

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

November 13, 2024

The Council of Trustees of the Episcopal Diocese of Kansas, Inc., met in the Larry Bingham Classroom at Bishop Kemper School for Ministry in Topeka, Kansas, on November 13, 2024. Prior to the start of the meeting, the Rt. Rev. Cathleen Chittenden Bascom, Bishop and Chair, offered a Blessing of Pilgrims on Their Departure from a book of blessings. Bishop Bascom called the meeting to order at 9:12 a.m.

Members of the Council of Trustees present were:

Bishop Cathleen Chittenden Bascom
Dr. Elizabeth Fitz Gibbon, President
The Rev. Helen Hoch, Clerk
The Ven. Jim Cummins
The Rev. Carl Edwards
Ms. Melanie Laster
The Very Rev. Laurie Lewis
The Rev. Margaret McGhee
Mr. Mike Morrow
Mr. Ron Olson
The Rev. Doreen Rice Daab
Ms. Teresa Ryther
Mr. John Smittle
The Rev. Daryl Stanford
Mr. Mason Weber

Also present as advisors to the Council of Trustees:

Mr. Hurst Coffman, Vice-Chancellor
Mr. Brian Geary, Treasurer

Also present:

The Rev. Jennifer Allen, Priest-in-Charge, Trinity, Lawrence
Mr. Jay Currie, Assistant Treasurer and Comptroller
Ms. Michael Funston, Executive Assistant to the Bishop
The Rev. Canon Patrick Funston, Canon to the Ordinary
Mr. Clark Hanner, Auditor, Marr and Company
Ms. Karen Hiller, Topeka Councilwoman

The Rev. Patrick Funston, Canon to the Ordinary, offered an overview of the Council of Trustees along with information about the work of the council through a PowerPoint presentation.

Council member Mr. Mike Morrow covered the topics of bylaws and the Standing Committee. He distributed copies describing the Standing Committee and Articles II-IV of the constitution and canons of the Episcopal Church. He also introduced points from the constitution and canons for the Episcopal Diocese of Kansas, Inc.

Treasurer Mr. Brian Geary and Assistant Treasurer Mr. Jay Currie presented information on funds and funding. Mr. Geary told the group how he came to be treasurer for the Council of Trustees. He saw where the finance committee was going then and now as well as looking toward the future. Mr. Currie spoke to the topic of investments through State Street Global Advisors in Boston. He then led a look at the monthly report for October and answered questions.

At 10:30 am, diocesan auditor Clarkson "Clark" W. Hanner, CPA, of Marr and Company, P.C. joined the meeting by Zoom. He presented the firm's report of its audit of the diocese's 2023 finances and explained their qualified opinion answering questions. Following his presentation, The Rev. Margaret McGhee moved the adoption and receipt of the audit; the motion was duly seconded and adopted unanimously.

The bishop asked Mr. Geary to speak to the decision for Church of the Covenant, Junction City, and the Hoover Fund. Mr. Geary said that the bishop's proposal is to use funds from the diocese to help the priest make decisions for maintenance for the church building. The bishop has also proposed to use diocesan funds to kickstart the endowment fund capital campaign for Diocesan Youth Ministry. The recommendation from the bishop is \$200,000. In the year 2025, \$75,000 would be put aside for Junction City to use at the discretion of the rector there. This would not disrupt the use of the funds by the diocese in the 2025 Mission Plan. There would also be \$75,000 used in 2026. Then \$25,000 used in 2025 for the Youth Ministry Endowment fund and another \$25,000 used in 2026. The bishop opened the floor for questions from the Council about the proposal. Archdeacon Cummins asked if this money will sit with the diocese or if it will be given outright to Church of the Covenant. The bishop responded that the money will be given to Church of the Covenant. This fund is at the bishop's discretion. Mr. Morrow asked if Ms. Melanie Laster would speak to her opinion as a member of the parish in Junction City. She is in favor of this proposal. President Beth Fitz Gibbon said that sometimes financial decisions are made with too short of a view and this is a long-term investment. Mr. Geary added that part of the reason this money will be split over two years is to give time to see how things play out.

The Council took a break and reconvened at 11:20 am to continue with the orientation.

Mr. Currie presented quarterly reports from the Episcopal Church Foundation (Performing Metrics Report) and State Street Global Advisors. He also provided endowment fund information.

Canon Patrick Funston officiated Noonday Prayer celebrating the life of Charles Simeon, Priest, 1836. The council recessed for lunch, returning at 12:49 pm.

Bishop Bascom called on the Rev. Jennifer Allen, priest-in-charge at Trinity Episcopal Church, Lawrence. She presented information from the parish requesting to put forward an application for historic designation. Their goals are to acquire grants, tax credits, development protection, fundraising and to preserve the history around the church. There was discussion about other diocesan properties that have acquired historical designation and the problems and court cases that have come with those designations. Council members asked about how the parish feels about the designation. There is a small group, probably less than twenty percent, who are not in favor of the application. Mother Allen said that there are some concerns about the limitations of the historic designation but most of the parish and vestry are in favor. This is from a survey that was part of a capital campaign. Mother Allen left the meeting, and the council continued discussion.

The Council paused their discussion on Trinity, Lawrence, to hear a presentation on United Topeka Mosaic Partner Pairs from Karen Hiller, Councilwoman from Topeka. Ms. Hiller came at the invitation from President Fitz Gibbon as part of the work from the Strategic Planning Working Groups on Invitation & Welcome and Youth & Young Adults.

Bishop Bascom presented the October 19, 2024, meeting minutes which were accepted as presented.

Finance Committee Report

Canon Patrick Funston gave a presentation on a proposed addendum to the June 12, 2024, Promissory Note with St. Margaret's, Lawrence. Intended to firm up verbal agreements already secured, the addendum commits St. Margaret's to avoid claiming its principal-only lump-sum payments as deductions from its apportionment base. Mr. Mike Morrow moved that the addendum as proposed be forwarded to St. Margaret's for signature:

We, the undersigned representatives of St. Margaret's Episcopal Church, having worked with the Episcopal Diocese of Kansas, Inc. to develop a mutually beneficial plan to reduce the parish's \$1,213,206.70 debt, affirm the parish's benefit:

- *Principal forgiveness matches of lump-sum principal-only payments*
- *Favorable renegotiation resulting in the June 12, 2024, promissory note*

Therefore, in consideration of the canonical provision to have "excluded from Normal Operating Income payments to retire debt incurred to expand or update the facilities of a congregation" (EDOK Canon IV.2 Sec. 3), St. Margaret's Episcopal Church will not seek to exclude those principal-only lump-sum payments. St. Margaret's Episcopal Church will limit its requested exclusion to regular, monthly payments made under the 2011 promissory note and this 2024 successor.

The motion was seconded. The Council approved it unanimously.

Canon Patrick Funston gave a presentation on the forthcoming changes to The Episcopal Church's parochial report. Adopted by the Executive Council, the new parochial report will go into effect in January of 2025 for reports of 2024. Unfortunately, the changes to the financial pages will complicate diocesan calculation of 2026 apportionment, the "Box A" noted in EDOK Canon IV.2 Sec. 3 being a wholly different number than previous reports' "Normal Operating Income." Canon Funston and the Finance Committee requested a three-part resolution from the Council of Trustees:

As the intention of EDOK Canon IV.2 Sec. 3 is clearly about securing "Normal Operating Income" and not about a specific "box," the Council of Trustees resolves:

- 1. To base 2026 Apportionment on Normal Operating Income as defined by previous parochial reports.*
- 2. The bishop's office is directed to amend the Diocesan Supplemental to the Parochial Report to include reports of those sources of revenue that make up the prior Parochial Report's "Box A Normal Operating Income."*
- 3. To prioritize the study of the new Parochial Report and apportionment methodologies throughout the Church with the intention of offering canonical amendments to the 166th Diocesan Convention.*

Mr. Mike Morrow moved the proposed resolution which was seconded and passed unanimously. Canon Patrick Funston offered a draft of the memorandum he is sending to parishes about the parochial report including language explaining the continued calculation of Normal Operating Income.

Treasurer's Report

Mr. Jay Currie gave the treasurer's report for October looking at specific points in the section covering expenses. The financial reports were accepted and will be included with other audit information.

Standing Committee Business

Canon Funston presented a request for approval for ordination:

- Mr. Morrow moved that the Council of Trustees, acting as the Standing Committee of the Diocese, consent and certify Deacon Ryan Bloyd-Wiseman of St. Michael and All Angels, Mission, for ordination to the priesthood. The motion was seconded and carried unanimously. Mr. Ron Olson and the Rev. Margaret McGhee abstained.
- Mr. Morrow moved that the Council of Trustees, acting as the Standing Committee of the Diocese, consent and certify Deacon Madison Bishop Knoth of St. James, Wichita, for ordination to the priesthood. The motion was seconded and carried unanimously. Mr. Ron Olson and the Rev. Margaret McGhee abstained.
- Mr. Morrow moved that the Council of Trustees, acting as the Standing Committee of the Diocese, consent and certify Deacon Sarah Shipman of Grace Cathedral, Topeka, for ordination to the priesthood. The motion was seconded and carried unanimously. Mr. Ron Olson and the Rev. Margaret McGhee abstained.

President Fitz Gibbon, presented a request for consent to an episcopal election:

- Mr. Morrow moved that the Council of Trustees, acting as the Standing Committee of the Diocese, consent to the election of the Rev. Angela Maria Cortiñas as Bishop Suffragan in the Diocese of West Texas. The motion was seconded and approved unanimously.
- Mr. Morrow moved that the Council of Trustees, acting as the Standing Committee of the Diocese, consent to the election of the Very Rev. Amy Dafler Meaux as Bishop Diocesan in the Diocese of West Missouri. The motion was seconded and approved unanimously.

Priority Goals and Strategic Planning

Bishop Bascom presented where the Strategic Plan stands as of now with the current commissions and task forces as well as their leadership. The bishop has assigned diocesan staff to each of the groups to help with communication of their work.

The Council broke into groups under each strategic goal to touch base about next steps. The official task force name of working group 2 is Justice, Welcome and Inclusion. The bishop said that the working groups are now task forces and may someday be commissions. The members of the Council of Trustees do not need to be on a task force but are invited to go where they feel called. The bishop said it would be

good for there to be someone from the Council communicating with each task force and someone from each task force to be communicating with someone on the Council. Each group reported on their work.

The Council resumed their discussion on the historic designation application for Trinity Episcopal Church, Lawrence. The Rev. Margaret McGhee moved that the Council of Trustees approve their application for the historic designation of Trinity Episcopal Church, Lawrence, with reservations and precautions and ask that the parish consider the following questions: 1) does the parish already qualify for tax credits under their neighborhood designation; 2) have they studied the difference between the current and proposed historic designations; and, 3) have they thought about waiting until they have a permanent rector. The motion was seconded and passed: 12 yes and 2 no.

Bishop Bascom closed the meeting with a blessing and the meeting was adjourned at 4:28 p.m.

The Rev. Helen Hoch
Clerk