

**Diocese of Milwaukee
Executive Council Minutes
March 14, 2015 10:00 a.m.
St. Mary's, Dousman.**

Present: The Rt. Rev'd Steven A. Miller; The Rev'd Dr. John Allen; The Rev'd Steve Capitelli; The Rev'd Seth Dietrich; The Rev'd Dr. Jonathan Grieser; Ms. Jill Heller; The Rev'd Andrew "Andy" Jones; The Rev'd Gary Manning; Mr. Steve Martinie; Diocesan Treasurer; Dr. Gust Olson; Mr. Henry Peters; Mr. Christopher Schatzman; Ms. Meredie Scrivner and Ms. Janice Watter

Others present: Canon Peggy Bean, Bishop's Assistant for Congregational Development; The Rev'd Carla McCook, Bishop's Assistant for Christian Formation and Ms. Marlene Udovich, Financial Officer

Absent: The Rev'd Anna Doherty, President, Standing Committee; The Rev'd Martha Berger, President, Commission on Ministry and Mr. Patrick Johnson, Trustees of Funds & Endowments

Opening Prayer and Reflection Time—Bishop Miller and The Rev'd Gary Manning

Bishop Miller called the meeting to order at 10:00 a.m. He turned the meeting over to The Rev'd Gary Manning who explained the process of prayer for the meeting: in order to settle into the space, we would begin with a time of silence followed by petitions/thanksgivings, the Lord's Prayer and the Bishop's prayer before a meeting.

Community Time (@10:12-10:27)

In groups of three, the Executive Council members spent time in conversation with each other addressing the following questions:

Where have you seen God at work in your parish community since we last met?

How is God calling your parish community to engage in the community beyond your doors?

Action Item – Convocation Restructuring –Bishop Miller

Bishop Miller asked the Executive Council to consider the transfer of St. John the Divine, Burlington and St. Andrew's, Monroe to different convocations "for the purpose of strengthening relationships and ministry opportunities."

The Rev'd John Allen moved that St. John the Divine, Burlington transfer from the South Convocation to the Central Convocation and that St. Andrew's, Monroe transfer from the Central Convocation to the River Convocation. The Rev'd Jonathan Grieser seconded it. The motion carried unanimously.

Property Reports – Bishop Miller

St. Nicholas, Racine

- Sold on Land Contract—after two years, lump sum payment due
- Can foreclose on them if the agreement is not upheld
- We are not paying for the heating or insurance.

Resurrection, Mukwonago

- Sold
- 60 day window to close
- Saved money by not having an appraisal or broker

St. Edmund's, Elm Grove

- Lot of looking
- No offers
- Already reduced the sale price (1 million to 990)
- Group interested in renting it for a school

Discussions/Discernment Time

“The former St. Edmund's site has not engendered much interest from potential buyers.”

“The Village of Elm Grove has indicated that, given there have been no public worship services in this space, the property could be placed on the property tax rolls.”

The Rev'd Gary Manning noted that we did not have to wrestle with this situation before – we thought it would sell and we would go on. We must realize now we will not get assessed value.

Ways to move forward:

- How might God be speaking to us here?
- Are there opportunities for ministry at this site?
- What sort of investment would be needed?

The ensuing discussion focused on the following:

- current concerns regarding the health of the building: mold, musty smell, asbestos, lead paint
- the need for a better assessment of the building
- the capital outlay needed to upgrade the building, whether it is rented out or we use it
- if the diocesan offices are moved to Elm Grove, what happens with Nicholson House
- defining the multiple uses of the property—parsonage house, land, buildings
- defining the parameters of a rental space: time limits, specific needs
- determining how much religious activity is needed to keep it off the tax role

It was determined that:

- homework needs to be done
- basic questions need to be addressed: contamination, usability, taxes
- a team be assigned, a team knowledgeable about architecture and development, to strategize about St. Edmund's

Bishop Miller concluded:

- Quarles and Brady are reviewing the requirements and taxation issue.
- An initial Task Force of Ms. Janice Watter and Ms. Meredie Scrivner was formed to do research and to invite others with architectural and HVAC skills to develop a strategic plan.
- Is God saying something to us that it has not sold?

Ms. Meredie Scrivner asked that all council members think about other potential Task Force members with the needed expertise.

Ms. Janice Watter suggested having the May Executive Council meeting at St. Edmund's, Elm Grove so that the Executive Council would have first-hand knowledge regarding its overall status and appearance.

Committee Reports

Finance—Ms. Marlene Udovich and Mr. Steve Martinie

Ms Marlene Udovich presented the following Financial Report. (Appendix A)

Mr. Steve Martinie moved, on behalf of the finance committee, to forgive \$8,000.00 of the unpaid assessment for Holy Trinity, Prairie du Chien. At issue was the money Father Sims bequeathed to the parish. It was used as general income to the parish and caused the assessment to be greater than the parish could absorb.

It was felt that:

- the parish has been cooperative
- is searching out new models of ministry
- this act would increase "good will"

Bishop Miller stated that since the motion was from a committee, a second was not needed. **The motion carried unanimously.**

Mr. Steve Martinie also noted:

- issues regarding the Foundation Assets
- the time crunch in preparing the budget for 2016
- need to increase the diocesan endowment

Questions surfaced regarding the total amount of money in aide, unpaid assessment, loan forgiveness, other support.

It was felt that new ways, models of aide, loan forgiveness, and support needed to be developed.

BREAK 11:30-11:38

Committee Reports (continued)

Christian Formation – The Rev'd Carla McCook—

--Camp Webb

Full—3 cabins for girls and 2 cabins for boys

--Episcopal Service Corp.

A new board has been established

--Diocesan Spring Youth Event – Friday March 13/Saturday March 14 at the Cathedral

--EFM and Deacon Formation classes at De Koven also this week end

Commission on Mission and Development – Mr. Henry Peters

--Successful Leadership Day last Saturday, March 7th—stretched Zion, Oconomowoc's building

75 vestry and other parish leaders were upstairs

15 parish treasurers were downstairs

--Positive energy; “a gift from the diocese to the diocese”

Newala—The Rev'd Dr. John Allen

--Spoke at St. John's Northwestern Military Academy about our work in Africa

--Currently have sent money to purchase 10 “motorcycles”

--Now considering training someone to do maintenance on them

Bishop's Report -- Bishop Miller

--Attending House of Bishops mid-March

--The Lenten Study program and webcast from All Saints' Cathedral has been well attended

--Visiting parishes during the week—those not receiving a Sunday visit

Matters Related to Parochial Oversight

“Diocese continues to wrestle with issues surrounding the payment of parish assessments, the proper stewardship of today's resources for tomorrow's common ministry of the Diocese, and the reality that there are no formal procedures (canons) to guide parishes and the Office of the Bishop regarding the viability of a congregation.”

The discussion focused on:

--re visiting Canon 8

--that we can't keep doing things the same way hoping for a different outcome

--the need to keep connectivity with MISSION

--the need to define what is a viable, sustainable ministry, given the current depopulation and financial pressures on parishes

--the need to define when oversight by the Bishop is needed: no clergy person, living off of supply priests

--the need for clarity, transparency, non-threatening and pastoral language

--that, unlike 2008, if the Canon is not passed, it be reviewed, rewritten and submitted again

Bishop Miller asked for “a working group from the council to assist him in both drafting canonical language to address these issues as well as mapping a strategy for effectively communicating the rationale for these canonical changes to the Diocese at large.”

The following council members are the Canon 8 Task Force:
The Rev'd Andrew "Andy" Jones; Mr. Henry Peters; The Rev'd Steve Capitelli; The Rev'd Dr. Jonathan Grieser; The Rev'd Seth Dietrich; Mr. Steve Martinie. Bishop Miller encouraged them to invite others.

The Standing Committee and the Chancellor will also be part of the group.

Approval of the Minutes from the January 9/10, 2015 Executive Council Retreat/Meeting and the Special Executive Council Approval via E-Mail (February 12/13, 2015)

Bishop Miller asked if there were any additions, deletions or changes to the minutes of the January 9/10, 2015 Executive Council Retreat/Meeting and the Special Executive Council Approval via E-Mail. Mr. Christopher Schatzman moved that the minutes be approved as written. The Rev'd John Allen seconded it. The minutes were approved as written.

Meeting Evaluation and Closing Prayer

Mr. Christopher Schatzman felt it was good use of time; an honest and fruitful discussion
Bishop Miller thanked all for being on time

**Ms. Meredie Scrivner and Ms. Jill Heller volunteered for hospitality.
Mr. Christopher Schatzman volunteered for table set up.**

Meeting was adjourned at 12:10 p.m.

Next Meeting is on May 2nd at St. Edmund's, Elm Grove

Appendix A

2014 Summat'Y

2014 Operating Budget

Operating Income: There was net ordinary income of \$6,810. If there are additional YE adjustments, the income will be less.

Total operating income for the year was \$13,637 less than budget for the fiscal year. Income was down in most areas of the budget. Assessments (\$5,189); Adjustments (Assessments): (\$3,468) Investments (\$3,953); Contributions (\$1,066)

Operating Expenses: Operating Expenses were \$18,650 under budget. The following areas under budget.

Mission & Development:	\$ 6,798
Transition Ministry	\$ 1,094
Christian Formation	\$28,189
Ecumenical Relations	\$ 2,300
Nicholson House Expenses	\$10,636
Professional Services	\$11,750

The following areas were over budget

Office of the Bishop	\$ 1,192
Clergy Day Retreat & Clergy	
Continuing Education	\$ 2,041
Episcopal Service Corp	\$ 7,249
Communications	\$ 2,480
Personnel Expenses	\$30,777

Unpaid Assessments as of 12/31/2014 totaled \$136,150. Which is \$16,877 more than 12/31/2013. Of this unpaid balance, payments totaling \$40,180 have been received through February 10, 2015.

Designated Endowment Distributions

Retired Clergy Fund received and distributed \$14,380
Buschman Seminarian Fund received and distributed \$5,500

Meachem Endowment Funds received a total of \$89,445 in 2014. CDI used \$16,366 for program expenses, Hospitality Center used \$41,795 to pay Kevin Stewart salary and mileage expense.

Contributions/Grants: Received \$18,254 from the Greater Milwaukee Foundation.

Balance Sheet

Operating Checking (Chase Account) 12/31/2014 balance \$240,519.29. \$150,000 was received for St. Francis House partner distribution. The offset is in the suspense account. That was sent to them first week in January.

General Savings (Chase Account) 12/31/2014 balance \$77,006. Balance includes Meachem Funds and annual distribution of Christian Formation funds.

Foundation Assets as of 12/31/2014:

Checking	\$ 62,265.
Money Market	\$239,285
Parish Loans	\$296,268
DeKoven Center Loan	\$ 75,000 (paid their loan off 1/7/2015)
Equity-Bishop's Home	\$130,674
Equity-Canon's Home	\$ 74,250
Cadle Deanery Funds	\$ 88,310
St. Timothy-Funds	\$ 74,999
St. Nicholas	\$281,448
(All investments)	
St. Edmunds	\$ 2,768

Endowment Funds: The 12/31/2014 values are:

Diocesan endowment funds \$816,522 (increase in value \$16,349)

Bishop's endowment funds \$141,017 (increase in value \$4,418)

(The income generated from Bishop's Endowment is used to fund Bishop's Discretionary account.)

Property and Equipment

Office Equipment balance as of 12/31/2014 totaled \$65,519. This is an increase of \$10,041. The increases are due to upgrading of computers for Bishop Miller, Peggy, Barb, Finance office and a new server.

Vehicle balance as of 12/31/2014 totaled \$25,910. The Canon's car was retired and removed from the list of assets.

Accounts Payable balance as of 12/31/2014 totaled \$44,820. One invoice was 20 days past due as of 12/31/2014 totaling \$20,091.75. This invoice was the monthly assessment to the General Church. The remaining \$24,728 were received at the end of December and considered current.

No invoices exceeded 20 days.

Restricted Funds

Bishop's discretionary fund: Balance 1/1/2014 \$10,492

	Gifts	11,976
	Income	2,154
	Disbursements	(8,427)
	Balance 12/31/2014	\$ 6,194
Risk Management fund:	Balance 1/1/2014	\$ 417
	Revenue	5,000
	Disbursements	(2,500)
	Balance 12/31/2014	\$ 2,917
Newala fund:	Balance 1/1/2014	\$ 1,000
	Donations	21,679
	Disbursements	(\ 8,721)
	Balance 12/31/2014	\$ 3,958