting
May 10-12	Provincial Council meeting
June 14-18	Election Assembly, Hales Corners, Wis.
July 12-13	Provincial Council meeting
August 14	Entrance to Novitiate, Sacred Heart Monastery
August 15	First Professions, Sacred Heart Monastery
August 16-17	Province Assembly (tentative)

UPDATES

FR. FRANK WITTOUCK'S address while he is on sabbatical:
109 Oblate Dr.
San Antonio, TX, 78216

FR. PAT LLOYD
St. Anthony Parish
P.O. Box 106
Tigerton, WI 54486-0106
715-535-2571 (phone)
715-535-2953 (fax)

NECROLOGY

FR. HUBERT MEYER of the German Province who died January 3. He was born in 1935, professed in 1960 and ordained in 1966.

FR. RICHARD ZELONIS, a member of the U.S. Province who also died on January 3. He was born in 1928, professed in 1975 and ordained in 1979.

FR. STANISLAW LUKASIK, a member of the Polish Province, died January 9. He was born in 1927, professed in 1949 and ordained in 1956.