

Vestry Meeting – Final Draft

MEETING MINUTES

Tuesday, March 26, 2019

Attendees

Rector	Assistant Rector	Senior Warden	Junior Warden
<input checked="" type="checkbox"/> The Rev. Lisa M. Zaina	<input checked="" type="checkbox"/> The Rev Cindy Simpson	<input checked="" type="checkbox"/> Christie Carrico	<input type="checkbox"/> Wayne Cross

Vestry Committee			
<input checked="" type="checkbox"/> Mary Barnstead	<input type="checkbox"/> Robert Follit	<input checked="" type="checkbox"/> Geoffrey Fuller	<input checked="" type="checkbox"/> Adebayo Lanionou
<input type="checkbox"/> Meghan Matulka	<input checked="" type="checkbox"/> Delia McCormick	<input checked="" type="checkbox"/> Steve McNeil	<input checked="" type="checkbox"/> Katherine Schexnider
<input checked="" type="checkbox"/> Audra Snider	<input checked="" type="checkbox"/> Secretary: Kennerly Chapman		

Agenda

Opening Prayer – The Rev. Lisa M. Zaina

Rev. Zaina read from the Book of Common Prayer and asked the Vestry if there were prayers of thanksgiving, intercession or the repose of the soul to include. Prayers for Wayne Cross, the Muslims in New Zealand and healing for our nation were included in Rev. Zaina’s opening prayers.

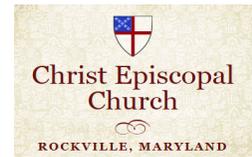
Review and Approval of Minutes of the February 24, 2019 meeting

The February meeting minutes were reviewed and approved conditional on one typo being corrected. All voted in favor to approve.

Presentations

Piano Donation -Jason West

Jason West presented a proposal for a new piano. Anonymous donors would like to gift the church with the purchase of a new refurbished piano. The Steinway piano currently in the music room was built in 1887 and is not in good condition. The interior of the piano has cracks in the sound board, does not stay in tune easily, and the key action is hard to play. It has a trade-in value of \$4800. In 2016 an estimate of \$49K to restore the piano was provided, but given the expense was not pursued. Three piano stores



were recently approached to explore options considering this potential gift. Of those, Jordan Kitts had inventory that was in keeping with the donation. It has a redone 1925 Steinway with all replacement Steinway parts that would be in the price range the donors had indicated they would be willing to fund. The workmanship and quality of the materials is iconic Steinway and the sound would amply fill the sanctuary. The current Conway piano that is in the sanctuary was built in 1907, has a humidifier and is good shape given its age. The new gift, if approved, would be put in the sanctuary and used to accompany the choir and other venues. The piano donation would cover the new refurbished piano, a humidifier, a dolly, padded cover and a piano dolly for ease of movement of the current Conway piano within the choir room. This donation of \$33,620 is an above and beyond gift to the church. There are no stipulations, but the donor wishes that the church act expeditiously. The Vestry agreed that a photograph of the 1887 piano be taken to document for the historical files of the church, since this piano has been with the church since the 1970's. The Vestry agreed to move forward and accept this generous offer. Audra motioned to approve with Mary seconding the vote. All voted in favor.

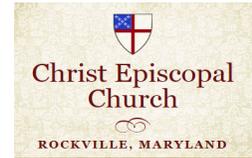
Building Update - Geoff Fuller

Discussions are underway to renovate the school and classrooms with a proposed start date of June 1st and completion on September 1st to take advantage of school not being in session. This may have some operational challenges for the church over the summer. Caroline Chapin and George Wolohojian have been in discussions with others involved. This effort will include (a) gutting the inside of the section of the church building in the rear that houses the school classrooms, (b) redoing the ground and first floors, (c) renovating and updating to the plumbing and heating, (d) installing an elevator, noting that the latter will disrupt use of the kitchen and acolyte room.

The JLL Group and the CGM architect group will manage this project. The RFP includes four options which will be priced separately. They are: 1) repair the tile and floor area in the nave, 2) paint the church interior, 3) install ceiling fans and 4) open the narthex in the back of the church. It was pointed out that the church backstops the school, so the church would have to step in to cover any cost overruns if the school was unable to make up that difference. The school would have to draw on its line of credit to cover any expenses and then pay back as more funds become available.

The Vestry discussed various scenarios, including heating, ventilation, funding and ability of the school to access pledged funds to cover expenses. The Vestry also expressed concern over whether air conditioning would be available over the summer when the projected renovations will take place. It was noted that attendance due to summer schedules typically drops, and there are only two services in the summer. It was recommended that the Request for Proposal (RFP) clearly identify what needs to either not be disrupted or minimally disrupted to lessen the impact on the church functions during construction. Contingencies to mitigate any disruptions should be identified.

A communication strategy for parishioners that provides transparency for the renovation process but reaffirms we will be operational on Sundays was mentioned. A banner outside the church affirming we are open even during the renovation was suggested. It is important that the congregation continue to feel welcome to come to services and other events during this time. The Vestry had a detailed discussion about these next steps, the timing of the renovation, the risks versus benefits of a variety of scenarios presented. It is recognized that the schedule is ambitious, and an award would need to be made mid-April to ensure an on-time completion.



The major benefit of proceeding would be the continued growth and future of the school. The church has a symbiotic connection to the schools' financial stability as well. It was also recommended that the Vestry be advised and consulted if cost over-runs exceeded 10% of the estimated costs. This remodel and update to the school is consistent with the Capital Campaign (see page 8 of that document). Rev. Zaina's installation date is set for June 22nd, so renovations will be on-going during this auspicious event.

Jefferson Building – Christie Carrico

Christie provided an update on the zoning, variances and easement challenges that are undergoing discussion with the City, concerns raised by WECA and conversations with the real estate agent. Discussions about consolidating all the various parcels – parish house, church, parking lot and Foley Park were mentioned, with the benefits and risks identified and various options being explored that would maximize the benefit to the church, school in perpetuity. The current zoning plan for Jefferson building is mixed use transitional, but currently precludes it from becoming town house units. The lot has greater value than the building but there are some unknowns that may not become apparent for several years. It appears that after due diligence the worth of the building is coming in approximately 50% less than earlier projected. There may be a benefit to split off part of the parking lot the church shares with the building but would give us the ability to retain the value at a minimum. A win-win for us. we retain the value—at a minimum. Under consideration is joining the parish-church and Foley Park plats together as one consolidated parcel—giving fewer restrictions and variance issues. WECA would likely oppose this but the City has approved similar situations before.

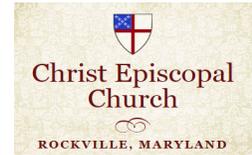
Christ Episcopal School – Christie Carrico

The school's budget is ahead in enrollment numbers compared to last year. There was one new student in April and next year there will be 133 FTE's. Approximately 77% of the current students enrolled have returned contracts for next year. There are eighteen students in this year's 8th grade class. Fewer are moving from pre-K to K however. The Gala netted \$56k, with fewer attendees than in previous years.

Rev. Zaina will be a member of the search committee for a new school head. Janice Musselman, parents from the school and teachers will be included to ensure a collaborative process between the church-parents and the school. The `health' of the school through surveys and listening sessions will commence between now through summer, with applications for a school head due sometime this Fall. Interviews will take place in December 2019/January 2020 with a new school head selected subsequently.

Financial Report – Steve McNeil

Steve reported that overall our financial health is reasonable. Our February report showed we had a loss of \$5500 in that month but better than the \$22K loss we had in the same month in 2018. Total revenue is 16.7% of the year, which comprises 17% of the budget. Pledges are up from a year ago – up 8% YTD overall down 5% from last year. We are still short of \$22K needed to reach our projected budget goal for this year. Lose plate collections were down from January but did rise some in February after an appeal from Christie and Steve. We did receive a stock gift of \$3200. Two months of rent/facility costs for Mother Debra based on her contract were spent and the need to



get the Hillstrom House cleaned up and on the market was stressed. Investment income was strong in February, so we are on track to receive a distribution this year. Clergy salary and benefits are higher this year because we have a full-time Rector, and our youth ministry expenditures decreased due to no summer work camp sessions planned. The music ministry is supported at 25 hours/week and Jason is budget conscious and mindful of budget limitations. He allocated \$4K of his own funds to furnish the music room, supply purchases, etc. A special thanks to Jason for all his efforts. Outreach expenditures have been minimal. Facilities and maintenance saw an increase due to snow and ice in February.

Balance Sheet – Steve McNeil

In summary, for the March update:

- Balance sheet shows \$62k in cash
- Plant fund - \$1200 deposit on a project for some repairs/trash bin gates
- Endowment fund- \$51K – earned over \$200K in 2 months of the year. The deficit is down to \$55K. If the market holds up – we might have more distributable income.
- Endowment fund (not published) - 128K for distribution. If we spent all that was allocated from this, it would be \$49K. There is approximately \$79K for new projects.
- Other assets- there was reduction and transfer into a general account.
- The spending on the clergy transition - \$11,700 for February and \$10,800 for moving expenses for Rev. Zaina.
- March/April will see a significant outlay of funds for two months to Mother Debra, from money budgeted from Investment revenue for the clergy transition.

Committee Reports

Adult Christian Formation - nothing to report this month.

Communications: A pictorial directory is planned, and individuals and families may sign up to have their photo taken. Information is provided in the bulletin. A good response to the questionnaire was received. Volunteers are needed to help on-site coordination. A volunteer to provide overall coordination is needed. We had forty-five people respond to assist so likely someone from this cadre can be tapped to oversee this venue.

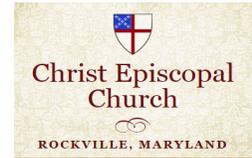
Environmental Stewardship: Nothing to report as Rob Follit is not present.

Fellowship Committee: The committee will be hosting an end of the year picnic as Michele Craig is on sabbatical. There will be a reception for Rev. Zaina's installation on June 22nd.

Outreach Committee: There was good attendance at the Wider Circle event.

Pastoral Care: no new updates and Rev. Cindy noted they've had a robust attendance.

Property Committee: The Hillstrom House will be cleaned, repaired and updated in anticipation of it being listed for sale. Several items need to be replaced for a cost of \$4600. There is another outlay of \$200 needed for minor repairs. The committee requests that \$4800 from the endowment fund be used to do this. Mary moved to motion; Catherine seconded, and all voted in favor.



St. Francis Flock: No update

Stewardship Committee: No update.

Welcoming Committee: There will be a new comers party on May 5 that will be held between the two services. A garden theme is planned. Rev. Cindy is sending out postcard invitations. The committee needs two more greeter volunteers.

Rev. Simpson, Associate Rector: Remarked that working with and for Rev. Zaina is a joy and delight and that the transition is going well. The 11 am service is bringing back people and Peter Bastien will lead the adult forum on Sunday, March 31.

Rev. Zaina, Rector: Reported that she is feeling 'at home' here in the church and the Rockville area, finds it rewarding to work with Rev. Cindy and reiterated the call she felt to come work with our parish. She mentioned her appreciation of how the Vestry approaches issues which aids her in making decisions and noted she will likely hold shorter Vestry meetings in the future.

New Business:

- A housing allowance of \$36K for Rev. Zaina (parsonage housing) or \$3000/month was brought for a vote. Jeff moved to motion, Steve seconded the motion, and all voted in favor.
- The Wells Fargo Rector signatory fund will be moved from Christie Carrico to Rev. Zaina. Rev. Zaina intends to move this to a local Rockville area bank and will determine which one that will be. Several are in the area. The discretionary fund is \$6000-\$7000.

Our next meeting if held would be conducted prior to the Annual meeting. It was motioned to move to April 30th. Mary moved to motion, Katherine seconded, and all voted in favor.

Rev. Simpson led us in a Celtic prayer by David Adams.