

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

August 16, 2023

The Council of Trustees of the Episcopal Diocese of Kansas, Inc., met at Upton Hall in Topeka on August 16, 2023. Prior to the start of the meeting, the Council gathered in St. Simon's outdoor chapel for reflection and prayer. Bishop Bascom read prayers for Social Justice, In Time of Conflict, and Agriculture from the Book of Common Prayer.

Cathleen Chittenden Bascom, Bishop and Chair, called the meeting to order at 10:32 a.m.

Members of the Council of Trustees present were:

Bishop Cathleen Chittenden Bascom

Dr. Elizabeth Fitz Gibbon, President

The Rev. Helen Hoch, Clerk

Deacon Jim Cummins

The Rev. Greg Doll

The Rev. Marc McDonald

Mr. Mike Morrow

The Rev. Andrew O'Connor

Mr. Ron Olson

The Rev. Doreen Rice

The Very Rev. Casey Rohleder

Ms. Teresa Ryther

Ms. Diana Waddell-Gilbert

Member absent was:

Mr. John Smittle

Also present as advisors to the Council of Trustees:

Mr. Brian Geary, Treasurer

Mr. Frank Taylor, Chancellor

Also present:

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

Ms. Caroline Howard, Curate for Bethany House & Gardens

The Rev. Canon Lisa Senuta, Canon for Spiritual Life & Clergy Care

Bishop Bascom presented the June 21, 2023, meeting minutes. A motion to approve the minutes as presented was made by Mr. Mike Morrow, seconded and approved unanimously.

Treasurer's Report

Mr. Jay Currie, comptroller, reported on the June and July 2023 financial statements. Mr. Currie pointed out on the income side that the diocese is doing well due to apportionments being made ahead of schedule by a few parishes in the diocese. The other good news is that the parishes are forecasted to all pay their apportionment. Bishop Bascom said that if this comes to fruition it would be nice to celebrate this at the diocesan convention. Mr. Currie reminded Council of the early draw on the endowment in May. On the expense side there are a couple of areas that are over their budget including Bethany House and Garden due to some unexpected repairs as well as Bishop Kemper School for Ministry. The BKSM number should not change for the rest of the year as the expenses were paid out early in the year. Congregational Development will change as the year goes on with the hire of the new priest at St. Paul's, Kansas City. The Youth Ministries line looks unbalanced due to the rest of camp fees still coming in for the year. Community Life expenses will change after the convention in October.

Dean Rohleder asked what the draw on the endowment was and if it was the amount anticipated within the budget for 2023. Mr. Currie confirmed this. Mr. Geary, treasurer, reported that the endowment was at \$6.5 million at the end of December 2022 and at \$7.1 million at the end of July 2023. One factor for this increase was the input of the second half of the Walsh Fund.

Finance Committee Report

Mr. Brian Geary, treasurer, reported on the work within the Finance Committee. He reiterated the comptroller's update on the balance sheet at the end of July as a great introduction to the conversation on the 2024 Mission Plan and Apportionment Schedule. The draft from the May council meeting was sent to delegates on June 9 and included a grant from New Episcopal Communities that was not ultimately received. The Bishop and Mr. Curry went back to the draft of the Mission Plan to account for this grant not received. Mr. Geary also pointed out a change in the allocation of the Bishop's salary. The Bishop and treasurer's proposal is to decrease the Bishop's cash salary, the difference being paid in a portion of the diocese's equity in the Bishop's house. This roughly \$11,600 reduction in cash compensation would be offset by an equal amount of equity. There will be a more formalized amendment to the salary and housing equity brought to the Council after convention to formalize this change. In lieu of a Cost of Living Adjustment (COLA), the Bishop has also asked to be gifted four to six of the diocese's unused plots in the Topeka Historic Cemetery (some of the bishops of the Diocese of Kansas are interred there as well). Mr. Frank Taylor, Chancellor, emphasized the need to have an amendment to the shared equity agreement with

Bishop Bascom so that there is a written record of this change. Mr. Taylor simplified it by saying that this would be placing the cash with an asset already owned by the diocese. This is why memorializing this will be important for the future. This does mean that the Bishop's pension will go down. Bishop Bascom said that the goal is to bring the apportionment down. There was a lengthy discussion relating to this matter. Mr. Taylor asked if there should be a footnote on the Mission Plan that shows the true compensation for the Bishop. Mr. Taylor simplified this by saying the diocese is transferring money from the endowment to the operating fund. Mr. Morrow thanked the Bishop and the Finance Committee for their work to reduce the apportionment for 2024. Dean Rohleder reiterated her thanks and that it is the responsibility of the Council to ask these questions as this is a new change very close to the diocesan convention.

Mr. Geary then passed the rest of the explanation of the draft of 2024 Mission Plan to Mr. Currie. The following mission plan changes made from the version sent to delegates on June 9 were highlighted and discussed:

Income:

Category	June 9 Mission Plan	August 16 Mission Plan
Apportionment Total	\$1,406,840	\$1,406,538
Endowment Proceeds	\$392,986	\$431,336 (7.56% Draw)
Funds for Mission & Parish Support	\$70,500	\$81,200

Expenses:

Category	June 9 Mission Plan	August 16 Mission Plan
Bethany Place: 2023 & 2024 Totals	<i>Correction of Excel formula error. No changes to line items.</i>	
Campus Ministry: FICA	\$0	\$920
Mission & Outreach: BH&G Interns	\$6,460	\$5,000
Mission & Outreach: St. Simon's Fellow	\$3,230	\$5,000
Mission & Outreach: Ecumenical Ministry	\$0	\$1,500
Office of the Bishop: Salary	\$148,314	\$133,500
Office of the Bishop: Pension	\$26,697	\$24,031
Office of the Bishop: Lodging	\$3,750	\$3,000
Office of the Bishop: Meals/Host	\$4,800	\$4,600
Office of the Bishop: House of Bishops	\$3,500	\$1,500
Office of the Bishop: Prof. Dev./Cont. Ed.	\$1,000	\$0
Seminarian and Curate Support: Seminarian Support	\$1,800	\$900

Mr. Morrow moved the adoption of the updated 2024 Mission Plan and Apportionment Schedule for recommendation to the Diocesan Convention. It was seconded and adopted unanimously.

Mr. Geary reported that the Finance Committee has been working on last year's convention's resolution requesting the Council's evaluation and revision of the diocesan audit policy. He thanked Canon Funston for his research and review of what other dioceses were doing. The Finance Committee will be submitting a report to the convention that describes what it did to review and research. Further it will indicate that an updated policy is likely to remove the requirements of professional audits from parishes unless one is otherwise needed (like for a bank loan); the policy will instead ask for a local (convocation or diocesan) audit using authorized forms and process. Further, the report would note that the updated policy will be presented to the Council for review in early 2024 and shared with the diocese soon after. The policy will be implemented so its requirements begin on January 1, 2025, starting on audits of 2024 records.

The Bishop shared communication she had received from the vestry of St. John's, Wichita, and indicated her desire to formally end St. John's process and requirements of Canon IV.7. She solicited the advice and consent of the Council. Following such advisory discussion, the Rev. Andrew O'Connor moved that the Council of Trustees acting as the Standing Committee give its consent to the Bishop's desire to end the process and requirements of Canon IV.7. The motion was seconded and approved unanimously. The Bishop will follow up with a letter to St. John's informing members about the decision of the Council.

Father O'Connor led the council in Noonday Prayer on the Feast of St. Mary the Virgin. The meeting adjourned for lunch and resumed at 1:38 p.m.

Canon Patrick Funston gave the Council updates on the upcoming Diocesan Convention and facilitated discussion around the agenda and the methodology for the Council's presentation of its Strategic Planning.

Strategic Planning presentations and conversations continued from the June meeting. Group 2 reworded their objective to "Strengthen congregational vitality in all its forms to respond to the needs of a changing church and world." Bishop Bascom invited Father O'Connor to present Group 1 "Congregational Vitality" goals and tactics.

Goals:

1. Develop a shared understanding of what makes for vital congregations. This goal has 3 tactics.
2. Recognize and tap all the currencies necessary for robust congregational mission and ministry. This goal has 4 tactics.

3. Establish “new model” Episcopal communities in response to emerging realities in our time and culture. This goal has 3 tactics.
4. Optimize current diocesan structures. This goal has 1 tactic.

President Fitz Gibbon invited members of the Council to give feedback on all of the objectives by placing colored dots on the different goals and tactics on sheets of paper hanging around the room to be reviewed at the September council meeting.

Reports from the members of the Council and Diocesan staff were received in written form.

The meeting was adjourned at 3:10 p.m.

The Rev. Helen Hoch
Clerk