

*CHRIST EPISCOPAL CHURCH*  
*Vestry Meeting Minutes*  
*April 27, 2004*

**In Attendance:**

*Clergy:* John S. McDuffie, Rector

*Vestry members:* Eugene Sullivan, Senior Warden; Bob McCartin, Junior Warden; Margaret Cervarich, David Craig, Jane Follit, Charles Griffiths; Peg Hincke; Lucy Huffman; Eric Jorgensen; Karen Near; Louise Wager

*Secretary:* Christie Carrico

Father McDuffie convened the meeting at 7:40 pm with a welcome and introductions of the new Vestry members, Margaret Cevarich and Jane Follit, and the Vestry secretary, Christie Carrico. Louise Wager led the opening devotion with a reading from Philipians. Fr. McDuffie asked the new Vestry to sign the Vestry book dating back to 1845, and handed out keys.

Discussion: What is a Vestry?

Fr. McDuffie led a brief discussion of the purpose of a Vestry. The Senior Warden is the chief Lay officer of the Church and in the absence of a priest, serves as the chief Ecclesiastical authority. The Junior Warden backs up the Senior Warden and oversees the property. The Vestry has financial and property responsibility for the parish. As part of this stewardship function, it is the responsibility of the Vestry to secure financial backing to make the ministries of the Church work. Members serve as liaisons to one or more of the ministries' committees.

Gene Sullivan, Senior Warden, reminded the Vestry that last year the Vestry had made the decision to buy the Jefferson Building and to initiate a capital campaign. Christ Episcopal School (CES) does not exist as a legal entity and thus, the Vestry is the only legal decision-making body.

Minutes of February 24 and March 30

Corrections of the minutes of February 24 were provided to Charlie Griffiths.

**The minutes of February 24 are approved , as amended.** (David Craig)

Seconded. (Bob McCartin). Passed unanimously.

Corrections of the minutes of March 30 were provided to Lucy Huffman.

**The minutes of March 30 are approved, as amended.** (Bob McCartin)

Seconded. (Louise Wager). Passed unanimously.

Financial Report

Charlie Griffith presented a detailed budget summary for 2004. The largest revenue categories are pledges (\$395,000) and CES income (\$133,350). The largest expense categories are the Diocesan pledge (\$44,354), utilities (\$54,550 for all properties combined), and staff (\$343,795). He then presented a month-by-month and year-to-date summary of expenses. As of March 31, there was a deficit of \$8,783.66. He reviewed the monthly variances in budget vs. actual which resulted in the actual deficit at the end of the first quarter. The expenses in maintenance and utilities seems unusually high while snow removal seems low for last winter and Charlie will check to see if the expense was miscoded and will report back. In response to a request from Peg Hincke for information on memorials for 2003, Charlie indicated that he is now in a position to provide such information to the committees.

Update on Jefferson Building Purchase

A contract has been signed on the Jefferson Building and CEC is moving toward closing. Fr. McDuffie presented a list of the costs estimates above and beyond the purchase price for the Jefferson Building. These items total \$1,013,000, although not all of them are required in the first year. The second and third floor build outs, part of the sprinkler system on the upper floors, and

part of the classroom fit out will not occur until year 2 or beyond. A new separate, remote stairwell, fire panel, backbone of sprinkler system and first two floors, ground and first floor build outs, air conditioning, and some classroom fits outs will be required this year. The estimate for current year expenditures is approximately \$500,000. The city has not yet ruled on whether the elevator is ADA compliant, and a replacement will cost an additional \$150,000. The new stairwell will come down the side of the building facing the parking lot since part of the Jefferson Building is in the Rockville Historical District.

Christ Episcopal School has a cash reserve of approximately \$800,000. To date, \$200,000 of this has gone to Magruder towards the \$4.2 million purchase price and \$65,000 has gone to fund the capital campaign. Magruder has donated roughly \$200,000 in build out expenses for the first floor build out. CES was counting on increased enrollment to service the debt on the loan, but they are approximately 27 below what they need. CES is actively recruiting new students. The CES reserves can go to fund the list of needs to a certain point below which they will not draw down on reserves. Money needed for the remainder of the items will have to come from the capital campaign.

CEC will take on the responsibility of utilities in the Jefferson Building and will need to negotiate a fee with CES. In addition, with CES vacating space in the main Church building, the CEC budget will take a hit and a new formula will have to be worked out with CES. Gene Sullivan noted that Amy Barnes is leaving as the Business Manager of CES.

The information on the capital campaign was scheduled to be distributed on Sunday, but Margaret Cevarich informed the Vestry that the brochure would not be available from the printers before Monday or Tuesday. It may need to be mailed to members separately if the rest of the material is available for messengers and churchgoers on Sunday.

The gala celebration and capital campaign kickoff will occur on May 23. The 10:00 am service will include both CEC and CES and will be followed by a video presentation, lunch in the Jefferson Building Parking lot, and tours of the Jefferson Building. There will be drawings that will show what the new classrooms as well as the areas of the church to be renovated will look like. Preceding the celebration, there will be a 24 hour prayer vigil in the Church, starting at midnight on Friday May 21 and running until midnight Saturday May 22. Fr. McDuffie asked for volunteers or names of people who would serve as advance gift callers to attempt to get some donations prior to May 23. Training for the advance gift callers will be Monday, May 3 at 7:00 pm. He invited the members of the Vestry to make advance gifts. CES is identifying alumni who would be willing to contribute to rename the Jefferson Building, the Pauline McKinstry Building, in memory of the first Headmistress. The campaign is planning on incentives for large donors and requested Vestry approval to the incentives.

**It was moved to authorize naming rights in the Jefferson Building in the following amounts:**

**\$1 million – Name the Jefferson Building**

**\$100,000 – Name a specialty classroom (e.g. music, science)**

**\$ 50,000 – Name a regular classroom (Charlie Griffiths)**

Seconded. (Karen Near) Withdrawn.

Bob McCartin suggested amending the motion to allow for flexibility by using the suggested amounts as targets and delegating the authority to modify the amounts to Fr. McDuffie and Gene Sullivan. The Vestry agreed that there might be other things a donor might wish to name, or the amounts might not be exactly those recommended. Charlie Griffith withdrew his motion.

**The Vestry authorizes the Rector, Senior Warden and Chair of the CES Board to designate naming opportunities as they see fit. (Charlie Griffiths). Seconded. (Bob McCartin). Passed unanimously.**

The Vestry discussed at length whether donors should be able to designate where their contribution should be spent. Gene Sullivan explained that the money must be used to fund the CES expansion before any CEC expansion can occur. While not wishing to discourage any donor, the emphasis should be on the capital campaign. Donors adamant about designating their gift should be referred to memorials.

#### Committees and Liaison Functions

All of the current Vestry members expressed contentment with their committee assignments. Jane Follit was asked to serve as liaison to Christian Hospitality and Communications since Donna Wolohojian has gone off the Vestry.

#### Committee Reports

PROPERTY – Eric Jorgensen

Eric Jorgensen presented a quote for a new air conditioning system for the church in the amount of \$57,850. This new unit will be entirely outside and will add 25% capacity to the cooling system. He requested that the Vestry allocate \$60,000 for the system in case there were additional expenses in trenching the walkway. Karen Near requested that he get a second bid to insure the best price.

**The Vestry allocates \$60,000 to replace the air conditioning unit for the Church.** (Eric Jorgensen). Seconded. (Louise Wager). Passed unanimously.

Charlie Griffiths asked for clarification that this money would come from the interest on the endowment and would be transferred to the building maintenance fund.

Eric requested funds to purchase a copier because estimates showed this to be a less expensive option in the long term.

**The Vestry approves the transfer of funds for a copier from the interest on the endowment to the building maintenance fund.** (Eric Jorgensen). Seconded. (Louise Wager). Passed unanimously.

After clarifying that the architects fees and the feasibility study for the Jefferson Building purchase had come from the \$20,000 development loan, Charlie Griffiths asked that the Vestry designate the remainder of the year's interest on the endowment go to fund the capital campaign, after payment for the air conditioning and copier. Since this approval has already been given, the motion was withdrawn.

#### MEMORIALS

Peg Hincke requested Vestry approval to use money donated specifically for altar linens to replace the altar linens.

**The Vestry approves use of the restricted donation to replace the altar linens.** (Peg Hincke). Seconded. (Bob McCartin). Passed unanimously.

#### OUTREACH

Lucy Huffman reported that there had been a successful Rebuilding Together project partnering with All-Saints last Saturday.

The next meeting will be May 25. Peg Hincke was asked to lead the devotion. The meeting adjourned at 10:10 pm following a closing prayer.

Respectfully submitted by Christie Carrico