

**Diocese of Milwaukee
Executive Council Minutes
May 2, 2015 10:00 a.m.
St. Mary's, Dousman**

Present: The Rt. Revd. 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; Mr. Steve Martinie; Diocesan Treasurer; Dr. Gust Olson; 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 Martha Berger, President, Commission on Ministry; The Rev'd Anna Doherty, President, Standing Committee; Mr. Patrick Johnson, Trustees of Funds & Endowments; The Rev'd Gary Manning and Mr. Henry Peters

Opening Prayer and Reflection Time – Bishop Miller

Bishop Miller called the meeting to order at 10:02 a.m. He read from Saturday's daily office **Colossians 3:12-17**

¹² As God's chosen ones, holy and beloved, clothe yourselves with compassion, kindness, humility, meekness, and patience. ¹³ Bear with one another and, if anyone has a complaint against another, forgive each other; just as the Lord^[a] has forgiven you, so you also must forgive. ¹⁴ Above all, clothe yourselves with love, which binds everything together in perfect harmony. ¹⁵ And let the peace of Christ rule in your hearts, to which indeed you were called in the one body. And be thankful. ¹⁶ Let the word of Christ^[b] dwell in you richly; teach and admonish one another in all wisdom; and with gratitude in your hearts sing psalms, hymns, and spiritual songs to God.^[c] ¹⁷ And whatever you do, in word or deed, do everything in the name of the Lord Jesus, giving thanks to God the Father through him.

After a period of silence for personal reflection and prayer, individual petitions and thanksgivings were expressed and we ended with the Lord's Prayer.

Report/Proposal from the Board of the Episcopal Service Corps – Mr. William Dunlop (chair).

Mr. William Dunlop, through power point, delineated the following, regarding the Episcopal Service Corps (ESC):

- its Board Members: The Rev'd Jason Lavann, Ms. Kristen Buterbaugh, The Rev'd Oscar Rozo, The Rev'd Jonathan Melton, Mr. William Dunlop (Chair) and The Rev'd Carla McCook, Diocesan Staff
- its purpose—forming disciples in today's world
- its vision and mission
- its key goals and organizational structure
- its methods of establishing support and measuring success
- that it is a sub-division of Lifelong Christian Formation Commission

Mr. William Dunlop concluded:

“The ESC board requests funding from the diocese either at the desired level (fund PT director for 2 years at \$35,000.00 and place one intern at \$14,000.00) or at the requested level (partial funding of PT director at \$10,000.00 and place one intern at \$14,000.00.)” The ESC board is looking at a 2016 or 2017 starting time.

The Executive Council raised the following questions:

--What lessons were learned from last years' experience?

Mr. Dunlop—the need to improve on communication, to secure support ahead of time and insure a three year security

--Will it be more open-ended, not focused on only one skill?

Mr. Dunlop—yes

Further requests were made by the Executive Council:

--to clarify the specific details of the budget

--to clarify what happens to the brand new beds, etc. at the St. Luke's, Bay View rectory

--to look at studies of outcomes for the Episcopal Service Corp across the years

Mr. William Dunlop noted that the Episcopal Service Corp was competing with many other opportunities.

Bishop Miller thanked the ESC board members who were present and excused them from the rest of the meeting.

Discussion regarding the request from the board of the ESC focused on:

--the lacking element of last year's program—a spiritual component

--clarification of the budget details; it was suggested that separate line items would be helpful

--whether a decision was needed at this time

--the need to take time to educate and communicate to the parishes

--the need to take time for grant writing

The Rev'd Dr. Jonathan Grieser moved that the Executive Council endorse the budget for Episcopal Service Corp., looking toward a 2017 start date, but that further exploration was needed.

The Rev'd Dr. John Allen seconded it.

Discussion on the motion focused on:

--the Big Picture, the vision of the diocese

--the best use of the \$24,000.00

--clarification of the budget items (income and expenses)

--the need to take the time to study all aspects of the request; are we misleading them?

The Rev'd Dr. Jonathan Grieser amended his motion to read:

The Executive Council received the report from the Episcopal Service Corp (ESC) but cannot endorse a 2016 start date; time for further exploration and discussion by the Executive Council is needed. It will meet with the ESC after further consideration.

The Rev'd Dr. John Allen seconded it.

Further discussion focused on:

- the need for a **vision** for the diocese regarding the use of our money and our energies
- the ESC program is a good program but touches only a few
- the importance of not “overpromising and under delivering”

The Rev’d Dr. Jonathan Grieser amended his motion to read:

The Executive Council thanked the ESC board for their hard work, presence and vision. However, they have raised a number of questions that the Executive Council cannot answer at this time. The Executive Council needs to develop a vision; and after determining the vision will ask, in due time, the ESC board back to revisit their budget request.

The Rev’d Dr. John Allen seconded it.

Further discussion focused on:

- setting aside a bracket of time in the fall to develop a vision
- making clear to the ESC board their future actions
- communicate the decision of the Executive Council via a letter (Bishop Miller and The Rev’d Carla McCook)

The Rev’d Dr. Jonathan Grieser withdrew all his previous motions and submitted the following motion (from the ad hoc committee of The Rev’d Carla McCook, Canon Peggy Bean, The Rev’d Marge Kiss and himself):

The Executive Council thanks the Board of ESC for its hard work, its presentation at our May meeting, and for its energy and vision for an ESC presence in the Diocese of Milwaukee. Our discussion of the proposal raised larger questions about diocesan resources and vision that need careful consideration. These conversations about vision will take place in the coming months. Until that time, we would ask that you not engage in further implementation of your plan but continue to liaise with the Lifelong Christian Formation Commission.

It was seconded by The Rev’d Dr. John Allen. The motion carried unanimously.

Ms. Meredie Scrivner regarding the former St. Edmund’s, Elm Grove. (Her report to the Executive Council is attached as Appendix A)

Ms. Meredie Scrivner began by stating:

“In a perfect world, St. Edmund’s, Elm Grove has great potential; in the real world, it needs a lot of work.”

She felt the most significant issues were:

- HVAC upgrades
- bathroom renovations and carpet replacement
- painting
- roof is poured concrete with **asbestos** binding
- it is extremely spread out, with daunting needs

She concluded with three questions:

If we had a windfall of money, is upgrading St. Edmund's, Elm Grove what we would do with the money?

If we did have St. Edmund's, Elm Grove, and we were looking at relocation of the Diocesan offices, a conference center, and other consolidated space, is St. Edmund's, Elm Grove where we would locate it?

Would our energy be better used in not creating another St. Edmund's, Elm Grove?

The discussion centered on the following:

- the future and vision of the diocese
- where the diocese puts its money; at what point the diocese cuts its losses
- sell/sell/sell

Ms. Meredie Scrivner wondered about the tritypch and other priceless items on the property.

Bishop Miller noted that:

- the notice regarding taxes on the property has been appealed
- there have been seven new viewings of the property

He thanked Meredie for the report saying it was helpful and seems to indicate a business decision to sell.

Bishop Miller regarding the disposition of other properties (the former Resurrection, Mukwonago).

Bishop Miller gave the following details:

- The sale of Resurrection, Mukwonago closed Wednesday.
- He will perform the de-consecration on Monday or Tuesday (May 4th or May 5th).
- The diocese is not making money on the sale; with the mortgage paid off, the net is @\$30,000.00.

Bishop Miller revisited the goal of re-defining the designation of monies from sales to an endowment for reducing assessments

The Professional Standards Committee of the Diocese regarding annual clergy compensation resolution and the ongoing work of this committee – Canon Peggy Bean.

Canon Peggy Bean noted that all philosophies of compensation (insurance, sabbaticals) are being evaluated.

The Treasurer and Financial Officer will report on the year-to-date finances as well as update Council regarding preliminary budget process.

Ms. Marlene Udovich noted these significant items from the 2015 Financial Report ending February 28, 2015:

- a net ordinary operating loss for the first two months
- unpaid assessment amounts are dropping, due partly to the sending out of quarterly Statements
- staff insurance was over budget due to the change in family coverage
- St. Mary's, Dousman and DeKoven have paid off their mortgages
- the Nicholson House staff have maintained a cost effective budget

Report from Canon Bean and/or members of the Commission on Mission and Development.

Canon Peggy Bean reported that:

- two new members were added to the Commission
- the COMD grants will be awarded in spring
- Good Shepherd, Sun Prairie is on a high deductible plan/paying more in health insurance
- they are working with parishes regarding the crucial financial question: Is the money raised through capital campaigns going where it should?
- a 2013 Stats sheet was entered into the drop box giving the Resource Size/Program Size of the congregations and questions to help with using the data

Approval of Minutes from March 14th Executive Council Meeting

Bishop Miller asked if there were any additions, deletions or changes to the minutes of the March 14th, 2015 Executive Council Meeting. Mr. Christopher Schatzman moved that the minutes be approved as written. The Rev'd Steve Capitelli seconded it. The minutes were approved as written.

Assessment Reduction request from Zion, Oconomowoc

Ms. Marlene Udovich indicated that the finance department had received the assessment request from Zion, Oconomowoc, but some of the needed financial documentation was missing. Discussion regarding this request was deferred until the finance committee has reviewed and approved it.

Bishop Miller's Report

Bishop Miller reported that:

- House of Bishop meeting focused on General Convention issues
- He will have two meetings presenting these issues to the diocese – June 1st and 3rd
- Nominations for Presiding Bishop have been announced:
 - The Rt. Rev. Thomas Breidenthal (Southern Ohio)
 - The Rt. Rev. Michael Curry (North Carolina)
 - The Rt. Rev. Ian Douglas (Connecticut)
 - The Rt. Rev. Dabney Smith (Southwest Florida)
- Nominations from the floor for PB are open until May 12th
- He preached at the 100th Anniversary of the Armenian Genocide service in Racine
- His oldest daughter, Lauren, is graduating from college in May
- His parents will celebrate their 60th wedding anniversary August 20th.

Meeting Review/Evaluation

Bishop Miller expressed his appreciation for:

- the promptness of the members
- their honesty in discussion
- resisting the decision to act before fitting any request into the vision

Bishop Miller suggested that the Executive Council plan for a longer time at the September EC meeting with the intent of developing a diocesan vision.

He also suggested that the Hospitality Group be decided during the July conference call.

The meeting was adjourned at about 12:45 p.m.

The next meeting is the July 16, 2015 conference call.

Appendix A

Some Observations about St. Edmund's, Elm Grove

- I toured the property for an hour and half with REGS Scheeler on Wednesday, March 18, 2015. Some initial reactions:
- The building is very large, spread out and complicated.
- The sanctuary and exterior style are very distinctive and would be considered unappealing by many.
- Current monthly carrying costs, to keep the heat at 55 in winter, are about \$1000. The HVAC is very fragile and requires a daily visit from REGS to flip some switch to prevent the system from shutting down.
- The property offers enormous potential in terms of space, room size, number of rooms and spaces, and the fact there is a contiguous house.
- The location is more central in the Diocese than Nicholson House, but it is a bit far from the freeway, nestled into a residential neighborhood.
- There is good parking availability for about 50 cars (a guess at the number).
- The sanctuary is in good condition and might not need much for immediate use. However, the windows are old and not at all efficient. Replacements would be custom made and therefore very expensive. The carpet is a bit tired and very red. The altar is way back, on a tile floor. Pulling it forward would probably be desirable, but the floor might need patching.
- The building contains some items which might be saleable. However, finding buyers is a challenge at best. There is a large Wicks Pipe organ, built in 1961. The church pews are beautiful and a couple of parties have expressed an interest in buying them. There is the original altar and a triptych, both from the original church in the city. Both might have some value, although I am not sure to whom.
- There was not any musty smell I could detect and there have been no water incursions from the outside. There have been a few pipe leaks, but the water did not sit for very long. That would make me guess there is not a high likelihood of a mold or mildew issue.
- The house is okay...not great. Current access to the garage is via the parking lot and there is no driveway as such. Separating the two parcels would create a garage access challenge for the house.
- The church/ed/office space has a lot of deferred maintenance. Most obvious is the entire HVAC system, which includes 2 boilers and a complicated system of hydraulics. The A/C is a combination of window units, an inadequate system in the church, and probably some areas with essentially no A/C at all. I would guess that HVAC upgrades, done right, would be very expensive.
- The office space is in the basement and is not particularly attractive. The largest office, which would presumably become the Bishop's if we moved Diocesan operations, looks out on a cement wall. It made me think, "A basement is a basement is a basement." The space also does not offer the cozy collegiality of a place like Nicholson House.
- The floor tiles in the education wing contain asbestos. The tiles are currently intact and in good condition. However, removal at a future date would involve asbestos expenses.
- Either certainly or probably, the poured concrete roof contains asbestos, used at the time as a binding agent. Presumably, this would make razing the building more costly, due to disposal and handling costs for asbestos.

- I would call the entire facility a complicated building to oversee and maintain. It is very fortunate that REGS Scheeler is able to do the work he does there. If he were not available, there would be a very steep learning curve for a newcomer, and inevitable problems such as leaks and heat problems.
- I think the building has too many possibilities to ask a contractor or architect to come in and tell us “what can we do with this building?” I think it would be more reasonable to come up with our ideas and then ask someone to look at the feasibility of those ideas.
- That said, I would guess the building would need very costly upgrades to become usable and to be attractive and a place we would be proud of. An very rough initial list of needs would include:
 - HVAC improvements
 - Bathroom renovations, and possible code upgrades in probably 8 bathrooms
 - Major carpeting replacement in the lower level of the church
 - Lots and lots of painting, including all the rooms in the ed wing and the office area
 - Nave exterior windows need replacement sooner than later
 - The commercial kitchen is pretty good but probably needs some work
 - House improvements
- For the Diocese to use this building my guess would be that between \$500,000 and a million dollars’ worth of work would be needed. Whatever the number, it is big. I think that means we would need an “angel.”
- That begs the question, **“if we had such an angel, is this what we would do with the money?”** Paired with that question is the question, **“If we did not have St. Edmund’s and we were looking at relocation of the Diocesan offices, a conference center, and other consolidated space, is this where we would locate it? And what would it cost?”** Are we only even considering this big expense and initiative at St. Edmund’s because we acquired this building?”

Mereditie Scrivner

4-15-15