

The
EPISCOPAL CHURCH *in*
CENTRAL PENNSYLVANIA

The Episcopal
Diocese *of* Bethlehem



AGREEMENT OF UNION
October 2024

THE EPISCOPAL DIOCESE OF THE SUSQUEHANNA

The Susquehanna River flows through both of our dioceses, through rural areas, cities, and towns. It's also one of the oldest rivers in the world. The Susquehanna River has sustained a diversity of peoples and cultures, carved out and defined the landscape of our region, and provided a means of movement and connection for ages. The beauty, power, and service of this river remind us of the wonder of God's creation and our dependence on it.

We believe that we have been called to wade in these waters, children of God, to be a church renewed by the waters that run through us, the waters that shape and define us and remind us of where we have come from even as we begin again.

THE TIMELINE

If reunification is approved by the Conventions of both dioceses and sufficient consents received, the Diocese of Bethlehem and the Diocese of Central Pennsylvania agree to 2025 being a "Year of Transition." During this year the Bishops, Leadership Bodies, and Working Groups will deepen relationships and broaden collaboration, further integrate ministries and processes, prepare diocesan systems to function as a reunified diocese, and finalize a Constitution and Canons and a 2026 Budget for presentation to the Joint Convention in Fall 2025. The dioceses will reunify and actually become one diocese on January 1, 2026.

DETERMINING A BISHOP DIOCESAN

Bishops Scanlan and Nichols have been clear from the very beginning of this process that the decision about reunification should not be centered around them or their futures. Their commitment is for a vibrant and stable presence of the Episcopal Church here for years to come.

If reunification is approved in October 2024, both current Bishops would remain in place through the 2025 Transition Year, continuing to serve as Diocesan in Central Pennsylvania and Bethlehem and collaboratively guiding our dioceses through the Year of Transition.

As the two dioceses become one on January 1, 2026, it will be served by both Bishops, pastorally, liturgically, and administratively. Through their ongoing discernment and mutual decision, one bishop will be presented for election as Bishop Diocesan and the other for appointment by the Diocesan as Assistant Bishop of the reunified diocese.

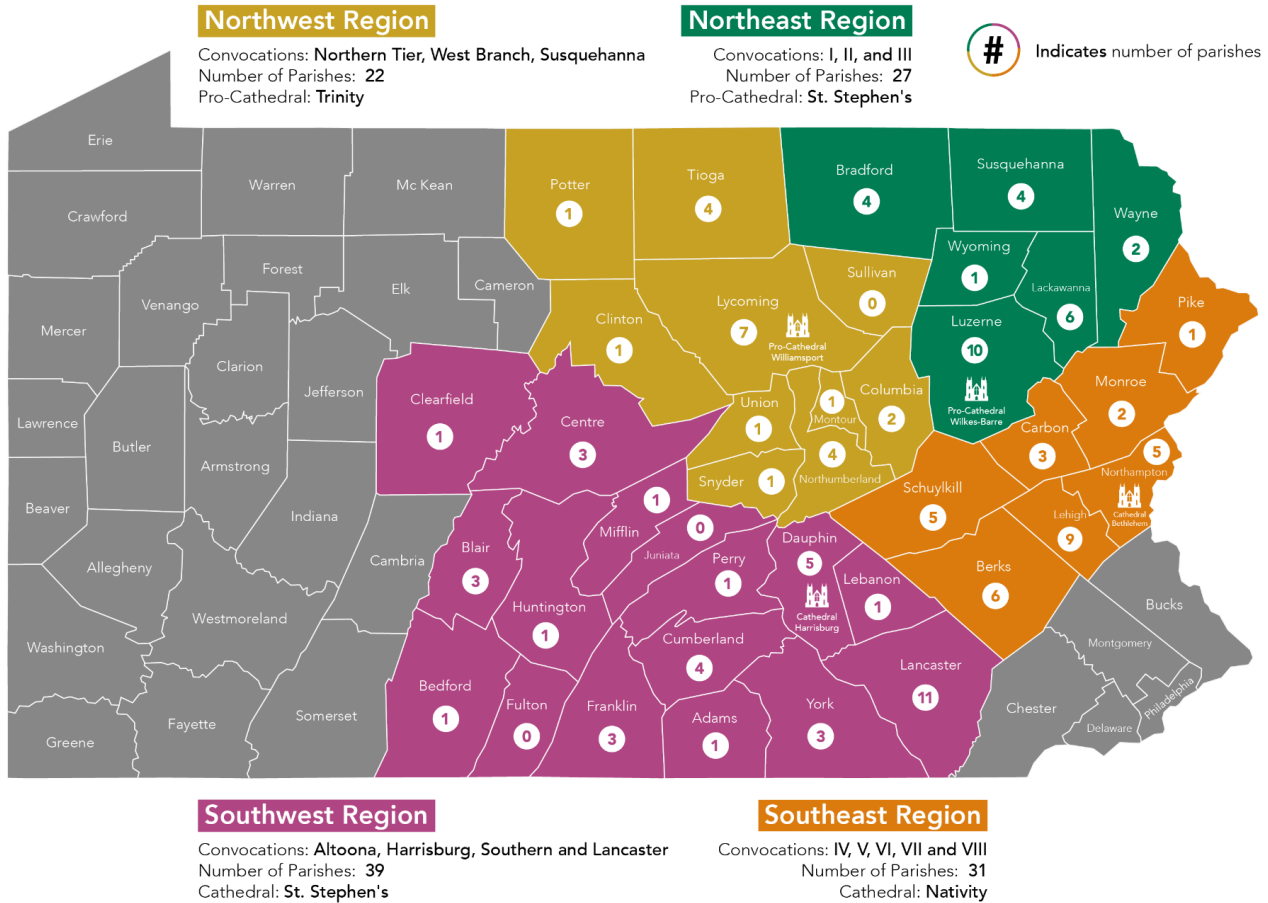
This Agreement honors Bishop Scanlan's commitment to retire in Fall 2027 and also recognizes that it is possible, as is true in any diocese, that one of our bishops could be called elsewhere as the transition process ensues.

A reunified diocese would host its first search and election process on a timeline to be determined by the Bishop Diocesan and Standing Committee of the diocese. This model aligns with both Bishop Scanlan's and Bishop Nichols' hopes for this discernment and potential reunification process and the sense they each have of their own ministry and calling.

REGIONAL STRUCTURE

The Episcopal Diocese of the Susquehanna will be divided into four Regions: Northwest, Northeast, Southwest and Southeast. Within these Regions, the reunified diocese will maintain the familiar convocation structures, Cathedrals and pro-Cathedrals of Central Pennsylvania and Bethlehem.

Possible Regions of Reunified Diocese



THE CONSTITUTION & CANONS

The Chancellors and Vice-Chancellors of both dioceses, Wiley Parker, Linda Henry and Ty Welles from the Diocese of Bethlehem, Mary Powell and Michael McAuliffe Miller from the Diocese of Central Pennsylvania, and David Heywood, active parishioner in Central Pennsylvania and lawyer, have been working together as part of the reunification discernment process. This group completed a thorough review and comparison of the Constitution and Canons of both dioceses which revealed them to be sufficiently similar. In most areas of diocesan life, these dioceses operate canonically in a very similar manner. None of the differences between the canons of these two dioceses could be considered significant or material.

Differences represent issues such as the number of members of the Standing Committee of the diocese, whether or not to allow for nominations on the floor of diocesan conventions, and determining whether the canons should set forth the governance of parishes. In areas of difference, this team has begun to seek out the combined guidance of the Bishops and input from leadership bodies of both dioceses to vision ways forward. This work will continue in the Transition Year which will also serve as an opportunity to restructure certain canonical processes differently than either diocese has, should there be the will to do so.

While the process of drafting the Constitution and Canons for a reunified diocese will continue, the Canons of The Episcopal Church require that the "provisions" of the Constitution and Canons be included in the Agreement of Union. Those provisions shall include:

ARTICLE I Title and Bounds of Diocese

ARTICLE II Allegiance

ARTICLE III Conventions of this Diocese

- Section 1 Time, Place and Notice
- Section 2 Members
- Section 3 Officers of Convention
- Section 4 Quorum
- Section 5 Voting
- Section 6 Officers

ARTICLE IV Election of Bishop

ARTICLE V Standing Committee

- Section 1 Members
- Section 2 Officers
- Section 3 Duties and Powers

ARTICLE VI Deputies to General Convention

ARTICLE VII Admissions of Congregations

ARTICLE VIII Canons

ARTICLE IX Amendments

TITLE I: The Diocese

- Canon 1 Conventions
- Canon 2 Constitutional Committees
- Canon 3 Diocesan Staff
- Canon 4 The Cathedral
- Canon 5 Convocations
- Canon 6 Deputies to Regional Organizations
- Canon 7 Disclosures of Conflict of Interest

TITLE II: Congregations and Parishes

- Canon 1 Congregations and Parishes
- Canon 2 Call of a Priest
- Canon 3 Governance of Parishes
- Canon 4 Alienation and Business Methods in Church Affairs
- Canon 5 Imperiled Parishes
- Canon 6 Closing of a Parish
- Canon 7 Missions

TITLE III: Clergy

- Canon 1 Commission on Ministry
- Canon 2 Clergy Stipends
- Canon 3 Ecclesiastical Discipline

TITLE IV: General Canons

- Canon 1 Rules of Order in the Convention
- Canon 2 Amendments
- Canon 3 Terminology
- Canon 4 Rules of Order
- Canon 5 Repealer

TITLE V: Transitional Canons

As noted previously, during the Year of Transition, both dioceses will operate under their now existing Constitution and Canons. Using the provisions set forth above, and in collaboration with other leadership bodies, a working group will spend the Year of Transition continually revising and seeking feedback on a draft set of Constitution and Canons, while also further exploring best practices from dioceses beyond our own. A final revision, including all text, will be submitted to the Fall 2025 Joint Convention for adoption.

A FINANCIAL SUMMARY

The Dioceses of Bethlehem and Central Pennsylvania are very similar in terms of financial resources. Neither Diocese reports any significant indebtedness other than funds held in trust for parishes.

Investments as of June 30, 2024		
	Diocese	Parishes
Bethlehem	\$17,099,960	\$20,216,790
Central Pennsylvania	\$10,214,560	\$17,482,190

Based on current expenditures, while accounting for inflation, the following is an estimation of what the basic budget numbers for the reunified diocese would be in 2026. These numbers include no changes to operations, granting, or mission programs. If the dioceses reunify, there will be one diocesan system to sustain rather than two, which will lead to cost savings. Between the decision on reunification and January 1, 2026 we know that there will be attrition and retirements among current staff, so staffing costs and role configuration will change as well. This is one potential model for a budget for a reunified diocese that would maintain the level of ministry and service that each diocese currently provides.

Estimated Budget 2026	
Income	
Investment	\$ 1,147,084
Assessment	\$ 2,326,191
Other	\$193,125
Total Estimated Income	\$ 3,666,400
Expenditures	
Bethlehem Programs	\$ 498,640
Central Penn Programs (including Stevenson School)	\$ 831, 450
Assessment to TEC	\$506,310 *
Staff Expense	\$ 1,800,000
Total Expenditures	\$3,636,400
Estimated 2026 Surplus	+ \$ 30,000

*The reunified diocese would apply to The Episcopal Church’s Executive Committee for a temporary assessment adjustment as we transition, in order to avoid losing the exemptions we hold for two dioceses too quickly. The newly reunified Diocese of Wisconsin and juncture of the Diocese of the Great Lakes have followed similar processes in their recent reunification and juncture experiences.

Potential Assessment/Fair Share for each parish is based on the average Normal Operating Income reported on the four most recent parochial reports. In this draft model, parishes would pay 11% on the first \$200,000 of NOI

and 13% on all amounts in excess of \$200,000, a compromise between the current approaches of our two dioceses. For the parishes in our dioceses, this would mean a slight increase for some and a slight decrease for others. We believe that a 2026 Budget could be funded by limiting increases for every congregation to within 1% of the current assessment.

We are confident in our comparisons and projections that it will cost less to be one, unified diocese. We are also very aware that either costs will increase or diocesan services will decrease if we remain separate. Combining resources leaves a less fragile Episcopal Church in our region, one with increased longer term viability and increased vibrancy. Reunification will allow us to practice better stewardship not only of our financial resources, but of our congregations too.

A Joint Finance Committee will continue this work in the Transition Year. As various models for staffing and other structures evolve, they will build a draft budget for 2026 to bring before the 2025 Joint Convention.

THE RESOLUTIONS

The Episcopal Church's canon describing reunification (1.10.6) requires that the conventions of the dioceses involved both adopt a resolution commending the Agreement of Union. The vote on this resolution functions as the vote on reunification.

The Diocese of Central Pennsylvania

RESOLUTION CONSENTING TO THE REUNIFICATION OF THE DIOCESE OF CENTRAL PENNSYLVANIA AND THE DIOCESE OF BETHLEHEM

WHEREAS, until 1904, the Diocese of Central Pennsylvania and the Diocese of Bethlehem were united as one diocese under the name "The Diocese of Central Pennsylvania"; and

WHEREAS, The Constitution and Canons of The General Convention of the Episcopal Church allow for the reunification of dioceses; and

WHEREAS, we are one family in Christ, and the resilience and health of the Church as well as the furtherance of its mission are strengthened through greater comity, collaboration, and stewardship of resources; and

WHEREAS, the Diocese of Central Pennsylvania entered into a period of intentional exploration with the Diocese of Bethlehem of their future reunification as one diocese; and

WHEREAS, this exploration has been conducted by both Bishops, supported by a discernment committee (comprised of their two chancellors, two members of the standing committees, two members of the diocesan council or board of trustees, and two at large members from each Diocese selected by each Diocese's standing committee) with equal representation from each Diocese; and

WHEREAS, the Bishops have engaged an outside consultant to assist the discernment committee with this process; and

WHEREAS, the discernment committee has been charged with exploring potential opportunities in the areas of general operations, formation, finance, pastoral care, stewardship, social justice ministries, staffing, and children and youth ministry, as well as the gifts, strengths, and priorities of each Diocese; and

WHEREAS, the discernment committee has been charged to consider a plan for full reunification as well as any interim sharing of resources and to provide a draft timetable for those efforts; and

WHEREAS, having committed time towards gathering sufficient data to make a reasoned discernment, the discernment committee and both Bishops have jointly concluded that reunification of the Diocese of Central Pennsylvania and the Diocese of Bethlehem be approved as well as an Agreement of Union to effectuate reunification; be it

RESOLVED THAT, The Episcopal Diocese of Central Pennsylvania, meeting at its duly called Diocesan Convention on October 19, 2024, hereby approves the Agreement of Union and affirms its desire to reunite with the Diocese of Bethlehem as one diocese, pursuant to the Agreement of Union and Canon I.10.6 of the Constitution and Canons of the General Convention of the Episcopal Church; be it further

RESOLVED THAT, if the consents of both Conventions are given, they shall be certified by the Ecclesiastical Authority and the Secretary of the Convention of each involved Diocese to all the Bishops of the Church having jurisdiction and to the Standing Committees of all the Dioceses of the Episcopal Church; and be it further

RESOLVED THAT, if the canonically required consents to the Agreement of Union are received, the Episcopal Diocese of Central Pennsylvania will, pursuant to the Agreement of Union, enter into a "Year of Transition" with the Episcopal Diocese of Bethlehem, during which time they will take such actions as are necessary to become the Episcopal Diocese of the Susquehanna effective January 1, 2026.

Sponsor: The Standing Committee of the Diocese of Central Pennsylvania

The Diocese of Bethlehem

RESOLUTION CONSENTING TO THE REUNIFICATION OF THE DIOCESE OF BETHLEHEM AND THE DIOCESE OF CENTRAL PENNSYLVANIA

WHEREAS, until 1904, the Diocese of Central Pennsylvania and the Diocese of Bethlehem were united as one diocese under the name "The Diocese of Central Pennsylvania"; and

WHEREAS, The Constitution and Canons of The General Convention of the Episcopal Church allow for the reunification of dioceses; and

WHEREAS, we are one family in Christ, and the resilience and health of the Church as well as the furtherance of its mission are strengthened through greater comity, collaboration, and stewardship of resources; and

WHEREAS, the Diocese of Bethlehem entered into a period of intentional exploration with the Diocese of Central

Pennsylvania of their future reunification as one diocese; and

WHEREAS, this exploration has been conducted by both Bishops, supported by a discernment committee (comprised of their two chancellors, two members of the standing committees, two members of the diocesan council or board of trustees, and two at large members from each Diocese selected by each Diocese's standing committee) with equal representation from each Diocese; and

WHEREAS, the Bishops have engaged an outside consultant to assist the discernment committee with this process; and

WHEREAS, the discernment committee has been charged with exploring potential opportunities in the areas of general operations, formation, finance, pastoral care, stewardship, social justice ministries, staffing, and children and youth ministry, as well as the gifts, strengths, and priorities of each Diocese; and

WHEREAS, the discernment committee has been charged to consider a plan for full reunification as well as any interim sharing of resources and to provide a draft timetable for those efforts; and

WHEREAS, having committed time towards gathering sufficient data to make a reasoned discernment, the discernment committee and both Bishops have jointly concluded that reunification of the Diocese of Central Pennsylvania and the Diocese of Bethlehem be approved as well as an Agreement of Union to effectuate reunification; be it

RESOLVED THAT, The Episcopal Diocese of Bethlehem, meeting at its duly called Diocesan Convention on October 19, 2024, hereby approves the Agreement of Union and affirms its desire to reunite with the Diocese of Central Pennsylvania as one diocese, pursuant to the Agreement of Union and Canon I.10.6 of the Constitution and Canons of the General Convention of the Episcopal Church; be it further

RESOLVED THAT, if the consents of both Conventions are given, they shall be certified by the Ecclesiastical Authority and the Secretary of the Convention of each involved Diocese to all the Bishops of the Church having jurisdiction and to the Standing Committees of all the Dioceses of the Episcopal Church; and be it further

RESOLVED THAT, if the canonically required consents to the Agreement of Union are received, the Episcopal Diocese of Bethlehem will, pursuant to the Agreement of Union, enter into a "Year of Transition" with the Episcopal Diocese of Central Pennsylvania, during which time they will take such actions as are necessary to become the Episcopal Diocese of the Susquehanna effective January 1, 2026.

Sponsor: The Standing Committee of the Diocese of Bethlehem