

**MINUTES OF MEETING OF THE
COUNCIL OF TRUSTEES
OF THE EPISCOPAL DIOCESE OF KANSAS, INC.**

June 22, 2022

The Council of Trustees of the Episcopal Diocese of Kansas, Inc., met via Zoom on June 22, 2022. Prior to the start of the meeting, Bishop Bascom noted that with several members on vacation, quorum should be established. Canon Funston confirmed that there were enough council members present for a quorum. Bishop Bascom led the group in prayer prior to the start of the meeting.

Cathleen Chittenden Bascom, Bishop and Chair, called the meeting to order at 10:02am.

Members of the Council of Trustees present were:

- Bishop Cathleen Chittenden Bascom
- The Rev. Casey Rohleder, President
- Deacon Jim Cummins
- Ms. Elizabeth Fitz Gibbon
- Mr. Lawrence Hannan
- The Rev. Helen Hoch
- The Rev. Marc McDonald
- Mr. Mike Morrow
- The Rev. Andrew O'Connor
- Ms. Marilyn Trubey

Members of the Council of Trustees absent:

- The Rev. Greg Doll
- The Rev. Doreen Rice
- Mr. John Smittle
- Ms. Diana Waddell-Gilbert
- Mr. Richard Wilson

Also present were:

- The Rev. Jennifer Allen, Diocesan Missioner
- Mr. Jay Currie, Comptroller
- Ms. Michael Funston, Executive Assistant to the Bishop
- The Rev. Canon Patrick Funston, Canon to the Ordinary
- The Rev. Karen Schlabach, Youth, Campus, and Digital Missioner

Bishop Bascom presented the May 10, 2022 meeting minutes. A motion to approve the minutes as presented was made by the Rev. Casey Rohleder, duly seconded by Mr. Mike Morrow and approved unanimously.

Comptroller's report

Mr. Currie asked to note a couple things before giving an update on diocesan finances. Some months ago the bishop asked about where she was at with paying off her house. The bishop and the diocese have a sharing agreement on the bishop's residence. It is nothing out of the ordinary, former bishops have had a similar agreement with the diocese. The amount that the bishop is repaying back is \$800 per month with the June payment they are at \$4800 paid for 2022, \$9600 a year which is a little less than 10 percent a year. At the end of this month the diocese will have a 47.6 percent share in the bishop's house and that will keep going down. Mr. Currie said he likes to give an update at the halfway point of the year.

Mr. Currie then went on to give an update on the Bethany House & Garden Fund and Ministry and Maintenance Fund: currently the diocese has received \$377,000 pledges and still has \$134,000 outstanding. That will be more than enough with the current construction. In the Ministry and Maintenance Fund, it is just shy of \$19,000. Bishop Bascom clarified that a large portion of the outstanding amount on the Bethany House & Garden Fund is from the Kemper Foundation. Mr. Currie verified that it was and that he was not sure when that would be coming in this year. He reminded the council that with any capital campaign to never expect the full one hundred percent pledged is received.

Mr. Currie then switched to the financial update. The diocese is right on track for the year. He reviewed some of the apportionments not received and those who have prepaid. There are just a couple parishes that are a bit behind but are aware of their specific situations. There has not been a draw on the endowment yet but that is expected in July or August which is typical. Expenses are a bit under in some places but we are right on track. Mr. Currie pointed to the third page of the financial statement showing some apportionment coming in late. The "Community Life" line item is showing a deficit but once the diocese receives convention and camp fees that will bring it back up.

Mike Morrow asked about St. Stephen's being under and he says that is incorrect according to their records and asked Mr. Currie to check on that.

Finance Committee Report

Bishop Bascom noted that treasurer, Mr. Geary, was absent at a funeral for a friend. Bishop Bascom asked for feedback from the convocation representatives who have had their convocation meetings since the proposed mission plan had been distributed. Deacon Cummins,

Northeast Convocation, received a question about the increase in the endowment draw. Mr. Currie said that Canon Gar Demo, Northeast convocation, did reach out to him asking about the endowment draw. Deacon Cummins said that Canon Demo is still concerned about the increase in the endowment draw. Jay Currie noted that he had also received communication from Canon Demo. Bishop Bascom responded by clarifying the 7.6 percent draw which is high but not the highest.

Bishop Bascom then shared the draft of a document entitled “A Missional, More Customized Approach to Our Funds” which is the bishop’s understanding of how the diocesan funds are being used and how they have been used in the past. The bishop says that the former Kansas bishops have not been as transparent as she and the Trustees have been and used the funds more generally than for each of their specific intentions and clarified that she was not alleging misuse. Mr. Morrow said that he would need more time to inwardly digest the document presented by the bishop. Ms. Fitz Gibbon said that she was unsure of what was meant by the phrase “when the Church is more missional than established” and wondered about the intended audience for this document. Bishop Bascom responded that the document may just be for the Council; her meaning behind the phrase is to convey a difference from the Boomer era under Bishop Turner (more people, stronger budget) and the current time when the culture is less Christian and use of the diocesan resources in new ways given the present cultural needs. Mother Rohleder asked if this document represents an argument for more targeted draws of higher rates to support mission throughout the diocese. Bishop Bascom responded that the Mission Plan we drafted does do that. Mother Rohleder clarified her understanding of what the bishop is communicating: the diocese is using the gifts given to the diocese to support mission work throughout the diocese and not just the institution, noting that it is easier to see that in this budget. She encouraged the bishop to be more direct and clearer about the intention of using the budget in Spirit-led ways.

Mother Rohleder shifted the conversation by expressing curiosity as to whether the pushback about the draw getting too high is because it goes against common practice or if it is something else. Bishop Bascom noted it sounded like there has not been huge push back and thanked Mother Rohleder for the beautiful way she described the use of these funds. The bishop noted that the intent of this document and conversation is to think through how to communicate these issues to the Convocations ahead of convention. The bishop noted that she would send this draft to the Council.

The bishop recognized Deacon Cummins who clarified that Canon Demo’s curiosity was attached to a historical calculation that is economy-driven which always seems to land around a 5 percent draw. Bishop Bascom noted that Mr. Currie knows these calculations and asked for clarification. Mr. Currie said that 5 percent draw is based on a few assumptions:

1. That the portfolio will grow 8 or 9 percent growth over each year (which has been close to true for the diocese, recently).

2. That inflation will be around 3 percent.

Unfortunately, so far this year the funds have not been earning 8 percent, but we go from a 3 year average to calculate the draw. As a rule of thumb, the 5 percent has worked for the diocese, however we are entering different times and how that will be understood may need to be adjusted somewhat.

Bishop Bascom shifted the conversation, highlighting a portion of the document that said that some funds “are designated at the discretion of the bishop.” Bishop Bascom reminded the Council from her perspective as someone who has been raising money for the church for over 30 years that some donors give for an endowment (they want gifts to stay into perpetuity and only use the interest), but others give money with the intention of gifts being used. The Church gets into treating all donations the same, using only a specific draw is not their intent. Though Mother Doreen Rice was not present, the bishop indicated that the approach described in the document is supported by Mother Rice. The bishop said she would send the document to the Council “for their eyes only,” and that the conversation would continue in August.

Canon Funston requested an opportunity to speak to the previous conversation. He observed that what has not been clear in this conversation is the purpose of the bishop’s document. In his understanding, this does not address concerns about the draw rate being high, this document is to articulate the bishop’s desire to use the general endowed funds differently from the Bishop’s Mission Fund and the Millspaugh-Wise Fund, both being discretionary funds. The document could address draw-rate concerns by saying that the rest of the endowment will be treated as endowed funds, but these specific mission funds are being used in a missional way that is not tied by donor intent to endowed usage. Canon Funston asked for clarity from Bishop Bascom, is the bishop’s intent to no longer consider the Bishop’s Mission Fund and the Millspaugh-Wise Fund as endowed funds? If so, the draw rate would be less a function of best-practices for endowment draw-rates and more a function of how the bishop is seeing the missional use of this corpus over time and that would be a conversation between the Council and the Bishop to discern whether that draw-rate made sense.

Bishop Bascom said that lumping all of the other funds as endowment funds is not true, but that it can be said that way for these purposes. Canon Funston noted it seemed like Bishop Bascom is saying that there are not any actual endowments, that what had been treated as an endowment is just a collection of invested funds. The Bishop asked Mr. Currie to clarify. Mr. Currie responded that the history of many of these funds is not clear, so some interpretive decisions are being made (as to what they were meant for). The diocese has been sticking to the 5 percent draw because that’s just generally how non-profits use invested funds. The diocese uses some invested funds differently, for example, the Tocher Fund is drawn as needed and at request for clergy continuing education and the Tocher Lecture. reviewed

some of the funds that have been used separately from the endowment. Bishop Bascom responded that generally what Canon Funston said is true: that the diocese is drawing from these specific funds for the mission work of this era. However, it may be incorrect to classify the rest of the invested funds as being limited, by donor intent, to interest only like an endowment even if the bishop and Council are treating them that way.

Bishop Bascom recognized Father O'Connor who was reminded of his former diocese (Los Angeles) where funds were under a "*corp sole*" (*corporation sole*) under the exclusive control of the bishop. Fund draws would support the operating budget or be used for directed purposes; real estate deals would happen under the *Corp Sole* (Father O'Connor noted that one of these real estate transactions was what led to disciplinary action being taken against Bishop J. Jon Bruno). The current bishop (John Taylor) has moved to more transparency and Father O'Connor believes they are talking about dissolving the *Corp Sole*, citing transparency. All of that is good, and Fr. O'Connor appreciates seeing this document to understand the shift in Kansas, but notes that this conversation shows that more work/understanding and communication needs to be done so that the Council and the Diocese understands this. Fr. O'Connor also noted that this whole conversation came out of an invitation to hear about convocation feedback from the Northeast and the Southeast, but that the Southeast hasn't been heard. The bishop acknowledged that and recognized Ms. Trubey.

Ms. Trubey asked for clarification that the 5 percent rule does not apply to non-endowment funds? Mr. Currie responded that this was not applied, this year, to the Bishop's Mission Fund and the Millspaugh-Wise Fund. There are other funds that are not ever included: custodial funds like the Armstrong Fund which is specifically for one parish and the Father Young Fund that is specifically for clergy children have never been limited to the 5 percent draw. Bishop's Mission Fund and Millspaugh-Wise Fund have previously been included but under this new use they were pulled out and not included on the endowment draw. Ms. Trubey asked if gifts that are not for a specific purpose if the 5 percent rule applies to them? Mr. Currie responded that yes, in the past they have been, they were grouped together. The bishop noted that sometimes they are specifically designated for interest-only, like the new Walsh Fund; other gifts are not directed in this way. The bishop asked Mr. Currie if the Skinner Fund were limited in its draw. Mr. Currie said that it is an endowment with a limited draw. Canon Funston reminded the Council that there's another piece to the donor intent conversation: the diocese has a gift acceptance policy it should be using when gifts are received. The other piece of this historical research needs to be not only what the donor intended, but how did the Council of Trustees direct the usage of these funds and if they were folded into an endowed fund, they become part of the endowment and are then treated as part of the endowment. The current Council respects the intention of the Council that received the funds, we need to honor the work of the last sixty years. The bishop agreed.

Bishop Bascom recognized Father McDonald who asked if the diocese had passed something about defining healthy congregations as only drawing 5 percent from the endowment. At St. Andrew's their funds are all mixed together and they try to stick to the 5 percent draw, even for the funds that have a designated purpose. Couldn't this redesignation open congregations to making similar moves saying they are drawing more from designated parts of their endowments? Bishop Bascom agreed and said that she wouldn't have a problem with congregations learning more about their invested funds. Bishop Bascom thinks this is a question for the modern church and thinks that the church ties its hands missionally with this business practice. Can we tie our hands? Should we be doing that? Bishop Bascom said again that she would send a draft of this document and asked for feedback at the August meeting noting the need to have a sense of how to communicate this to Convocations in September and Convention in October.

The bishop responded to a conversation in the Zoom chat about Marc's above question in which Canon IV.7.2(d) was quoted: "Persistent and significant instability or decline in the financial or temporal condition of the Parish including, but not limited to, the invasion of the principal portion of an endowment or trust fund." The bishop said that the funds have grown so much since their creation that the diocese isn't close to using the corpus.

Bishop Bascom called on representatives from the Southeast about their convocation meeting. Mother Hoch said that Canon Funston was at their meeting and that he was able to respond to any questions in the moment. Canon Funston said there were questions about the range of the endowment draw. Bishop Bascom asked Mr. Currie to have the history of the range of percentage draws for the pre-convention convocation meetings.

Reports from Trustees and Staff on Mission and Ministry of the Diocese

Convocation & Minister Listening Process

Bishop Bascom called on the Listening Process team leaders (Canon Patrick Funston, Mother Casey Rohleder and Dr. Beth Fitz Gibbon) to give their report. Canon Funston began the report by organizing it into three sections 1) Goals 2) Processing of retreat recommendations 3) Proposed Canons.

- Goals

Canon Funston directed the council's attention to the Positional Prioritization document outlining all the goals in order of priority. Council members were asked to confirm the top three or four goals and brainstorm the objectives and tasks that would lead to those goals over the summer and bring them to the August council meeting.

Mother Rohleder asked that the fourth goal (Grow leadership capacity (clergy and lay) in all congregations) be combined with the top three goals. Ms. Trubey said the council does

not want to go too broad and lose addressing each specific goal. Ms. Fitz Gibbon agreed with both Mother Rohleder and Ms. Trubey. Bishop Bascom asked if one is more of an objective under a goal instead of a goal. Father McDonald said that yes but that it was pulled out because it was a specific comment during the listening process. Deacon Cummins said that he does not want it to be lost.

■ Four Goals:

- Develop culture of invitation throughout the diocese
- Focus on Congregational Vitality as a major tenet of congregation and diocesan health; both spiritually and financially
- Increase youth and young adult participation in leadership and decision-making bodies of the Church
- Grow leadership capacity (clergy and lay) in all congregations

Mother Rohleder moved that the four goals be adopted. Seconded by Mr. Morrow and unanimously adopted.

Canon Patrick said in future meetings we will move to work on these and their objectives.

○ Processing the recommendations from the retreat

The Council was directed to the Minster and Convocation Listening document. Canon Funston said this document drawn up by Beth, Casey, Ryan Patrick and Canon Patrick. The buckets of action include tasks, description, who is working on it and timeline of the work. Canon Patrick then asked for questions and clarifications on this document

Mother Hoch asked if the purpose of this group to assign ourselves to one of these colors(buckets). Canon Funston said he appreciated the offer but that it is this group (Rohleder, Funson, Fitz Gibbon) working on it but if you see a place where you can help we would appreciate knowing.

Mr. Hannan asked if another column could be added: completed action items. Canon Funston affirmed that addition to the document.

Bishop Bascom expressed her gratitude for this work and this feedback.

○ Canon Proposals

The “Canon Update” working group (Mr. Morrow, Mr. Taylor, Father O’Connor, and Canon Funston) are suggesting three canon changes. These are being looked at a little earlier than other item outcomes of the listening process so that they can be proposed by the Council before the August 5 deadline for convention business.

■ The following amendments are being suggested for Canon III.5 *Of Convocations*:

- Make explicit the membership of delegates from campus missions and youth ministry.
 - These are already members, but this makes it explicit.

- Reduce the required number of convocation board meetings from 4 to 3.
- Change the language around the requirements for the content and timing of two convocation board meetings to mirror the language in use in other parts of the canons.
- There was some confusion about the version of the canons that was used to write the proposal. Canon Funston will bring a better version back to the Council later in the meeting.

The council had a short break, reconvening at 11:43am.

- Canon Proposal: Canon 11.2 *Of Attendance*
 - Implement term limits for parish delegates.
 - After discussion, this was reworded as a year-limit instead of a limited number of terms.
 - Restate that youth elected as delegates are also part of the Convocation Board in which they live.
- Canon Proposal: Canon III.7 *Of Minsters*:
Mr. Morrow presented a canon proposal iterated on the *Of Convocations* canon. The Council discussed and edited.

Father O’Connor moved for the Council to propose the amendments to Canon II.2 as amended through discussion and Canon III.7 as changed during discussion. Seconded by Mr. Morrow.

Those amendments are:

Note: Language to be removed is in ~~strike through~~; language to be added is in *italics*.

CANON II.2 Of Attendance

Sec. 1. b. ... Alternate delegates shall be selected in a like manner in the same number as the delegates are selected, but they shall be designated first, second, and/or third. *No delegate or alternate delegate may serve more than six years in succession without taking two years absence as a delegate or alternate delegate.*

...

Sec. 6 With the prior written approval of the Bishop, The Kansas Episcopal Youth at an annual Diocesan Kansas Episcopal Youth assembly may elect four (4) lay delegates, each of whom shall be entitled to a seat and a vote at the annual Diocesan Convention, *and seat and a vote at the Convocation meetings in which each delegate resides*, provided that: ...

CANON III.7

Of Minsters

Sec. 1. Locations. *The Diocese of Kansas will be divided into minsters. The Ecclesiastical Authority shall designate the number of minsters, and shall assign each parish to one of the minsters.*

Sec. 2. The Minster Team. *The Minster Team members shall consist of a Minster Shepherd, appointed by the Ecclesiastical Authority for each minster, all clergy, and lay representation from each parish in the minster.*

Sec. 3. Meetings. *Each Minster Team shall meet not less than once every two (2) months, or as directed by the Ecclesiastical Authority.*

Sec. 4. Responsibilities. *Each minster shall consist of geographically proximate parishes gathered together for relationship, ministry, sacramental provision, and mission in their shared neighborhood.*

...

CANON III.78 Of the Registrar and Historiographer

...

CANON III.89 Of the Commission on Church Architecture and Allied Arts

The motion passed unanimously.

Mr. Morrow moved for the Council to propose the amendment of Canon III.5 as discussed. Father O'Connor seconded.

That amendment is:

Note: Language to be removed is in ~~strike through~~; language to be added is in *italics*.

CANON III.5 Of Convocations

Sec. 1. Locations. The Diocese of Kansas is hereby divided into four Convocations, known as Northeast, Northwest, Southeast, and Southwest. The Ecclesiastical Authority shall define the territorial limits of the Convocations and shall assign each parish membership in one of the Convocations thereof.

Sec. 2. The Convocation Board. Lay Convention Delegates from the ~~parishes in the~~ Convocation (*including delegates from campus missions and youth delegates*) elected pursuant to Canon II.2, the lay member of the Council of Trustees elected pursuant to Article V of the Constitution by the Convocation and the clergy assigned to parishes in or, if not assigned to a parish, resident in the Convocation and canonically resident in the Diocese shall comprise the Convocation Board

Sec. 3. Bylaws. Each Convocation shall, with the approval of the Council of Trustees, adopt bylaws to govern the operation of its Convocation Board. Bylaws should be reviewed and submitted to the Council of Trustees for approval every five years.

Sec. 4. Duties. The Board shall meet at least ~~four~~ *three* times a year. One of the ~~four~~ *three* meetings shall be held within 45 days prior to each Diocesan Convention to consider items proposed to come before Convention, and one shall be held ~~more than 60 days before each Diocesan Convention~~ *before the deadline established pursuant to Section 4 of Canon II.4 by the Ecclesiastical Authority* to consider and propose the items of Convention business contemplated by Canon II.25. Other duties include recommendations for action on requests apportionment waivers as described in Canon IV.2. The Convocation Board shall not have authority to approve resolutions that impact local parish budgets without approval by the vestry of the parish impacted.

The motion passed unanimously. The amendment proposals will be added to business for the 162nd Convention.

Mr. Larry Hannan led the council in Noonday Prayer honoring the Feast of Alban. Recess for lunch followed. The meeting resumed at 12:52 p.m.

Standing Committee Business:

Bishop Bascom called on Mother Rohleder and the Standing Committee business before the council. Mother Rohleder noted the letters and comments surrounding the election of the Rev. Charlie Holt in the Diocese of Florida. That process has been suspended at the moment.

Mother Rohleder then presented three requests for consent to an episcopal election:

- Mr. Morrow moved, seconded by Ms. Trubey, that the Council of Trustees, acting as the Standing Committee of the Diocese, consent to the election of the Rev. Jeffrey Mello as the Bishop Diocesan of the Diocese of Connecticut. The motion carried unanimously.
- Mr. Morrow moved, seconded by Father McDonald, that the Council of Trustees, acting as the Standing Committee of the Diocese, consent to the election of the Rev. Canon Shannon Rogers Duckworth as the Bishop Diocesan of the Diocese of Louisiana. The motion carried unanimously.
- Mr. Morrow moved, seconded by Father O'Connor, that the Council of Trustees, acting as the Standing Committee of the Diocese, consent to the election of the Rev. Phyllis Spiegel as the Bishop Diocesan of the Diocese of Utah. The motion carried unanimously.

Canon to the Ordinary's Report

- Canon Patrick talked about the diocese subscribing to the TENS resource and the possibility of a new diocesan Stewardship Committee
- Convention Update
 - Committee Chairs and Convocation Officers notified of Elections
 - DioLog Announcement of Convention and Submission Deadline, August 5
 - Please prayerfully recruit for the upcoming nominations for elections at convention
 - Location of the banquet is not going to be Topeka High School. We will let you know the new location as soon as we know.

- Lots of movement during the summer, stay tuned for August report.
- Constitutional Misprint
 - Michele Moss, Director of Operations, found a misprint in the last 12 Diocesan Journals in the constitution.

Staff Reports

Missioner Jennifer Allen, see written report

- She will be having back surgery this summer.
- Topeka Common Ground provided all the seedlings and seeds for the raised beds at Bethany House & Garden, a great partnership for our Bethany Garden

Missioner Karen Schlabach, see written report

- Camp: what they are saying about the mental health of our youth is true and that they are dealing with a lot which made the missioner's work harder. Father O'Connor, Mother Rohleder, Ms. Funston, and Bishop Bascom all shared their experiences and thankfulness for this ministry
- Upcoming youth events this summer: MissionWichita and Peer Ministry Training

Bishop's Report

- Visitations: St. John's, Parsons; College for Bishops; Ground Blessing for Bethany Gardens; Grace, Chanute; Episcopal Summer Mega Camp, Elmdale; Grace, Winfield; Ordination, Grace, Ottawa
- A087 Net Carbon Neutrality by 2030, Resolution to General Convention
 - General goal of the Episcopal Church is to carbon neutrality
 - Crafted an amendment of building a network of landowners and creation trustees in each diocese to devote their land to restoration and preservation
- Convocations: hoping to find space for formation in this group
- Minsters: fruit of this in the report from Canon Funston, Ms. Fitz Gibbon, Mother Rohleder and Mr. Patrick
- Goal Setting: so good to be moving forward with these goals, see reports above
- Ordination of Daryl Stanford
- Invited to Abundant Life
 - A discernment guide for 21st century parishes, minsters and new expression communities
- Bethany House & Garden
 - Construction Schedule
 - Start of St. Simon's Chapel sidewalk path
 - Restoration of the existing stone wall will take more time than expected
 - Most of the construction will be in July
 - Meeting with the subcontractors tomorrow, June 23, 2022
 - Addition to Bethany Garden Staff: ShaMecha Simms, St. Simons Justice and Advocacy Intern
- Keep Lambeth Conference in your prayers and the bishop's vacation to England and France.

The meeting adjourned at 2:10 pm.

Ms. Michael Knoll Funston
Acting Secretary