

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

Present: The Rt. Rev'd Steven A. Miller; The Rev'd Seth Dietrich; The Rev'd Dr. Jonathan Grieser; Ms. Jill Heller; The Very Rev'd Andrew "Andy" Jones; The Rev'd Gary Manning, Vice-President of Executive Council; Mr. Steve Martinie, Diocesan Treasurer; Dr. Gust Olson; Mr. Henry Peters; Ms. Meredie Scrivner and Ms. Janice Watter

Others present: Canon Peggy Bean, Canon for Congregations and Ms. Marlene Udovich, Financial Officer

Absent: The Rev'd Dr. John Allen; The Rev'd Steve Capitelli; The Very Rev'd Anna Doherty, President, Standing Committee; The Rev'd Carla McCook, Bishop's Assistant for Christian Formation & Ministry; Mr. Christopher Schatzman and the ex-officio members (attendance is optional): The Rev'd Martha Berger, President, Commission on Ministry and Mr. Patrick Johnson, Trustees of Funds & Endowments

Opening Prayer – Bishop Miller

Bishop Miller called the meeting to order at 10:03 a.m. with several moments of silent reflection; he continued with a spontaneous prayer and all joined in the Lord's Prayer.

Bishop Miller welcomed all to the meeting and spoke of the sorrow felt because of the shootings and bombings in Paris. He said that, though we are "heavy of heart," we are not people of despair. He asked that each member give their name and a current joy; he felt it was a way to begin in a positive place.

Approval of the Minutes from the September 12, 2015 Executive Council (EC) Meeting

Bishop Miller asked if there were any additions, deletions or changes to the minutes of the September 12, 2015 Executive Council Meeting. Hearing nothing, the Bishop called for a vote to approve the minutes from the September 12, 2015 Executive Council Meeting. The minutes were approved as submitted.

Reports from Commission on Mission and Development (COMD) – Canon Peggy Bean

Canon Peggy Bean began her reports by calling attention to a tool used by the Commission on Mission and Development, a map of the diocese with cities (size of) and the size of the church (es) in the city, along with other statistics. Canon Bean noted that this tool facilitates collaborative work and regional ministry.

Motion regarding Meachem Fund

Canon Peggy Bean then presented the resolution to “redirect the portion of the income from the Meachem Fund currently designated for New Church Starts.” She stated that both the COMD and the finance committee endorse the resolution.

She explained:

- the history of the Meachem Fund
- that a change three years ago divided the funds into three revenue streams: Diocesan Church Development Institute, Hospitality Ministry Director and New Churches. (70% going to hospitality; 30% to church development)
- that the resolution would change “new churches” to “restarts and redevelopments” and the percentages to 20% for CDI; 60% for hospitality ministry and 20% for restarts and redevelopment.

She said that:

- the intention of the COMD is not to minimize or disregard “planting new churches”
- the focus is **now**, and the several churches, in key locations, that would benefit from skillful leadership and redevelopment
- the program would be a 3-5 year plan with demonstrable/achievable goals

Discussion clarified that:

- “front end work would occur before back end distribution of funds”
- the purpose is to help strategically placed parishes gain leverage and use resources wisely
- “church planting” is expensive (1 ½ million dollars) and is not always “nimble”
- it is easier to save a parish, if redevelopment starts early
- hospitality ministry encompasses the salary for The Rev’d Kevin Stewart
- currently there is a significant amount of monies in the “new churches” stream

The Rev’d Dr. Jonathan Grieser suggested that, for clarification and transparency purposes, two resolutions be created: one to change the names and percentage distribution of Meachem Fund, the other to address the monies currently set aside for “new churches.”

Motion 1 regarding the Meachem Fund

The motion to change the distribution of Meachem Fund to 20% for Diocesan Congregational Development Institute; 60% for Hospitality Ministry and 20% for Restarts and Redevelopment was submitted by a committee and did not need a second. The motion passed unanimously.

The Rev’d Gary Manning moved that the monies previously designated for “new churches” now be designated for “restarts and redevelopment.” It was seconded by The Rev’d Seth Dietrich.

Motion 2 regarding the Meachem Fund

The Rev’d Dr. Jonathan Grieser offered a substitute resolution for further clarification of the transaction.

He moved that the monies, from previous years, currently in the Meachem Fund designated for “new churches” be re-designated for “restarts and redevelopment.” It was seconded by Mr. Steve Martinie. The motion passed unanimously.

Motion regarding 2016 Aid to Parishes

Canon Peggy Bean submitted the following 2016 Aid to Parishes for Executive Council approval:

St. John the Divine in Burlington - \$10,000
Lutheran Episcopal Campus Ministry in Whitewater - \$25,000
St. Andrew's in Monroe - \$12,500
St. Aidan's in Hartford - \$17,000
St. Paul's in Watertown - \$16,000
St. Luke's in Racine - \$15,000
Portage/Baraboo collaborative - \$25,000
Zion in Oconomowoc at the Bishop's discretion - \$30,000
Spring and Fall grants \$50,000
Reserve \$11,000
Total Aid \$211,500

Discussion included:

- the place of the Lutheran Episcopal Campus Ministry (Whitewater) in the aid to parishes package
- the remarkable work of St. Andrew's, Monroe described by The Rev'd Gary Manning as a "community of thanksgiving."
- the importance of "stories to tell"
- the process involved in getting aid—complete financial reports along with personal conversation and collaboration.

Bishop Miller expressed his appreciation for the work of Canon Peggy Bean and the COMD.

Mr. Henry Peters also called attention to the relational work done through CDI!

Bishop Miller noted that the motion requesting approval for the 2016 Aid to Parishes is from a committee and does not need a second. The motion passed unanimously.

Parish Grants

Canon Peggy Bean reviewed the 2015 parish grants.

Bishop Miller noted that it is a concrete way to do the work of the kingdom—strengthening parishes and forming disciples.

Mr. Henry Peters added that because it is intentional, it is successful.

Leadership Days

Canon Peggy Bean highlighted the two leadership days: February 27, 2016 and April 16, 2016 as meetings for both clergy and lay and dovetailing/building one on the other.

Multicultural Team

Canon Peggy Bean concluded by describing the work being done to create a Latino church plant and to station a Latino Missioner in the Central Convocation.

Motions from Lifelong Christian Formation – Bishop Miller

The Rev'd Carla McCook was at a Youth Council Meeting, so Bishop Miller presented the motion from the Lifelong Christian Formation requesting the hold-over of specific amounts to cover the costs of triennial events and the Deacon Formation School.

In discussion it was noted that, in the case of the Deacon Formation School, tuition was paid in September, 2015 and is used throughout the 2015-2016 school year. In the case of the 2016 Mission Trip and the 2017 E.Y.E. money is accrued one year and used the next.

The Rev'd Dr. Jonathan Grieser clarified the intent of the motion by stipulating that it was a motion to carry forward designated monies in the 2015 operating budget for the Deacon Formation School (\$3,727.58); the 2016 Mission Trip (\$1,500.00) and the 2017 E.Y.E. (\$1,500.00). The motion passed unanimously.

Motion regarding revision of Safeguarding God's Children training protocol

Bishop Miller walked through the current Safeguarding God's Children courses.

A discussion ensued regarding:

- compliance
- clarification of who, what, where, when
- the problems/liabilities that can occur when the parish "opens the building" to the community
- the importance of parish members thinking and talking about the ramifications of the training
- the wording of the resolution doesn't seem in compliance with the current policy

The Executive Council felt that the resolution should be sent back for review and coordination with the current policy. In order to facilitate the process, The Rev'd Andrew "Andy" Jones put the current SGC document into drop box.

Approval of 2016 Housing Resolutions

Bishop Miller explained that, in accordance with the IRS, the Executive Council is required to pass these 2016 Housing Resolutions for The Rt. Rev'd Steven Miller, The Rev'd Carla McCook, The Rev'd Jonathan Melton and The Rev'd Kevin Stewart, before the end of the year. He also noted a typographical error in The Rev'd Kevin Stewart's name. A further error was noted in the body of the housing resolution for The Rev'd Kevin Stewart.

The Rev'd Gary Manning moved the approval of the housing resolutions with the appropriate corrections. (The corrections are in red.) The motion carried unanimously.

Housing Resolution for 2016 for
The Rt. Rev. Steven Miller

RESOLVED, that of the total compensation to be paid to The Rt. Rev. Steven Miller **during 2016, \$50,000** shall be designated as housing allowance (in lieu of the Episcopal Diocese of Milwaukee providing and maintaining a furnished residence for him), to be excludable from taxable income, within the meaning of section 107 of the Internal Revenue Code, to the extent that said housing allowance is spent by The Rt. Rev. Steven Miller for expenses of renting or providing a furnished home for himself and family, including rental or mortgage payments, insurance, utilities, furnishings, maintenance and repairs and other related expenses, up to the fair market rental value of said home, including furnishings and utilities. This housing allowance designation will apply to calendar year 2016 and all future years unless otherwise provided.

Housing Resolution for 2016 for
The Rev. Carla McCook

RESOLVED, that of the total compensation to be paid to The Rev. Carla McCook **during 2016, \$24,000 shall** be designated as housing allowance (in lieu of the Episcopal Diocese of Milwaukee providing and maintaining a furnished residence for her), to be excludable from taxable income, within the meaning of section 107 of the Internal Revenue Code, to the extent that said housing allowance is spent by The Rev. Carla McCook for expenses of renting or providing a furnished home for herself and family, including rental or mortgage payments, insurance, utilities, furnishings, maintenance and repairs and other related expenses, up to the fair market rental value of said home, including furnishings and utilities. This housing allowance designation will apply to calendar year 2016 and all future years unless otherwise provided.

Housing Resolution for 2016 for
The Rev. Jonathan Melton

RESOLVED, that of the total compensation to be paid to The Rev. Jonathan Melton **during 2016, \$20,000 shall** be designated as housing allowance (in lieu of St. Francis House providing and maintaining a furnished residence for him), to be excludable from taxable income, within the meaning of Section 107 of the Internal Revenue Code, to the extent that said housing allowance is spent by The Rev. Jonathan Melton for expenses of renting or providing a furnished home for himself and family, including rental or mortgage payments, insurance, utilities, furnishings, maintenance and repairs and other related expenses, up to the fair market rental value of said home, including furnishings and utilities. This housing allowance designation will apply to calendar year 2016 and all future years unless otherwise provided.

Housing Resolution for 2016 for
The Rev. Kevin Stewart

RESOLVED, that of the total compensation to be paid to The Rev. Kevin Stewart during 2016, \$21,848.00 shall be designated as housing allowance (in lieu of the Episcopal Diocese of Milwaukee providing and maintaining a furnished residence for him), to be excludable from taxable income, within the meaning of Section 107 of the Internal Revenue Code, to the extent that said housing allowance is spent by The Rev. Kevin Stewart for expenses of renting or providing a furnished home for himself and family, including rental or mortgage payments, insurance, utilities, furnishings, maintenance and repairs and other related expenses, up to the fair market rental value of said home, including furnishings and utilities. This housing allowance designation will apply to calendar year 2016 and all future years unless otherwise provided.

BREAK 11:20-11:35

Financial Report (Ending September 30, 2015) –Ms. Marlene Udovich

Ms. Marlene Udovich first noted the Combined Fund Endowment and Investment Income document that she created as an FYI.

She then called attention to the charts and walked through the:

- 5 year comparison of unpaid assessments, about \$68,000.00 less in 2015 due primarily to direct contact with parishes and the collection policy;
- the adequacy ratio and liquidity fund index as planning tools;
- the breakdown of net assets, revenue by source and expenses by program (9 months)

She updated the EC on the Land Contracts:

--with Crimson Way – on track

--with Christian Baptist Church – significant issues both regarding insurance and delinquent payments.

Bishop Miller thanked Ms. Marlene Udovich for her work.

Mr. Steve Martinie said that he realized he had not solved all the financial problems, but that he had these bullet points to offer:

--Real estate keeps coming up and it is critical to use it in good stewardship.

--Few of our properties have mortgages.

--The diocese has a lot of fixed costs; one way to maintain them is to increase membership.

--Merging with another diocese should be considered, to spread out costs.

--The diocese is very dependent on assessments.

--Parishes should be encouraged to do energy audits.

--The caliber of the EC members and the substantive conversations are impressive.

--The fund for the election of a new bishop is substantially low.

--The new diocesan treasurer, Mr. Clyde Bachand, has been on the finance committee and is good.

Bishop Miller thanked Mr. Steve Martinie for his work as diocesan treasurer with applause from the Executive Council.

Report on Trustees of Funds and Endowments (TFE) Letter – The Rev'd Gary Manning

The Rev'd Gary Manning noted that:

--The letter submitted by Mr. Mike Hagon on behalf of the Trustees of Funds and Endowments is both a plus and a minus – a plus because it indicates that action on a resolution is being taken (a rarity); a minus because the resolution did not incorporate funding for completing the task.

--The original drafter of the resolution, Mr. Peter Larson, is a new EC member who, though he could not be at this meeting, would appreciate the time to assist with understanding and resolving the situation.

Discussion occurred and focused on:

--the result of the resolution is an unfunded mandate; it was passed, we have to act on it

--the General Convention dialog re: the resolution

--the focus of the debate at our convention was the American Indians, not the entire resolution

--discussions regarding Israel/Palestine are murky, at best

--inviting Mr. Mike Hagon to the next meeting to clarify our investment practices; a possible teachable moment regarding ethical/moral responsibility

The Rev'd Gary Manning moved that the letter from Mr. Mike Hagon be received by the Executive Council, but acted on at the next meeting. The Rev'd Andrew "Andy" Jones seconded it. The motion passed unanimously.

The Rev'd Andrew "Andy" apologized and took responsibility for the current situation. He felt that because they were at the deadline for resolutions, they rushed it through without putting it into an appropriate format. He noted that, normally, without noting a funding source for the financial study, it would have been considered "out of order."

Bishop Miller wondered whether any diocese should have the right to re-adopt resolutions passed at General Convention.

Bishop's Report – Bishop Miller

Bishop Miller reported that:

--At the next EC meeting, he will be submitting a lease agreement between Nicholson House and the Cathedral Church of All Saints, Corporation. He noted that the corporation owns the land and the diocese owns Nicholson House. The lease would be for a "fee simple" \$1.00 with the diocese maintaining the building.

--Work on the Imperiled Parish Canon is in process with thanks to: 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 and Mr. Steve Martinie. He noted that Canon 28 currently exists, but with ambiguous wording; it does allow the bishop to do certain things based on interpretation. But, Bishop Miller stated, "The best canons are those that are clear." He further said that the Canon 8 Task Force was researching canons approved and used in other dioceses. They will have a draft resolution for EC to review at the next meeting.

--The unholy trinity of poverty, gun violence and racism is in the forefront of his mind and close to his heart. The recent clergy day served as an avenue for public witness.

--In the first week of December, he, with The Rev'd Dr. Paula Harris, will be in Chicago drafting a new pastoral letter on racism.

--The Council of Churches continues to work on poverty initiatives.

(Statistics – severe poverty has shifted from senior citizens to children (number of children needing food programs from 12% to 40%)

--The diocesan convention at St. John's Northwestern Military Academy was well received, in spite of heating and mobility issues. He noted that, many, who responded on the feedback sheets, said that the Eucharist service was the best they had experienced. He valued the clergy processing together and the growing clergy collegiality.

--Future convention planning has two ideas for consideration and discussion:

1. Number of days for convention – always one day; alternate one day/two days or alternate one day/one day/two days.

2. Selecting a new Madison convention site near Grace Episcopal Church affording the celebration of the Eucharist in a church.

--He was appointed to the Marriage Task Force.

Other Business – Bishop Miller

Meeting Dates for 2016 Executive Council are:

February 13th

April 9th

May 21st

July 14th (Conference Call)

September 10th

November TBD

Bishop Miller thanked all the members whose terms ended: Mr. Henry Peters, Mr. Christopher Schatzman, The Rev'd John Allen, The Rev'd Steve Capitelli and Mr. Steve Martinie.

He concluded with prayer.

Ms. Meredie Scrivner moved for adjournment. It was seconded by The **Very** Rev'd Andrew "Andy" Jones. The vote to adjourn was unanimous.

The meeting was adjourned at 12:40 p.m.

The next meeting is on February 13, 2016 at St. Mary's, Dousman with extended hours.

Respectfully submitted,

Rev'd Margaret (Marge) M. Kiss
Executive Secretary & Recorder of the Minutes