

**Diocese of Milwaukee
Executive Council Minutes
January 13, 2018 10:00 a.m.
St. Mary's, Dousman**

Present: The Rt. Rev. Steven A. Miller; Ms. Kada Bush (Kathleen); the Rev. Dr. Jonathan Grieser; Mr. Ron Johnson; the Rev. Joel Prather; the Rev. Elizabeth Tester; The Rev. Debra Trakel; Mr. John Washbush; Ms. Janice Watter, newly elected Vice-President of Executive Council; the Rev. Chuck Zellermayer

Others present: Canon Peggy Bean, Canon for Congregations

Absent: Mr. Clyde Bachand, Diocesan Treasurer; the Very Rev. Andrew Hanyzewski; Mr. Peter Larson; the Rev. David Simmons, President of the Standing Committee; Ms. Marlene Udovich, Financial Officer and Ms. Kristen Wold and the ex-officio members (attendance is optional): the Rev. Jana Troutman-Miller, President, Commission on Ministry and Mr. Patrick Johnson, President of Trustees of Funds & Endowments

At 10:03, Bishop Miller opened the meeting in prayer—Morning Prayer for individuals. He welcomed the members new to Executive Council and expressed his appreciation to all for being there. A “getting-to-know you” introduction period followed.

A. Bishop Miller's Fourth Quarter Reflections (in drop box/January 13/orientation)

In General

- to finish strong
- to prepare a better transition for the next bishop
- to provide leadership--develop a deep collegiality with clergy, a strong sense of community within parishes and a Diocesan identity
- to strengthen and maintain youth ministry (Camp Webb; Happening? St. Francis House)
- to revise and clarify Canons
- to develop a pattern for business
- to clarify boundaries/relationship between and within dioceses

In Specific

- to engage a consultant
- to develop a vision for the Diocese in the 21st Century

The discussion that followed centered on:

- the role of the consultant
- not repeating past mistakes with the use of consultants
- the place of Canonical revision in the visionary process
- where our energy will be focused

Bishop Miller ended by asking the Executive Council to reflect on the items presented and discussed and make a decision at the next meeting.

B. Report of the Executive Council Task Force on Constitutions and Canons

Mr. John Washbush reported on the work of the task force on Constitutions and Canons. He noted that a reference document is in drop box—a shorthand version of the larger document translating what the Canons ask us to do. He stated that the current goal of the task force is to prioritize.

C. Updating of the Executive Council Roster

D. Reading and Signing of the Conflict of Interest Policy Forms

E. Reviewing of the 2018/2019 meeting dates

F. Approval of September and November Minutes

September Minutes

Bishop Miller asked if there were any additions, deletions or changes to the minutes of the September 16, 2017 Executive Council Meeting.

***Mr. John Washbush moved and Ms. Jan Watter seconded the approval the September minutes as presented. They were so approved.

November Minutes

Bishop Miller asked if there were any additions, deletions or changes to the minutes of the November 11, 2017 Executive Council Meeting via Conference Call.

***The Rev. Jonathan Grieser moved and Mr. John Washbush seconded the approval of the November minutes as presented. They were so approved.

G. Election of Vice-President of Executive Council

***Ms. Jan Watter was nominated for the position of Vice-President of the Executive Council and was elected by acclamation.

H. Action Items—Resolutions—Canon Peggy Bean

Canon Peggy Bean brought to the Executive Council the following two resolutions approved by the finance committee.

Resolution 1

Episcopal Diocese of Milwaukee's Finance Committee
Resolution November 21, 2017
For consideration by the Executive Council January, 2018

WHEREAS, the policy of the Diocese has been to place real estate sale proceeds or other windfalls into its **Foundation** (s/s Permanent Development Fund) whose purpose is to fund parish and other construction work, either through purchases, loans, or grants;

WHEREAS, no significant construction work is contemplated at this time;

WHEREAS, the Funds invested in the Tenoh 1, LLC were originally created from the transaction related to the St. Francis House;

WHEREAS, the University Commissions became the owner of 500 units of Equity of Tenoh 1, LLC, a Wisconsin Limited Liability Company (the "Company"), representing a 50% ownership in the Company;

WHEREAS, University Commissions transferred its 500 Units of Ownership in the Tenoh 1, LLC to the Diocese in accordance with the Operating Agreement of Tenoh 1, LLC dated February, 2012;

WHEREAS, the Tenoh 1, LLC has refinanced the mortgage associated with the property that is the subject of this Company which has created a very favorable economic benefit for the Company and for the Diocese of Milwaukee;

WHEREAS, the Diocese of Milwaukee was offered the opportunity to invest the proceeds from the refinancing into another investment opportunity but declined the offer in lieu of the receipt of cash;

WHEREAS, the Diocese of Milwaukee will receive approximately \$1.4 million related to the refinancing of the mortgage of Tenoh 1, LLC;

WHEREAS, the purpose of the University Commissions was to further the advancement of Campus Ministry;

WHEREAS, the St. Francis House incurred some damage to their properties as a result of the movement of the Church Building;

It is thereby the recommendation of the Episcopal Diocese of Milwaukee Finance Committee that the following actions be considered by the Executive Council of the Episcopal Diocese of Milwaukee:

1. Provide St. Francis House funds in the amount of \$165,000 to pay for the repair work of the windows, the repairs to the foundation and other repairs related to damages resulting from the relocation of the St. Francis House.
2. Provide St. Francis House with funds totaling \$181,000 to reestablish the Endowment Fund of the St Francis House to a value slightly over the \$1 million level. This amount will restore the St Francis House Endowment Fund to the level of \$1 million, used for maintenance of the St Francis House property, which is at a similar level to levels enjoyed by St. Francis House before the operating expenses of that ministry began to erode the principle of the endowment.
3. We propose using the balance of the proceeds to support other Campus Ministry projects in the Diocese, including but not limited to, the ministry at The UW-Whitewater, at UW-Milwaukee, Marquette University and at MSOE – the Milwaukee School of Engineering **University**. We recommend that the balance of approximately \$1,054,000 be placed in a newly created fund which is appropriately named the Diocese Campus Ministry Fund.
4. The Diocese Campus Ministry Fund will be invested under the Combined Fund.
5. The distribution of the funds from the Diocese Campus Ministry Fund will be operated based on existing Granting Process which currently exists within the Diocese.

This Resolution is approved and submitted by the Episcopal Diocese of Milwaukee's Finance Committee on this 21st day of November in the year of 2017.

***After a clarification of a couple items and a friendly amendment correcting *Foundation to Permanent Development Fund* in the first "Whereas" and adding *University* to MSOE in recommendation 3, the Rev. Chuck Zellermayer moved the approval of the above resolution. It passed with the friendly amendment.

Resolution 2

Episcopal Diocese of Milwaukee's Finance Committee
Resolution November 21, 2017
For consideration by the Executive Council January, 2018

WHEREAS, the policy of the Diocese has been to place real estate sale proceeds or other windfalls into its **Foundation** whose purpose is to fund parish and other construction work, either through purchases, loans, or grants;

WHEREAS, the current focus of the Diocese is not on new construction, but on supporting the Diocese's existing parishes

WHEREAS, the Executive Council established a policy that proceeds of future sales or other "windfalls" be typically placed in the Bishop's Fund for Reducing Assessments;

WHEREAS, during the September 16th, 2017 Executive Council meeting of the Episcopal Diocese of Milwaukee, the Executive Council passed a resolution to rescind the 2014 resolution which directed that proceeds received from the sale of real estate or other "windfalls" should be directed and placed into the Bishop's Fund for Reducing Assessments (000-00-5852).

WHEREAS, the closure of the St James Church, located at 833 W. Wisconsin Avenue, Milwaukee, WI, has produced a "windfall" related to the St James Endowment Fund in the amount of approximately \$694,000;

WHEREAS, the Senior Leadership of St James has requested that at least 25% of the balance in the St James Endowment Fund be used for initiatives related to impoverished persons;

Therefore, it is the recommendation of the Finance Committee that:

1. The Executive Council receive the funds from the St James Endowment Fund ("the Fund") and liquidate the Fund into cash.
2. The Executive Council would then recommend the transfer of the cash funds to the Episcopal Diocese of Milwaukee to be designated as unrestricted funds and be added to the Diocese Endowment Fund (000-00-1030) for Diocesan Operations; and
3. The Diocese Endowment Fund is to be invested in the Combined Fund

Further, it is the recommendation of the Finance Committee that:

1. One Fourth (25%) of the Endowment Funds received from the St James Endowment Fund be designated for Outreach Efforts to Support and Assist Impoverished Persons, as requested by the Leadership of St. James Church. This amount would be approximately \$173,500 of the \$694,000 total.
2. The Executive Committee should consider the initiatives supported by the Diocese of Milwaukee such as Collars on the Corner (lead by Deacon Kevin Stewart), the Racine Hospitality Center (led by Rev. Seth Raymond) or other worthy initiatives for Outreach Efforts benefitting impoverished persons (cumulatively known as "the Causes").

3. It is the Recommendation of the Diocese Finance Committee that The Executive Committee should authorize the transfer of \$173,500 of the St James Endowment Fund received by the Diocese of Milwaukee. The funds should be transferred from the Diocese Endowment Fund (000-00-1030) to the Inner City Ministry Endowment Fund (000-00-5830).
4. It is then Recommended that The Causes, as described above, would request and receive funds during 2018 and all subsequent years based on the earnings of the Inner City Ministry Endowment Fund. For avoidance of doubt and to be clear, the Principal or Corpus of the Inner City Ministry Endowment Fund is not intended to be distributed but the annual earnings should be available for distribution to the “Causes” based on the “Causes” requests for distributions and approvals as stated below.
5. It is Recommended that the distribution from the Inner City Ministry Endowment Fund will be based on requests for funding from the various Causes and to be reviewed, approved and dispersed through the Granting Process as currently exists within the Diocese.

This Resolution is approved and submitted by the Episcopal Diocese of Milwaukee’s Finance Committee on this 1st day of January in the year of 2018.

***Mr. John Washbush noted several items in the history section that needed clarification. He also felt that the recommendations should be divided into two sections to clarify intent. It was so moved and approved. Canon Peggy Bean will make the corrections, take the amended resolution back to the finance committee and to Mr. John Washbush for review and approval and bring it back to the Executive Council for their final approval.

I. Report – Canon for Congregations – Canon Peggy Bean

Canon Peggy Bean highlighted the redevelopment efforts of the COMD and the goal to broaden these efforts to include other parishes.

She clarified some questions regarding the grants: NCC is the North Central Convocation and *additional* refers back to the fact that other parishes are being considered for redevelopment.

J. Dispense with the Treasurer’s Report

K. Report of the Property Committee

Mr. John Washbush reported for the property committee. (Minutes from their January 3rd, meeting are in drop box, 2018, January, reports) He talked about:

--why it is needed

--its relationship to the Canon on Art and Architecture

--the need to develop guidelines and steps in managing properties that revert to the diocese

Discussion centered on:

--the relationship of the property committee to parishes (consultation/advisory?)

--the need to have defined guidelines and procedures for properties that revert to the diocese

The members of the Property Committee are:

Chair: The Rev. Andrew Hanyzewski with Mr. John Washbush, the Rev. Jonathan Grieser, Mr. Ron Johnson and the Rev. David Simmons.

L. Bishop's Report (lite)

--Visitations begin

--Upcoming Province 5 meeting

--Clergy retreat at DeKoven Center

Final Announcements:

--General Convention deputies will be meeting shortly

--Leadership Day at Zion

The Rev. Debra Trakel moved and the Rev. Liz Tester seconded the adjournment of the meeting.

The meeting was adjourned at 12:00 p.m.

The next meeting is March 17, 2018 at Zion, Oconomowoc.

Respectfully submitted,

Rev. Margaret (Marge) M. Kiss

Executive Secretary & Recorder of the Minutes

Appendix I
2018 Executive Council Meeting Dates

May 19th

July 18th -- Conference Call

Sept. 22nd

Nov. 10th

Appendix II
2017 Norms for Executive Council Meetings

Begin with prayer

Start and end on time

Receive and Review material one week ahead of time of meeting

Respectful communication

Assume good/best intentions

Seek to model reconciliation

Look for the best in others

Give the best we have

Gentleness first

Respect the “confidential nature” of the discussion (Identify if confidential)

All responsible for the process at the table; Pay attention/Be actively engaged

All members of Executive Council are authorized to raise their hand, to call for a pause in the process, and to ask for a moment of prayer from the Bishop

We are always The Church