

TRUSTEES AND COUNCIL, DIOCESE OF KENTUCKY

Thursday, August 29, 2013

4 p.m. (EDT)

Bishops' Hall, Christ Church Cathedral

MEMBERS PRESENT: The Rt. Rev. Terry Allen White, Bishop and President; Angela Koshewa, Vice-President; Kay Shields Wilkinson, Secretary; David Brooks, Treasurer; Robinson Beard, Chancellor; The Rev. Rose Bogal-Allbritten, Deacon; The Rev. Suzanne Barrow, The Rev. Amy Real Coultas, The Rev. Emily Crouch, The Rev. Mark Feather, The Rev. Karl Lusk, William Allbritten, Richard Coltharp, Nancy Gary, Charles Hawkins, and William Nichol.

MEMBER NOT PRESENT: F. Hampton Moore, Vice-Chancellor, and The Rev. Meghan Holland.

ALSO PRESENT: Vicky Kaeser, Financial Assistant; Brian Kinnaman, Communications Director; Rebecca Meyer, Diocesan Controller; and The Rev. Joan Smith, Canon to the Ordinary (for the first half of the meeting).

CALL TO ORDER

Bishop Terry White called the meeting to order at 4:08 p.m., with prayers and the Lord's Prayer.

BISHOP'S REPORT

Bishop White reported that all congregations without clergy now have interim rectors or a call is being worked out. He also announced the following retirements: The Rev. Elizabeth Wade from Grace Church, Paducah, on May 31, 2014; and The Rev. Georgine Buckwalter as Chaplain of the Episcopal Church Home on November 2, 2013. Tim and Paula Probus have resigned from their positions at All Saints' Conference Center.

The Bishop also gave a personal update, becoming an "empty nester" as his youngest child has gone to college.

CONSENT AGENDA

The Consent Agenda consisted of minutes from the June 27, 2013 meeting, the Executive Committee meetings of July 3, 2013, and July 8, 2013, the Chancellor's Report, and a final Canon to the Ordinary report from The Rev. Joan Smith.

MOTION: The Rev. Rose Bogal-Allbritten moved that the proposed Policy Manual update be removed from the Consent Agenda. The motion was seconded and **passed**.

MOTION: Robinson Beard moved that the Consent Agenda, without the proposed Policy Manual update, be approved as presented. The motion was seconded and **passed**.

TREASURER'S REPORT

Treasurer David Brooks presented a financial report through July 31, 2013. Revenues totaled \$738,978.68, vs. a budget of \$809,881.69, or 91.25%. Expenses totaled \$750,405.50 vs. a budget of \$859,826.15, or 87.27%. The net total (expenses in excess of revenues) is therefore (\$11,426.82). Congregational pledges totaled \$566,345.46, vs. a budget of \$580,698.65, or 97.53%. Four congregations are one month behind in their pledge payments and have been telephoned.

A detailed report of the Marmion Revolving Loan Fund will be presented at the next meeting, and financial statements will be sent to members in advance. Questions were asked about the large amounts on the Balance sheet in Due to Marmion Fund (\$216,216.58), and Congregations – Oxford Documents (\$5,095), and whether write-offs are needed.

MOTION: Bill Allbritten moved to accept the Treasurer's Report as presented. The motion was seconded and **passed**.

INFORMATION TECHNOLOGY AND RENOVATION NEEDS IN THE DIOCESAN OFFICE

MOTION: Robinson Beard moved to fund IT needs for two new staff members, as the office moves to Mac (\$3,207.95) and also to fund some renovation of office space (\$579.47), the total (\$3,887.42) to come from Prior Years' Surplus. The motion was seconded and **passed**.

WELCOME TO VICKY KAESER

Bishop White welcomed Vicky Kaeser to the Diocese as Financial Assistant to the Controller.

REPORTS FROM FOUR SUB-COMMITTEES FORMED AT OVERNIGHT MEETING

Mission

The Rev. Amy Coultas reported that the Mission Task Force has met by conference call and is working on the theme for Diocesan Convention. They are waiting for the arrival of the Canon for Congregational Vitality for his input.

All Saints

Bill Nichol, President of the All Saints' Board, reported for All Saints. There is no longer a task force, and its work has folded into the work of the All Saints' Board, on which there are some vacant slots. He said that the summer camps were successful and that the revenue is more stable. Revenues through July 31, 2013, were \$194,917.14, including \$59,053.44 for summer camp, and expenses were \$180,208, for a net total of

\$13,809.14. This amount, plus temporarily restricted contributions of \$2,267.43, makes a net total (income in excess of expenditures) of \$16,076.57.

Mr. Nichol also reported that the job description for a Marketing Director was ready when Tim and Paula Probus resigned their positions at All Saints. A Camp Manager job description has been formulated, and a combination of paid and volunteer staff will be in place through year-end. Mr. Nichol stated that the urgency is on the marketing side.

Robinson Beard commended the efforts of the All Saints' Board.

POINT OF PERSONAL PRIVILEGE

Canon Joan Smith noted that some of the progress at All Saints' Conference Center is the move from indifference to paying attention.

St. Alban's, Fern Creek

The Rev. Karl Lusk's report is attached to and made a part of these minutes.

Howard-Hardy House

This sub-committee no longer exists because the Howard-Hardy House has been sold.

REFRESHMENTS AND THANKS TO CANON JOAN SMITH

Bishop White thanked Canon Smith for her years of service to the Diocese of Kentucky, including six as Canon to the Ordinary. He said that he especially appreciated her help when he first came to Kentucky and her wise counsel through the years.

Trustees and Council gave the Secretary of the Diocese a card and cake for her birthday.

BUDGET COMMITTEE REPORT

The Rev. Karl Lusk, Budget Chair, reported that 2014 pledges are being received. Variances in the 2013 budget are as follows: there is now a lay chaplain at the University of Louisville; there is a new and less expensive IT provider; and Canon Smith will be paid through November because of vacation. There will be one-month overlap with Canon Coultas.

MOTION: The Rev. Karl Lusk moved to authorize additional expense equaling 1/12 of Canon Smith's package, to account for the one month of vacation and other leave that she had accrued at the end of her tenure. The motion was seconded and **passed**.

CREDIT CARDS FOR CANONS

MOTION: David Brooks moved that credit cards be obtained, with a \$5,000 limit on each, for The Rev. Canon Amy Real Coultas and The Rev. Canon Jason Lewis. The motion was seconded and **passed**.

2012 AUDIT

The 2012 audit is near completion. The due date for diocesan audits to be submitted to the Episcopal Church occurs before the next Trustees and Council meeting.

MOTION: Nancy Gary moved that Trustees and Council allow the Audit Committee to review and approve the 2012 audit and send it forward to the Episcopal Church. Trustees and Council will give the final review and approval at its October meeting. The motion was seconded.

Robinson Beard proposed amending the motion to add the word “preliminarily”, so that the motion would read: ...that Trustees and Council allow the Audit Committee to **preliminarily** review and approve the 2012 audit and send it forward to the Episcopal Church...

The maker of the motion and the seconder agreed to this amendment, and the motion was **passed** as amended.

WOODCOCK FOUNDATION TRUSTEES

The Woodcock Foundation is insolvent and legal action is taking place against the former chair. The continuing board members have records of the students who were awarded a scholarship for 2012-2013 and how much. Trustees and Council approved the Kentucky Scholarship Fund and that was augmented by the Priscilla Chandler bequest.

MOTION: David Brooks moved that when documentation is received from the active Trustees of the Woodcock Foundation, the funds received by the Kentucky Scholarship Fund and the Chandler bequest be divided and granted to the scholarship applicants who were informed that they were receiving a scholarship, pro rata. The Bishop will approve the voucher for the disbursement and two authorized check signers will sign the checks. The motion was seconded and **passed**.

POLICY MANUAL

Chancellor Robinson Beard reported for the Policy Manual Committee, which was appointed at the Trustees and Council meeting on February 1, 2013. Mr. Beard reported that the committee, consisting of himself, The Rev. Rose Bogal-Allbritten, Kay Shields Wilkinson, and Becky Meyer met during the weekend and has communicated frequently since the meeting and has had additional assistance from the staff, Nancy Gary, and Hampton Moore. Mr. Beard sent, by e-mail attachment, the results of the committee’s work in the form of a draft revised Policy Manual for the Diocese of Kentucky, to all members of Trustees and Council on August 2. Mr. Beard suggested in the e-mail that during this meeting Trustees and Council should decide whether or not the Diocese needs a policy manual at this time and if so that Trustees and Council should adopt the draft Manual as distributed on August 2 with such amendments as Trustees and Council adopt at this meeting. Mr. Beard further suggested that Bishop White appoint a Policy Manual

Review Committee whose task will be to keep the Manual current and that Trustees and Council authorize appropriate members of the diocesan staff to edit appendices to the Manual to conform administrative procedures to current best practices.

That Bishop White appoint a committee of Trustees and Council consisting of the Canon to the Ordinary, a clergy member of Trustees and Council, the Chancellor or Vice-Chancellor and another lay member of Trustees and Council to serve until further notice to conform from time to time the manual to actual practice and to keep it up to date as canons are amended, Trustees and Council By-Laws are amended, etc., and by making technical changes such as amending the URL's and just about everything in Part VII, Communications, without doing anything more than advising Trustees and Council after the fact and, with respect to more substantive amendment to bring recommendations for amendment to the attention of Trustees and Council for approval on the "consent agenda."

That Bishop White authorize appropriate members of the diocesan staff to adopt, amend, and replace from time to time all of the Appendices without seeking further approval from Trustees and Council but after notifying members of the Committee appointed pursuant to the preceding resolution.

MOTION: Robinson Beard moved to adopt as policies of the diocese the draft Policy Manual as considered at this meeting as the current statement of recommended policies and best practices of the diocese and its congregations, subject to amendments and revisions, and that Bishop White appoint a Policy Manual Review Committee and a committee of Trustees and Council to conform the manual to actual practice and keep it up-to-date. The motion was seconded.

In Section III.A.3. Lay Employee Pension System.

MOTION TO AMEND: The Rev. Mark Feather moved to strike the sentence reading "Each employee has the option to select a defined contribution plan with a nine percent (9%) assessment or a defined contribution plan with a five percent (5%) assessment plus a match of up to four percent (4%). The Diocese has selected the defined contribution plan." The motion was seconded and **passed**.

In Section IV.C. Diocesan Staff.

MOTION TO AMEND: The Rev. Mark Feather moved to strike the sentence reading "Diocesan lay employees may be members of Episcopal congregations but, to avoid any apparent conflict of interest, they may not serve on the Vestry or Bishop's Committee of their congregations." The motion was seconded and **passed**.

The motion, as amended, was seconded and **passed**.

NEXT MEETING

The next meeting of Trustees and Council will be Thursday, October 3, 2013, at St. Alban's Church, Fern Creek, at 4 p.m.

ADJOURNMENT

MOTION: Bill Allbritten moved to adjourn the meeting at 7:20 p.m. The motion was seconded and **passed**.

Bishop White adjourned the meeting with his Blessing, and the Dismissal was given by The Rev. Rose Bogal-Allbritten, Deacon.

Respectfully submitted,

KAY SHIELDS WILKINSON, CPA
Secretary of the Diocese

(The Rt. Rev.) **TERRY ALLEN WHITE**,
Bishop and President