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Minutes of 838th Provincial Council meeting Meeting with Superior General (Fr. José Ornelas Carvalho) and vicar (Fr. John van den Hengel) Hales Corners, Wis., September 23, 2013

PRESENT: Fr. Stephen Huffstetter, provincial superior; Fr. Ed Kilianski, Fr. Byron Haaland, Fr. Jack Kurps, Br. Duane Lemke and Fr. Christianus Hendrik, councilors; Fr. José Ornelas Carvalho, general superior; Fr. John van den Hengel, vicar general; and Mary Gorski, minutes.

- I. Introduction – Fr. Ornelas noted that his presence, and that of Fr. van den Hengel, was an expression of the general administration's desire to work together in a fraternal, cooperative way. He expressed his thanks for arrangements that the province made for the visitation and the hospitality that he and Fr. van den Hengel received.

He emphasized that his comments are not to be considered as judgments — in such a short visit one cannot get a full understanding of an area — instead, what he and Fr. van den Hengel attempt to do during a visitation is share what they hear and see, presenting their impressions as outsiders looking in.

- II. Letter – Fr. van den Hengel read a draft of the letter that would go to the province following the visitation. He said that he welcomed councilors' input on it. The letter began with an overview of the province. Other topics noted in the letter:
 - A. Vocations — The low number of men entering candidacy combined with a reduction in ministerial commitments dominates much of the agenda of the province. Frs. Ornelas and van den Hengel urged the province not to be discouraged and to continue its vocation ministry, remaining attentive to those who might be hearing the call to religious life and/or the priesthood. The work the province has done in vocations has borne fruit. They reminded the council that the best way to develop vocations is to live consecrated life authentically and let people see it.
 - B. Older members — Approximately 67% of the province is between the ages of 60-80. During the visitation Frs. Ornelas and van den Hengel said that they heard some speak of retirement with sadness, seeing in it isolation and a premature departure from ministry. At the same time Frs. Ornelas and van den Hengel found that there were many senior SCJs who are active in ministry, often filling in for others. It is important that religious are always active in their religious life, regardless of their level of outside activity. Frs. Ornelas and van den Hengel urged SCJs in retirement to be more active in attending to the function of their communities. The operation of a retirement community, and the care for members in it, shouldn't be shouldered only by its local superior. All members can assist to the extent of their abilities.
 - C. Living Dehonian spirituality — Frs. Ornelas and van den Hengel were happy to see that SCJ spirituality is being shared with collaborators in SCJ ministry. The work of the Dehon Study Center has been well appreciated; it is hoped that such work can continue. They noted that the founder's works have been digitized and will soon be available for general study on the internet.
 - D. Open to the world — The province is encouraged to continue to take part in the congregation on an international level (through events and in ministry) and view itself as

a part of a worldwide congregation. The shift of the congregation from the northern to the southern hemisphere was noted, as well as the movement of peoples across borders. Increasingly, the congregation throughout the world has become more international. Frs. Ornelas and van den Hengel urged the province to make formation programs more international and said that they hoped that young religious could spend part of their life living in a culture different than their own.

The work of the ESL program at Sacred Heart School of Theology was noted. They suggested that SCJ students in the program get a wider experience of the province. They would learn more about the United States and members of the province and their collaborators would benefit from being with them.

- E. Hope — The province is urged to maintain hope even in the midst of declining numbers and reduced ministries. Numbers aren't as important as living the SCJ charism.
- F. Finances — The province has been blessed with good resources. Frs. Ornelas and van den Hengel reminded SCJs to use such resources prudently, keeping in mind the vow of poverty. In community gatherings SCJs are encouraged to reflect on what it means to live simply as a religious. What does it mean to live in solidarity with the poor?

Frs. Ornelas and van den Hengel also expressed their gratitude for the financial generosity of the U.S. Province to the congregation and to the work of the Church with and for the poor in the United States.

- G. Concluding comments — Fr. van den Hengel said that he and Fr. Ornelas learned much about the province. They were impressed by the province's collaboration with the laity. As the province prepares for its future Frs. Ornelas and van den Hengel encouraged the administration to look beyond its mandate. It would be good to look long-range, perhaps at a ten-year plan. If plans aren't made now for the future it will be hard to find solutions to the challenges the congregation will face 10, 15 years from now. It is important to define what the congregation wants to be and do in North America now so that time and money can be invested appropriately.

III. Council feedback to letter — Frs. Ornelas and van den Hengel welcomed comments from the council in regards to the letter and the visitation itself.

Fr. Huffstetter said that the ESL program was mentioned but nothing was said of Sacred Heart School of Theology. Did Frs. Ornelas or van den Hengel have any reflections on that ministry? Fr. Ornelas said although they had information about the seminary from council minutes and other communication they had not spent time at SHST during the visitation. He noted the work of the seminary with mature vocations and said that it was hoped that there could be more collaboration between the major educational institutions of the congregation. During their time with the Dehon Formation Community in Chicago Fr. Ornelas talked about having several English-language bases for studying theology. Manila and Pietermartizburg have become such bases. He suggested that perhaps Chicago, with its access to a variety of educational institutions could become another hub.

Fr. van den Hengel asked for input on SHST. What kind of conversations are taking place in the province regarding SHST? Fr. Huffstetter said that he hoped to see more dialogue about the seminary among province membership.

Although Frs. Ornelas and van den Hengel said they would try to find time to meet with SHST staff it was suggested that in their letter to the province it be noted that they did not meet with seminary staff if they are unable to do so.

A councilor asked if Frs. Ornelas and van den Hengel found a sense of discouragement regarding vocations. They said that some discouragement was found in the membership. But they also noted that it is very hopeful that there are young, talented SCJs in the province.

Overall, Frs. Ornelas and van den Hengel found that communities in the US Province are functioning very well. The province is adapting to new realities; they gave the example of the non-SCJ heading SHST. It is important as the province looks at its future to not sacrifice community life in an effort to maintain a ministry.

Internationality is the future of the congregation on every level. Ministries can be enhanced by an international effort. New ministries can be undertaken if done as a congregation. In South America there is discussion about working as a confederation.

The council concluded their discussion of the letter with a brief reflection on finances. Economics have to be contextualized to the situation of each country and all entities, no matter how poor, must contribute financially to the congregation. There must be

sharing of wealth in the congregation, all must share to the extent that they can.

IV. Other items

- A. Archives — Fr. Ornelas expressed his thanks for Fr. Wayne Jenkins' work at in the general archives, especially in relation to the files on Fr. Prevot. He would like to have Fr. Jenkins' come back for further short-term assignments. Fr. Jenkins has said that he is open to doing so and would be available for assignments up to three months.

Next year is the 50th anniversary of the deaths of SCJs in the Congo. It is hoped that information in the archives from that time can be more fully organized for activities related to the anniversary.

Minutes of the 839th Provincial Council Meeting Hales Corners, Wis., October 23-24, 2013

PRESENT: Fr. Stephen Huffstetter, provincial superior; Fr. Ed Kilianski, Fr. Byron Haaland, Fr. Jack Kurps, Br. Duane Lemke and Fr. Christianus Hendrik, councilors. Present after faith-sharing: Fr. Terence Langley, provincial secretary and Mary Gorski, minutes. Present for financial matters: Dn. David Nagel, provincial treasurer. Guests: Mark Peters, candidate for province director of Justice, Peace and Reconciliation, and Br. Frank Presto for discussion of admissions and drafts of province policies

I. Faith sharing – The council spent Wednesday morning in prayer and faith sharing. The questions reflected upon:

- When, where and how have I been reminded of my baptism in a meaningful way?
- In what particular ways does my current ministry call me to witness to the Kingdom, and in what ways am I called upon to love others?
- In what ways is this current moment providing nourishment and affecting my personal story?
- In what was is, or is not, the story of our congregation integrated with my personal story? What personal response is the story of our congregation calling on me to make at this time?

II. Personnel — Personnel issues and related concerns were discussed individually and in some cases, by community.

- A. Florida — Fr. Huffstetter spoke with Br. Ben Humpfer who said that Fr. Tom Burns is doing well after surgery. Fr. Huffstetter plans to do a visitation with the Pinellas Park community in January.
- B. Fr. Bob Bossie — The province is supporting Fr. Bossie's brother, Paul, who is in nursing care.
- C. Fr. Tim Gray — Fr. Gray finds formation rewarding and is open to continuing his assignment; a three-year-term was suggested.
- D. Fr. Tom Lind — He is doing well after receiving a pacemaker.
- E. South Dakota — Fr. Vincent Suparman's visa will be up in January; Kathleen Dahlgren will assist with the paperwork needed to extend his stay.
- Fr. Joe Dean's term as local superior is coming to an end; a consultation needs to be done.
- F. Formation and vocations — Regarding formation, there is the question of the novice master. A replacement needs to be found for Fr. John Czyzynski.
- G. Opening listing — It was suggested that several positions in the province be open-listed to the membership including:
- Pastor of St. James in Chamberlain
 - Executive director of St. Joseph's Indian School
 - Formation personnel

- Novice master

SCJs will be invited to not only respond if they are interested in a particular position but to also recommend other SCJs whom they feel could do well in one of the jobs. Fr. Huffstetter will draft a letter about this by mid-November to send to the province. He will share it with councilors before it is sent.

- H. Fr. Zbigniew Morawiec — He went to Poland to be with his family; his father recently died.
- I. Fr. Frank Wittouck — He wrote to Fr. Huffstetter and said that he would be open to being a part of an international community in Houston.
- J. Fr. Joseph Dinh — He has begun ministry at St. Martin of Tours in Franklin, Wis. Fr. Huffstetter attended his welcome Mass with the Vietnamese community.
- K. Congregational Home — Fr. Huffstetter recently visited the SCJs at the Congregational Home and said that they are basically doing well.

III. Administration

A. Justice, Peace and Reconciliation director

- 1. Interview with Mark Peters — In September the JPR Commission met with Mark Peters, currently director of Adult and Family Ministry at St. James parish in suburban Milwaukee. In late summer he inquired as to whether the JPR director position was still open. His meeting with the JPR Commission went well and the commission recommended that he be considered for JPR director. Linda Church, province human resources director, did preliminary screening regarding his possible hire. Dn. Nagel was also involved in the process.

Mr. Peters met with the council. He spoke about his background which includes 10 years as a parish consultant with the Archdiocese of Milwaukee (was a part of parish merger processes), ministry at two Milwaukee area parishes (his current position and as Human Concerns director at St. John Vianney), and service with a variety of social concerns organizations including Milwaukee's Voices for Justice and Catholics for Peace and Justice, as well as the Interfaith Conference, Peace Action and Pax Christi.

He spoke of his passion for human concerns issues and his long desire to work in the field full time. Mr. Peters has been active in social justice since college.

Asked how he would approach the JPR director job Mr. Peters said that he would first need to become well-educated on the Priests of the Sacred Heart, the US Province in particular and the social concerns that are most pressing to SCJs.

Mr. Peters is willing to spend time in each location of the province to learn about it and its needs.

Councilors spoke of some of the challenges of the job, especially the need to address audiences about concerns that they may not have sympathy toward. Mr. Peters noted previous times in his career when he has worked with diverse and sometimes challenging groups.

- 2. Follow-up — Councilors spoke about the interview with Mr. Peters. They appreciated his energy and passion for social justice. However, it was noted that the position itself may be a challenging one.

If hired, it is important that Mr. Peters get a good understanding of the SCJs and the province. This will most likely involve extended time in province locations in his first months.

Fr. Haaland will give an introduction to the community, Fr. Dehon and his charism.

The mechanics of the position were discussed. As an employee of the province the JPR director would report to Dn. Nagel. Concerns related to his employment would be addressed to Dn. Nagel and/or Ms. Church. The JPR Commission would be responsible for directing his work. Fr. Kilianski, council liaison to the commission, suggested that Mr. Peters could serve as an executive director to the commission.

It was suggested that JPR director also have regular contact with the council, meeting with it periodically.

The council voted to hire Mark Peters as province director of Justice, Peace and Reconciliation. He will begin January 1, 2014.

- B. South American Continental Conference — Fr. Kilianski represented the U.S. Province at the South American Conference which took place a week after the North American gathering. He said that the conference was an excellent experience and that it addressed many of the same issues that the North American conference did, including diminishment (Brazil has many SCJs but numbers in the other South American counties are declining) and addressing the question of how the Dehonian charism can and should continue to be expressed.

Nine countries were represented; Bishop Virgino Bressanelli was a participant and gave one of the key presentations.

In the final statement there was a call for a greater sense of internationality. There is a desire for an international project in the Americas (North and South) and interest in more exchange between the entities. Members of the council spoke of possibilities for SCJs from Spanish-speaking countries to come to the US to serve in Hispanic ministry while studying English, or for ESL students to spend time ministering in and learning about local areas in the US Province.

Fr. Kilianski noted the energy found at the conference and the large number of young SCJs. He was impressed by the Dehonian imprint in SCJ parishes.

C. North American Continental Conference

1. Review — Fr. Kurps, chairperson of the NACC planning committee, asked for input on evaluation questions for the conference. If participants were comfortable with the style of the gathering (especially the experience of extended morning prayer) a similar method may be used for the province chapter. Several councilors said that they liked the style though at times it was challenging to slow down as lengthy Taize prayer calls one to do. It would have been nice if SCJs could have led the singing instead of recorded music. Perhaps other types of music could be utilized at future gatherings in addition to Taize.

The mix of French and English was appreciated. Overall there seemed to be a very good spirit in the group. Fr. Stefan Tertünte's presentation was well-received, though hard for some people to hear. The entertainment was fun. Sr. Cathy Bertrand did an excellent job as facilitator; she was respectful, caring, and very on-task. She was able to set the tone and then be quietly in the background.

The pace of the conference was very good; the schedule was well thought out. The process of quietly walking around and reading tablework was very good.

Interaction with Canadian SCJs was wonderful. There seems to be a good collaborative spirit among and appreciation for each other. There is much in common between the two entities. It was energizing to experience the "new blood" that is in the region with the international members.

Some councilors said that they left the conference feeling that it was "unfinished." They hoped for next steps.

2. Follow-up — Fr. Huffstetter said that he and Fr. Bill Marreeve, regional superior of Canada, plan to talk about follow-up to the conference when they are both in Rome at the Major Superiors Meeting. Councilors talked about "next steps."

Some of the issues raised at the NACC were related to social justice concerns. The new JPR director might be able to direct follow-up in these areas. However, the province — North America — needs to decide on what in particular it wants to focus on. Immigration, for example, is a large topic — what in particular do SCJs feel called to address?

It was suggested that the two North American councils work together to define a follow-up process to the conference, perhaps appointing a committee to continue the work of the NACC. Except for some follow-up mailings and review, the planning committee's task is now complete. However, that committee, or some members of it combined with others, could be given the task of follow-up.

The idea of a joint North American chapter was raised at the conference. Could some type of joint gathering be done?

Regarding specific follow-up, Fr. Kurps noted that Fr. Tertünte's presentation had been posted for viewing and that a printed copy would be sent to SCJs. The evaluation, the synthesis statement, and a follow-up letter from Frs. Huffstetter

and Marvee are also planned.

- D. Minutes — The council voted to approve the minutes of the 838th meeting with minor corrections.
- E. Provincial Secretary — Several weeks ago Fr. Langley discerned his desire to move out of the provincial secretary's office and into other ministry. He spoke to the council briefly about this, emphasizing that he was grateful for the experience and that he felt that it was a privilege to get a new sense of how the province functions at the administrative level. Because of it, he has a greater respect and compassion for leadership. However, he felt that it wasn't his call to remain in the position through another term. He appreciates Fr. Huffstetter's support of his decision.

Fr. Huffstetter approached Br. Frank Presto about returning to the office. Br. Presto is willing. The council voted to approve the appointment of Br. Presto as provincial secretary. He and Fr. Langley will work together in November as Fr. Langley transitions out of the office.

F. CPOSH Board

1. Terry Johnson — The council voted to approve the appointment of Terry Johnson for another three-year term to the Chamberlain Priests of the Sacred Heart Board of Directors.
2. Fr. Jack Kurps — The council voted to approve the appointment of Fr. Jack Kurps to a three-year term to the CPOSH board. It was noted that Fr. Kurps represented Fr. Tom Cassidy at several CPOSH board meetings. It was Fr. Kurps who suggested the recent appointment of Mike Tyrell, acting executive director of St. Joseph's Indian School, to the board of Sacred Heart Southern Missions Board. Having a representative from each of the organizations on the other's board is a good way to exchange information between the two.

- G. Board visits — Fr. Huffstetter noted that since the last council meeting he has attended board meetings for Sacred Heart School of Theology, Sacred Heart Southern Missions and Chamberlain – Priests of the Sacred Heart (C-POSH). He noted that the financial situation with CPOSH is good. The board is looking at how it can begin to evaluate the impact of the donor care center in Sioux Falls. The center employs 35 people.

- H. Admissions Board — Br. Frank Presto, director of the Admissions Board, joined the council to discuss issues related to the board and admissions policies. He noted that a training session needs to be held both for new interviewers and to update previously trained interviewers. More young SCJs need to be involved in the admissions process. He hopes to schedule a training session during the first half of 2014; he has been in communication with previous session presenters regarding it.

Br. Presto presented the list of trained interviewers and potential interviewers.

The interview documents are very good but they have not been reviewed in many years. Br. Presto would like that to be done next year.

Among the issues that need to be addressed is confidentiality. Interviewers and board members need to be reminded of the confidential nature of their task.

Some have raised questions about the province's admissions standards, especially in regards to English ability. It is expected that applicants have a TOEFL score that is high enough to allow them to study at college level. However, some asked if this has disqualified potentially good candidates. It was noted that the province has supported the ESL studies of many non-SCJs at SHST. Would it make sense to also support the studies of a potential candidate? There can be exceptions for strong candidates. Perhaps the province could give a grant to a potential candidate who needs further ESL studies before applying for candidacy.

Each religious community approaches formation differently. Some accept more candidates than the SCJs do but weed out many of these men during the formation process. The number of men who take vows with the SCJs seems similar to other communities.

- I. Electronic communications and boundary issues — Increasingly, religious communities are looking at developing guidelines and/or policies in regards to social media, electronic communication and boundary issues. Near the end of his term Fr. Tom Cassidy asked Br. Presto to begin to develop such guidelines for the province. Br. Presto presented drafts of potential poli-

cies for electronic communications and for boundary issues.

Councilors were very appreciative of Br. Presto's work. They decided that the next step would be to get the input of the province membership. The drafts will be sent to SCJs with a brief introductory note by Fr. Huffstetter. He will ask SCJs to give their input to him by December 1 so that the policies can be discussed at the December council meeting.

- J. Preparation for Major Superiors Meeting — Fr. José Ornelas Carvalho asked for feedback regarding the major challenges to consecrated life, the main challenges facing the congregation locally and in general, the themes to be considered at the general chapter in 2015, and topic of internationality in the congregation.

Challenges noted by councilors: individualism, engagement more with ministry than with community/religious life, buying into popular culture instead of being a counter-cultural force, maintaining hope in the face of diminishment and living authentically.

In the province, challenges include vocation promotion, promotion of the Dehonian charism with laity, and a need for greater collaboration with the laity and other entities. Discussing what it means to be Dehonian and sharing that with others might be a good theme for the provincial chapter.

Also of concern in the province: finances and internationality.

How can the congregation implement internationality? Councilors said that more personnel exchange needs to be done between entities. More opportunities for international formation should be explored.

Fr. Huffstetter will take the input from the council to the Major Superiors Meeting.

- K. Provincial Chapter — The next meeting of the planning committee for the provincial chapter will be November 20. Fr. Kurps, a member of the committee, asked if the council had input for the committee. It was noted that topics for the chapter will most likely come out of the Major Superiors Meeting. It has also been suggested that time be spent discussing "Dehonian identity."

Could the chapter lay some of the groundwork for future discussion of province ministries? Some SCJs would like more decisive action regarding ministerial commitments and planning but councilors believe that a discernment process would be more prudent.

Other suggestions included consecrated life; how to live the vow of poverty, and accountability to one another as religious.

- L. Dehonian Family — In recent years there has been discussion among members of the Dehonian Family Committee about hiring a director. Many good ideas develop during meetings of the committee but each person on the committee has full time obligations. It is difficult to pursue many ideas because of time constraints. However, the province seems to increasingly see the importance of sharing the Dehonian charism beyond members of the Priests of the Sacred Heart.

Fr. Kurps recently spoke with David Schimmel to see if he might be interested in serving as director of the Dehonian Family. He said he was. A former SCJ, he has extensive knowledge of Fr. Dehon and SCJ spirituality. He developed many of the formation materials still used by the province.

Although councilors were not sure whether the position should be full or part time they were in favor of pursuing the idea. It is thought that Mr. Schimmel could do the job in the Chicago area, where he currently lives. Fr. Kurps and Dn. Nagel will work on a job description and begin discussion with Mr. Schimmel. Fr. Kurps will get back to the rest of the council when they are further along.

- M. Archbishop Jerome Listecki — Fr. Huffstetter had a meeting with Archbishop Listecki to introduce himself.
- N. Taubaté — There will be a theological conference next year in Taubaté, Brazil. It would be good to send a member of the province to it. Fr. Huffstetter is going to find out what language the conference will be in. It would be good to have one or more of the younger SCJ theologians represent the province.
- O. General archives — Fr. Wayne Jenkins informed Fr. Huffstetter that the Generalate is preparing a database for the congregation to which all entities will have access. This will allow for immediate data updating and use.

- P. Retirement assessment — Fr. Huffstetter shared information about the National Religious Retirement Office. The organization offers consultation services to assist religious in regards to retirement planning and evaluation. He suggested that the council talk about having an assessment of the province's retirement program. The cost is very reasonable (\$500 stipend for each assessor plus travel expenses). Councilors were in favor of the idea. After his visit to the CMSM new leaders workshop in December Fr. Huffstetter will bring more information to the council.

IV. Finance

- A. Province Development Office — Dn. Nagel just returned from a strategic meeting in New York City with Quadriga. He said that the meeting was good. Transitions at the office are going well. Recent expenses included severance pay for departing employees and the expansion of the mailing list. There was not a change in contributions in July or August but the impact of the revised mailing strategy is expected to be seen in the fall and holiday mailings.

The office is moving toward using what has become the popular province logo (German cross) and the look of development communications is becoming more similar to that of the province.

Dn. Nagel was asked about the impact of the office's recent fund raising performance on province ministries. Dn. Nagel thought that through the use of annuity fund excess the \$7 million budget goal for the province should be met.

- B. Former Provincialate building — The province development office has consolidated into its original building. MLG Commercial Real Estate Services (same business that sold the 37th St. property) has been contacted through Kathleen Dahlgren. MLG valued the building at \$775,000 and gave a suggested figure of \$77,350 a year if the building were leased. MLG believes that there is a good market for leasing the property.

As a side note, Dn. Nagel said that use of the upstairs is limited because there is no elevator access.

Dn. Nagel asked for direction from the council. The preference of councilors is to lease the building, not sell it. Dn. Nagel will pursue this.

- C. Sacred Heart at Monastery Lake — All apartments are rented and there is now a waiting list. The loan taken from the Support and Maintenance Trust is being repaid. Excess cash of \$150,000 has been taken in from rentals.
- D. SCJ Medical Plan — The medical plan was renewed on October 1; it continues to be administered by Benefit Plan Administrators. Stop loss coverage remains at \$60,000 for those under 65. Projected premiums from SCJs are expected to total \$930,600. Expected costs are anticipated at \$1,306,396. The expected deficit will be covered by either operating income or the Province Ministries Fund.
- E. Request from Bishop Zolile — Bishop Zolile, an SCJ who was recently installed as bishop of Kokstad, South Africa, requests \$30,000 to purchase a vehicle for his diocese. Bishop Zolile is developing a stewardship program for the diocese but his resources are very slim right now. The U.S. Province has a history of assisting dioceses in South Africa where there is an SCJ presence.

Fr. Huffstetter said that he was open to the expense but wondered if such requests should go through the Generalate. Dn. Nagel said that the province is always in communication with the Generalate regarding such requests.

The council voted to approve a \$30,000 grant to the Diocese of Kokstad for the purchase of a vehicle.

- F. Province financial audit — Dn. Nagel shared the province audit report done by Schenck. No irregularities or concerns were reported. Expenses for province operations were up slightly from the previous year. Net assets are up slightly because of the transfer of the SHML property to the province.

Dn. Nagel prepared a memo for the province regarding the FY13 financial report. It is attached as Addendum A.

The council voted to approve the province financial audit as presented.

- G. Jacksonport property ("Clark 40") — The province owns a piece of property in Door County. It is next to a state park and it was initially thought that the state would be interested in purchasing it to expand the park. With the economic downturn the

state did not pursue the purchase. A descendant of Eleanor O'Brien, the benefactor who donated much of her property in Door County to the SCJs, asked if the province would be interested in selling the Jacksonport property. It is a wooded piece of land close to the highway with no lake access. It is valued at \$200,000, a bit less than it was a few years ago.

The province gets a minor income from the property — approximately \$500 - \$1,000 a year — by renting a portion for hay.

Councilors said that they were in favor of the sale if the buyer is willing to pay the appraised value. Fr. Haaland will contact the interested buyer to inform him. The potential buyer was previously in touch with Fr. Haaland.

- V. Conference Call — The council will have a conference call on November 14 at 1:30 p.m. Central Time to update each other on various issues. The minutes of this meeting will be reviewed and approved via email.

ADDENDUM A

DATE: October 24, 2013
TO: Province SCJs
FROM: Dn. David Nagel, SCJ

RE: Financial Report for Fiscal Year 2013

The Provincial Council on October, 2013 reviewed the financial audit for the Province and approved it. The Statement of Activities is summarized here:

Support, Revenue, & Other Gains:	<u>2013</u>	<u>2012</u>
Total Support & Revenue	\$ <u>10,581,836</u>	\$ <u>10,838,457</u>
Expenditures:	<u>2013</u>	<u>2012</u>
Total program services	\$9,336,501	\$9,598,658
Administration and general	1,620,995	1,399,570
Total expenditures	\$ <u>10,957,496</u>	\$ <u>10,998,228</u>
Transfer, net	\$ <u>-2,546,406</u>	\$ <u>-820,209</u>
Net Assets at Beginning of Year	\$ <u>1,708,305</u>	\$ <u>2,688,285</u>
Net Assets at End of Year	\$ <u>-1,213,761</u>	\$ <u>1,708,305</u>

Expenses for most Province operations were slightly higher than the previous year. As of June 30, 2013 the Province Ministry Fund was \$ 2.6 million which is down from \$5.9 in Fiscal 2012. The Provincial Council approved the use of the Ministry Fund to finance a portion of the Sacred Heart at Monastery Lake Retirement Project and \$3 million was moved to cash for the project and the remainder to cover the deficit for the SCJ Medical Plan. The Province Ministry Fund is the reserve fund for the operation of the Province.

Phase II was completed in July of 2013 and seniors from the general public began moving in on August 1st. The cost for Phase II was \$6.7 million. The cost was covered by the Province investments from a variety of funds.(\$4 million loan from the Support & Maintenance Trust; \$1 million from the Province Ministry Fund; and \$2 million from excess in the CGA Pool) The apartments were 95% rented by the end of August.

Worries over the economy and donors vulnerability to financial difficulties has slowed the annual contributions received by the Province. The Priest of the Sacred Heart Development Office in Hales Corners gave \$7 million to the Province for operations and overseas missions but the Office had to remove \$2,825,000 million

from the reserves to cover operating costs. The Sacred Heart Southern Missions and St. Joseph's Indian School have raised their contributions to the Province. Contributions from other sources also increased Province income from investments helped to offset the expenses but still ended the year with a deficit of \$2,546,406 due to the transfer of building assets for the SHML from construction to plant fund.

The POSH Development Office underwent reorganization and several of the departments were outsourced. The Office has contracted with a vendor to provide a full range of services for the organization. The goal is to stabilize contributions and reduce operating costs so that the Office can continue to support the Province at the \$7 million level.

The SCJ Medical Fund expenses exceeded contributions due to increased costs as the Province membership continues to age.

Medical Fund Activity 2013:

Starting Balance:	\$ 272,301
Contributions:	\$ <u>1,389,871*</u>
Total Income:	\$ 1,662,172
Expenses:	\$ <u>1,272,504</u>
Gain/ (Loss):	\$ 389,667

The present monthly contribution is \$800 per SCJ member. *Contributions from the SCJ membership equaled \$888,800 while the remaining \$500,000 was taken from the Province Ministry Fund. The projection for expenses for the upcoming year puts the needed monthly contribution from each SCJ at approximately \$1,116. The SCJ monthly contribution is 72% of what it actually costs the Province for medical coverage. The SCJ Medical Plan has stop-loss insurance of \$50,000 per member so the liability is limited to that amount and expenses over \$50,000 for an individual are reimbursed by the insurance carrier.

The Priests of the Sacred Heart Support & Maintenance Trust continues to support those members of the Province who are not active in ministry. The Trust provides support to retired SCJs for a total of \$1.6 million per year. The monthly support contribution from SCJs active in ministry is \$200 per person.

The investments for calendar year 2012 returned 6.7%. Quarterly meetings are held with the investment consultants to review the investment activity. Monthly reports and frequent phone conversations are also used to manage the investments.

These are a few of the financial highlights of the finances for fiscal year 2013. Please contact me if you have any questions regarding this information.

CALENDAR

November 28-29: Provincial Council meeting
December 18-19: Provincial Council meeting

2014:

February 5-6: Provincial Council meeting
March 19-20: Provincial Council meeting
May 14-15: Provincial Council meeting
July 7-11: Provincial Chapter

UPDATES

FR. PAT LLOYD

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NECROLOGY

FR. FRANCISCO SÁNCHEZ JIMÉNEZ, a member of the Spanish Province, died October 23. He was born in 1933, professed in 1951 and ordained in 1959.

BR. GERHARD MAJELLA PAPE of the German Province died October 18. He was born in 1930 and professed in 1952.

FR. FÉLCIEN LE DOUARON, a member of the Franco-European Province, died September 24. He was born in 1929, professed in 1948 and ordained in 1956.