

**Diocese of Milwaukee
Executive Council Minutes
March 17, 2018 10:00 a.m.
Zion, Oconomowoc**

Present: The Rt. Rev. Steven A. Miller; Mr. Clyde Bachand, Diocesan Treasurer; Ms. Kada Bush (Kathleen); the Rev. Dr. Jonathan Grieser; the Very Rev. Andrew Hanyzewski; Mr. Ron Johnson; Mr. Peter Larson; the Rev. Joel Prather; the Rev. David Simmons, President of the Standing Committee; the Rev. Elizabeth Tester; Mr. John Washbush; Ms. Janice Watter, Vice-President of Executive Council;

Others present: Canon Peggy Bean, Canon for Congregations

Special Guests: Ms. Heidi Ropa, Executive Director, Haiti Project and Mr. Jon Cushman, Steering Committee Member, Haiti Project

Absent: The Rev. Debra Trakel; Ms. Marlene Udovich, Financial Officer; Ms. Kristen Wold and the Rev. Chuck Zellermayer and the ex-officio members (attendance is optional): the Rev. Jana Troutman-Miller, President, Commission on Ministry and Ms. Jill Heller, President of Trustees of Funds & Endowments

At 10:06, Bishop Miller opened the meeting with spontaneous prayer. He expressed appreciation to all for being present.

A. Further Orientation Items

Executive Council Meeting Norms were reviewed and one item was added. There was a consensus to adopt the revised norms. Revised Norms appear in the minutes as Appendix II

Bishop Miller led a discussion regarding current and future **Executive Council Meeting Days and Times**. Current meeting dates appear in Appendix I.

Key Points:

- attendance at Saturday meetings seems to be a challenge; would evenings be better?
- other recommendations:
 - make dates of meetings available before election to the office
 - emphasize that, if elected, attendance at the meetings is a priority
 - put the meeting dates on the Agenda and in the Minutes as reminders

Recommendations regarding meeting dates prior to convention:

- # --move review of proposed budget to May for easier finalization in July
- have convention planning committee meet earlier
- change due dates of nomination and resolutions

#Bishop Miller will do some doodle polls. Bishop Miller and Ms. Jan Watter will then review and work on the 2019 Executive Council meeting dates.

B. Action Items

Approval of January minutes

Bishop Miller asked if there were any additions, deletions or changes to the minutes of the January 13, 2018 Executive Council Meeting.

***The Rev. David Simmons moved and Ms. Jan Watter seconded the approval of the January minutes as presented. They were so approved.

Election—Province V Synod Representatives

After reviewing and clarification of the process for election of the two representatives to the Provincial V Synod, Bishop Miller nominated, in the lay order, Mr. John Washbush who declined and Mr. Peter Larson who also declined. He then nominated Ms. Tammy Prather who accepted the nomination.

Bishop Miller nominated, in the clergy order, the Rev. Marge Kiss who accepted the nomination.

Haiti Project—Memorandum on the proposed Episcopal Diocese of Milwaukee Haiti Project and APSHA draft agreement

Bishop Miller introduced Ms. Heidi Roper, Executive Director of the Haiti Project, and commended her for her leadership in the Haiti project.

Ms. Heidi Roper and Mr. Jon Cushman presented:

--the rationale for the Memorandum, significant leadership changes in Haiti, therefore a strong need for continuity and

--the basic component of the memorandum, an Administrative Agreement between the Diocese of Milwaukee-Haiti Project, The Institution of St Marc in Jeannette, Haiti, and APSHA, which states the terms and conditions of the contractual agreement.

***After clarification of specific details of the agreement, the Rev. Liz Tester moved and the Rev. Andrew Hanyzewski seconded that they enter into the agreement. The motion was approved unanimously.

A review of the situation in Haiti and the status of the Administrative Agreement will take place at the September Executive Council meeting.

St. James' Resolution

A resolution submitted at the January 13, 2018 regarding monies received from the sale of St. James', Milwaukee had, with recommendations from Mr. John Washbush, been referred back to the finance committee for clarification of the distribution of funds. (See: Appendix III)

Subsequently, Mr. John Washbush submitted the following two resolutions.

**Resolution Regarding the Distribution of
Funds from the St. James' Church
Endowment**

WHEREAS the policy of the Diocese is to place real estate sale proceeds or other windfalls into its Permanent Development Funds, or grants;

and WHEREAS, with the dissolution of the St. James Endowment Fund following the closure of the St James Church located at 833 W. Wisconsin Avenue, Milwaukee, WI, a “windfall” has been amount of approximately \$694,000;

and WHEREAS, the Senior Leadership of St James and The St. James Endowment Fund Board 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 St James Endowment Fund (“the Fund”) and liquidate the Fund into cash.
2. The Executive Council deposit the cash in the following manner:
 1. \$173,500 to the Inner City Ministry Inner City Ministry Endowment Fund (000-00-5830) to be designated for the support of Outreach Efforts to Support and Assist Impoverished Persons, as requested by the St. James Endowment Board and the Leadership of St. James Church;

The remainder of the funds to deposited without restriction in the Diocese Endowment Fund (000-00-1030) for Diocesan Operations.

Episcopal Diocese of Milwaukee Finance Committee

**Resolution Regarding the Distribution of Funds
from the Inner City Ministry Endowment Fund (000-00-5830)**

The Finance Committee recommends the adoption of the following guidelines for the use of proceeds from the Inner City Ministry Endowment Fund (000-00-5830):

1. The purpose of the fund is to support the work of parish ministries and other initiatives supported by the Diocese of Milwaukee (for example, Collars on the Corner, the Hospitality Center, or other worthy initiatives) in Outreach Efforts benefitting impoverished persons. Cumulatively, these ministries may be cumulatively known as “the Causes”.
2. Distributions from the Inner City Ministry Endowment Fund will be based on requests for funding from parishes and various Causes.
3. Requests will be reviewed, approved and dispersed through the Granting Process as currently exists within the Diocese.
4. Total funds available for grants will be based on the earnings of the Inner City Ministry Endowment Fund so that the distributions do not invade the Principal or Corpus of the Inner City Ministry Endowment Fund.

Episcopal Diocese of Milwaukee Finance Committee

***Mr. Peter Larson moved and the Rev. David Simmons seconded the acceptance of the Resolution Regarding the Distribution of Funds from the St. James' Church Endowment. It was so accepted.

***The Rev. David Simmons moved and the Rev. Andrew Hanyzewski seconded the acceptance of the Resolution Regarding the Distribution of Funds from the Inner City Ministry Endowment Fund (000-00-5830).

Discussion centered on:

- the definition and parameters of "Inner City" ministries
- clarification of the name of the Fund
- how the Fund is handled by Trustees and Funds

***The Rev Jonathan Grieser moved and the Rev. David Simmons seconded that the acceptance of the first resolution be reconsidered in the light of the discussion on the definition and parameters of Inner City Ministries.

***The Rev. Andrew Hanyzewski moved and the Rev. Liz Tester seconded that a vote on the resolutions be postponed to a time certain in order to first, clarify the parameters of "inner city" and second, to invite Ms. Jill Heller, Executive Director of Trustees of Funds and Endowments, in to clarify the restrictions and guidelines of the fund currently in Trustees and Funds.

It was so approved.

Mr. Clyde Bachand will invite Ms. Jill Heller to speak to the Executive Council regarding this issue and Trustees and Funds in general.

St. Andrew's Resolution

Canon Peggy Bean submitted the proposal from St. Andrew's, Kenosha which appears in the minutes as Appendix IV.

She explained that:

- It was being submitted in lieu of St. Andrew's, Kenosha potential closing and the sale of its property.
- Because of its relationship to St Matthew's, Kenosha, it was the desire of the congregation to "strengthen the church in SE/Wisconsin/Kenosha County."

After clarifying the terms of the financial proposal, the Executive Council felt that it was a balanced proposal and wondered what their next move should be.

***Mr. Peter Larson moved and the Rev. Liz Tester seconded that the Executive Council acknowledge and affirm the financial proposal submitted by St. Andrew's, Kenosha. The vote was unanimous.

C. Information/Discussion Items

St. Barnabas Chapel, St. Luke's Hospital Racine

Bishop Miller walked through the history and the current situation surrounding St. Barnabas Chapel, St. Luke's Hospital Racine.

- A once dedicated Episcopal space, the Chapel has been deconsecrated.

--Items in the chapel are available; placement of various items –plaques, back lit windows is being considered, as well as the possible sale of items with the money going to fund the resolution of the agreement issue.

--With the purchase of the facility by Ascension Health Care a specific woman's health care issue has occurred; tubal ligations are being discontinued even though vasectomies are still approved.

--The major question: Is the agreement created with the dedicated Episcopal space still in effect?

--Significant research and possible litigation may be needed with cost in time and talent, though our attorneys may provide pro bono service.

The Rev. Liz Tester suggested that it be written in the minutes that the Executive Council supports this endeavor.

***Mr. John Washbush moved and Mr. Clyde Bachand seconded that the Executive Council offer and affirm its support of the investigation into the status of the agreement regarding the dedicated Episcopal space known as St. Barnabas Chapel in St. Luke's Hospital Racine. It was unanimously approved.

Report of the Executive Council Task Force on Constitutions and Canons

Mr. John Washbush walked through the report of the Mini-Task Force on Executive Council delineating the areas of recommended action and the priority for Executive Council action.

--On page 4, it was noted the need for persons somewhat skilled in finance to serve on the Finance Committee and that representation will change as Executive Council membership changes.

***--On page 5, it was moved and seconded that the Structure and Membership of the Property Committee be set:

Chair: Bishop Miller

Vice chair: representative from Executive Council (Vice-President)

Vice-chair: representative from Standing Committee (President or Vice-President)

Representative from Trustees of Funds and Endowments (TFE)

At-Large members

--On page 7, it was recommended to use the acronym Permanent Fund for Permanent Development Fund.

#--On page 8, the status of the review and discussion of audit vs. financial needs to be presented.

--On page 10, two key rationales for the recommendation were noted—transparency and encouraging involvement.

#It was further recommended that Priority 2 (Important, but Not Urgent) items be considered at future Executive Council meeting.

***The Rev. Liz Tester moved to accept the report and to refer sections to the Finance Committee.

Report of the Property Committee

The Rev. Andrew Hanyzewski, chair of the Property Committee, noted that:

--The Bishop would like to change the direction of the committee.

--The Bishop, starting now, will Chair the committee.

--The Rev. Liz Tester recommended changing Co-Chair to Vice Chair.

Bishop Miller continued that:

--The section in the January 3, 2018 on proposed structure and membership would, therefore, be amended:

Chair: Bishop Miller

Vice chair: representative from Executive Council

Vice-chair: representative from Standing Committee

Representative from Trustees of Funds and Endowments (TFE)

At-Large members

Discussion again centered on:

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

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

***It was moved to accept and approve the report as amended.

#Clarification of the work of the Property Committee and its relationship to Canon 11 – Of Allied Arts and Architecture, along with a possible amendment to the Canon is under review.

St. Luke's, Whitewater

Bishop Miller noted there was an item not on the agenda that needed review. He called on the Rev. Andrew Hanyzewski to explain a property issue facing the diocese.

The Rev. Andrew Hanyzewski reminded the Executive Council that St. Luke's, Whitewater has been closed for about 2 ½ years. He also noted that:

--The property is used only once a week.

--The property needs a lot of maintenance.

--Though currently being used for "campus ministry," that use is minimal.

--The question—is campus ministry tied to the building?

Canon Peggy Bean suggested that the COMD investigate other ways to do campus ministry in that area.

The Rev. Andy Hanyzewski said that, though sale of the property was under consideration, the 1852 deed specifies that, if the property ceases to be used for a worshipping Episcopal congregation, the property reverts back to the owner or heirs. He concluded that the current issue is the legal status of the property which is being reviewed by Bishop Miller with the Chancellor.

Report from Finance

Mr. Clyde Bachand reported that:

--The diocesan audit is completed.

#--The auditors have been invited to the May meeting to clarify explain/clarify items in the audit.

--There is currently no quarterly report.

Report – Canon for Congregations – Canon Peggy Bean

Canon Peggy Bean called attention to the books on the coffee table and encouraged the members of the Executive Council to take them.

She highlighted:

--the transition and redevelopment efforts of the COMD

--the trend of, parishes needing part-time priests, but part-time priests not being available

--subsequently the need to develop new strategies in ministry

She also reiterated that due to limited funds, it was important to steer parishes off of aid.

Bishop's Report

Bishop Miller noted the following:

- House of Bishops was held from March 6-March 9 at Camp Allen in Navasota, TX.
- The House of Bishops unanimously accepted the statement on gun violence submitted by the youth of Parkland, Florida
- March for Our Lives, a student-led demonstration in support of tighter gun control, will be next Saturday, March 24th here, in Washington D. C. and other places throughout the United States. Please consider joining us downtown. We have signs!
- Regarding the General Convention in July:
 - The Blue Book is in process.
 - A major topic is the "reform" of the Book of Common Prayer.

The Rev. Liz Tester moved and Mr. Peter Larson seconded the adjournment of the meeting.

The meeting was adjourned at 12:53 p.m.

The next meeting is a Conference Call on July 18, 2018 at 5:00 p.m.

Respectfully submitted,

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

Appendix I

2018 Executive Council Meeting Dates

July 18th -- Conference Call

Sept. 22nd

Nov. 10th

Appendix II

2018 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

Recuse oneself or abstain from matters in which one has a conflict of interest

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

Appendix III

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/b Permanent Foundation Fund) 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").

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).

3. 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.
4. 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.

Appendix IV

St. Andrews Episcopal Church – Kenosha, WI
Request to Strengthen the Episcopal Church in SE Wisconsin
Dated 01/24/2018

Brief History:

St. Andrews Church was created as a mission of St. Matthews Church – Kenosha in approximately 1913. The original St. Andrews building was constructed in 1915 and a rectory was purchased next door. After many years of guidance from St. Matthews and many joint struggles, St. Andrews was eventually admitted to full parish status within the Diocese of Milwaukee.

Current Status in Kenosha:

St. Andrews core congregation is a very small group of long term members who are deeply dedicated to the Episcopal Church. However, this group does not have the size and strength to inspire new growth in the current location. They would like to be a part of a larger group to help strengthen and grow the Episcopal Church in Kenosha County.

St. Matthews is a church that offers much to its members and to the local community. However, budgets are tight and the current pledging does not fully support the budget. St. Andrews would like to help St. Matthews move to a stronger position.

Helping St. Matthews will help us with our desired wishes for the future. Our help would be a combination of adding membership to St. Matthews and helping to stabilizing the financial future of St. Matthews.

Financial Proposal:

While we understand the proceeds from the sale of the properties goes to the Diocesan Permanent Development fund our wish is the proceeds from the sale of the church and rectory be set aside by the diocese for a future church plant in SE Wisconsin. (Both buildings are debt free, estimated value: \$150,000 to \$200,000.)

In order to support our vision of a potential new church in Kenosha County we would like to propose, upon the formal closing of St. Andrews, the following:

St. Andrews has two funds invested with the Trustees of Funds and Endowments (Combined Fund). We would like to see these funds used in the following manner so as to give strength to St. Matthews Church today and into the future:

- I. Both current Combined Fund accounts will be merged. (Approx.: \$205,000 plus \$59,000)
 - a. The Trustees of Funds and Endowments will be the Trustee of the Fund and will be invested in the Combined Fund.
 - b. The beneficiary of the fund will be St. Matthews Episcopal Church – Kenosha.
 - The annual income distributions of the fund will be paid to St. Matthews Church for a period of up to 10 years.

- If, during the initial 10 year period, a new church ministry/mission is created in Kenosha County, the then combined fund balance will be used to support this ministry/mission. The objective of this agreement is to help support a new church in Kenosha County.
- If no new church ministry/mission is created in Kenosha County during the initial 10 year period, then St. Matthews Church will become the principle and income beneficiary of the fund which will be used to support their Outreach efforts and the operation of the church. St. Matthews's usage would be restricted to annual income distributions and no more than a 4% principle withdrawal in any one year.

Respectively submitted,

The Vestry and Members of St. Andrews - Kenosha