

Christ Church Vestry Meeting
Minutes of the May 26th, 2020 Session

Present:

Janice Musselman, Senior Warden
Geof Fuller, Junior Warden
Rob Follit
Diana Locke
Bayo Laniyonu
Delia McCormick
Emily Pearce
Meghan Matulka
Jim Suit

Tim – Resigned on week ago.

Janice opened the meeting at 7:00 pm with all Vestry members participating through Zoom video conferencing instead of direct face-to-face participation. This alternative format was necessary because of prevailing restrictions meant to limit potential exposure to the COVID-19 virus.

Janice expressed our collective appreciation for Kennerly Chapman's dedicated service as our Vestry secretary as well as her active participation as a Vestry member. Her notes from the last two meetings will be reviewed this evening in terms of clarifications and amendments.

Steve McNeil, our treasurer, reported on (i) our pledge income, (ii) recent financial statement, (iii) the performance of our Endowment Fund investments and (iv) the status of the "swap loan" associated with our mortgage on the Jefferson Building. In doing so, Steve mentioned the following points:

- April 2020 was first month associated with the COVID-19 Pandemic that forced shut-down of all direct participation in church services, missions and activities;
- Having said this, we generated a surplus for the month because the stock market bounced back from the abrupt declines that recently emerged;
- The Wardens also put a "hammerlock" on unnecessary spending which contributed to this surplus;
- Loose plate giving (which has more than doubled this fiscal year) has helped offset losses in the stock market along with the stock gifts Christ Episcopal Church received;
- There was a huge decline in investment income and 11% decline in pledges;
- \$23,000 was released for outreach to help those in our community...Ben Shuman, the chair of the Outreach Committee, is making distributions to worthy community recipients;
- The Endowment Fund earned over \$200,000, but remains \$103,000 down to date...there is some possibility of closing this margin assuming enough stock market recovery;

- The mortgage swap is looking worse on the Jefferson Building mortgage....it is now \$ 731,000;
- We opened an account at West Bank Company....Steve and Gary Correll “seeded” it with \$20,000 from other CEC accounts to cover our legal services bill, and Christ Episcopal School turned over remaining Capital Campaign funds amounting to roughly \$100,000....total balance in this new account will be approximately \$120,000;
- Christ Episcopal School has a \$250,000 certificate of deposit derived from the Capital Campaign...it has been turned over to Church via Janice Musselman....the certificate of deposit matures 8/21/21;
- Any remaining/future contributions to the Capital Campaign (as previously configured) will be credited to church;
- Federal payroll ~~credits~~ loan related to the COVID-19 Pandemic shut down and associated potential unemployment ~~paid for~~ covered two months of payroll and utilities ...\$249,000 paid last week,; this week another \$11,000 for utilities
- In terms of these Federal ~~distributions~~ loans, Christ Episcopal School received \$ 260,000, and CEC keeps \$103,000

Janice announced that Steve had recommended disbursement of these outreach funds to community outreach, and he was praised by Vestry for his generous intentions.

Bayou – inquired about parishioner needs...Janice has a list of names...gift cards have been distributed.

Meghan – emphasized the importance of Vestry knowing who in the community received outreach support. The organizations include: (i) Community Outreach of Montgomery County, (ii) the Episcopal Diocese of Washington Hunger Fund, (iii) Interfaith Works, (iv) Loaves and Fishes, (v) Manna Food Center, (vi) Samaritan Ministries of Washington, and (vii) the Bishop Walker School.

Junior Warden’s Report – Geof Fuller

- Most of design work in nursery is complete....one bid ballpark estimate has been returned...the trade-off with regard to expected costs is the type of insulation we use.
- Nave floor discussing structural problems with contractor....this will be an extremely disruptive project...all pews would have to come out; therefore, it may be best to use the current non-attendance restrictions as an interval to complete this work;
- HVAC maintenance contracts...signed with S&W Controls ...~~this system~~ ~~controls~~ contracts were signed for the church building as well as the parish house...Geof also put an inquiry to do the same for the Jefferson Building and Thompson House...we need to make sure both of these properties are systematically maintained before we take them over;
- The Hillstrom house pipe leak was fixed...

Delia – asked for clarification on expenses for Hillstrom house windows....Geof indicated additional repair work was necessary so the windows would open correctly

Senor Warden's Report- Janice

- Janice highlighted the Wardens appreciation for the corporate and individual work from Vestry members ... Vestry members have worked diligently over the past year and shown impressive leadership with complex issues;
- CES report –
 - The interim Head-of-School has experience “pulling up” low performing schools;
 - The usual CES summer program/camp has been cancelled because of restrictions/lingering concerns associated with the COVID-19 pandemic;
 - Caroline Chapin estimates this will result in ~~another~~ additional operating deficit of \$60,000 to \$70,000 ;
 - the June 5th CES graduation ceremony has been approved by Bishop Mariann...celebrations will be spread out over two days: individual speeches, followed by actual ceremony via teleconference (Zoom or similar).
Jason West, our interim director of music, will be playing the organ, and Caroline will be going through graduation ceremony as printed out;
These two services will be combined in a digital format and distributed to each graduate's family;
 - Bishop Mariann has arranged for an interim CES chaplain: Yolanda Roll has been working with the school to provide emotional support through the end of June 2020;
 - Caroline Chapin has put together a task force to prepare plans for re-opening the school in the fall;
 - Caroline is especially concerned about the pre-school operating virtually (i.e.)_on line... the preschool tuition is currently \$18,000/student...on line is not feasible...the Board of Governors may eliminate the pre-school program entirely next year....this would significantly decrease CES revenue;
 - Assuming the previous occupancy of the Thompson House is no longer in force, the Vestry must consider how quickly can we sell the Thompson House;
 - ~~the new Head of School and Grace Episcopal School signed non-disclosure agreement with Janice because a merger is up in the air...Janice will ask for update on CES enrollment.~~

Geof and Janice need extra help....the workload is beyond what the Wardens can handle without further support from Vestry members:

- Three families have sent in letters leaving the parish...we need a letter – Emily compose drafts, send to Judith and Janice would sign them– input from Vestry members will be sought
- Waste management contract – up in August...every September they can raise fees for no cause - Rob will do this

- Atlantic Maintenance Company---Angel works for this company...they purchase the cleaning supplies ...look at that contract, talk directly with Caesar...look for another source and monthly ordering supply list...Jim will do this
- Developing a welcoming and thank-you message addressed to our parish committee chairs, committee participants and members of our parish family...emphasizing the many things which have held us together, including the importance of Diocese outreach –Diana will do this;
- Manager of the Jefferson Building leasesCEC is taking over the responsibility for leasing use of any unused rooms/offices...school had no incentive to lease these spaces since we are paying bills anyway- we will need to find someone to do this
- Rob will update the two sets of minutes that we have editorially reviewed.

Janice – provided further guidance on administrative topics:

- extensive printed packets are now eliminated except for Steve’s financials and agenda...it takes Judith’s time, printing and paper;
- having said this, reports and important paperwork sent via electronic means should be carefully read/ considered by all Vestry members before scheduled meetings;
- to this end, all committee reports are expected the third Tuesday of every month (that is, one week before our Vestry meeting) to ensure these documents are available the Wednesday before our meetings...Vestry members would then be responsible for reading through these documents;
- Janice, following up with a previous concern that Jim had expressed, anticipates that future agendas will be sufficiently detailed to inform Vestry members about the impending topics/issues we should consider;
- the Wardens want to be respectful of our time, so Vestry meetings will not last beyond 9:00 pm unless there are serious/unexpected situations brewing;
- committee reports will be listed on every agenda;
- Janice recognized the hard work Geof devoted to a written summary describing the unique aspects of our parish as well as those Vestry members who submitted editorial suggestions...this document, requested by Dr. Robert Phillips of EDOW, will set the foundation of the challenges we are facing and what the Vestry expects of an interim priest;
- Janice thanked Mark Wright and Rob Follit for the assembling triennial energy reports...Rob spent a great deal of time accessing the gas/electricity records over the past three years, and Mark created a spreadsheet so that we can record these details (rather than searching back three years);
- Janice briefly identified leadership needed in some of our program committees, noting the following status:

Welcoming and Fellowship – Delia
 Adult Christian Formation –vacant
 Outreach – Diana
 Pastoral Care – Mary Louise Roach
 St. Francis Flock – Meghan
 Stewardship – vacant

Old Business Issues

-Delia – asked whether there would be a committee ~~hasen~~liaison for Christ Episcopal School...Janice is currently handling this responsibility as our Senior Warden...Delia believes we need to incorporate what is happening with CES during our Vestry discussions on a regular/monthly basis

Steve – we need a second Vestry vote authorizing the allocation of \$20,000 from the Endowment Fund to pay legal fees incurred in developing the school agreement...Geof moved, Diana second...this will take care of the bulk of \$24,500.00 bill...unanimous support

New Business

Meghan – announced an event on Friday/Saturday sponsoring a plant-based food drive – donations will be directed to Manna...asking for support from our CEC congregation and the greater community ... they will take donations 24/7.

Jim – asked about Jason West’s contract as our interim music director...specifically, clarification on when the current agreement will expire. Jim emphasized the importance of our music/choral programs and recognized the professional skills and many contributions Jason has made to these programs. He emphasized the importance of these programs as an essential “drawing card” for our parish, one that is especially important as we handle the transitional demands of working with an interim and ultimately finding a permanent Rector. Jim highlighted the importance of giving Jason the predictability of a reasonable extension, knowing that Jason has other part-time employment responsibilities that collectively ensure his financial welfare...Janice will follow up to determine when the prevailing contract ends.

Diana – emphasized that Janice, as our Senior Warden, has the authority to extend this contract with Vestry support...finalizing a hiring decision will be the province of our new Rector.

Diana – also spoke about the importance of strategizing our Vestry decisions with regard to the income we receive. “How will we deal with massive bills?”.

Geof - believes sale of the Jefferson Building, Thompson & Hillstrom houses is the cornerstone of meeting these debts....we need to work on the re-platting and decide how we want to deal with that...also condominium designation for Hillstrom and Thompson houses if re-platting proceeds as currently envisioned.

Janice – reported that Delia and Gary Correll are working on letter to Diocese and legal documents that must be submitted for Diocesan permission to sell these properties...all church and parish properties are always owned by the Diocese....we have already have permission to sell Jefferson Building....conversations with Don Crane indicate it may take up to two months to get approval from Bishop Marianne, the EDOW Standing Committee and the Finance Committee with Don Crane providing oversight for the other properties....Gary has advised that

we get permission for a range of prices so we don't have to go back in if the subsequent offers we receive are lower than we expected.

Geof – discussion with the commercial realty firm AMR....AMR doesn't want to be the group for messaging when Jefferson Building will no longer be used for CES...they would like the church and school to do this...if we sold Jefferson Building together with parking lot, it may increase revenue for Jefferson Building by one million dollars...they imagine that if Thompson/Hillstrom properties are sold as condominiums, this return might be less.

Janice – AMR believes the time to sell Jefferson Building is now...Caroline Chapin and Jeff Whitman are worried about drop in next year's enrollment...the Junior/Senior Wardens believe that we should look to the best interests of Christ Episcopal Church as the predominant objective...put Jefferson Building back on the market right now....our message will be the school will not be using Jefferson Building after June 2021 (but not revealing other details which are prohibited by the agreement we signed with CES and their Board of Governors).

Bayou...we need to consider what is best for the church, the school and their students...

Delia – the Jefferson Building was on the market before, and this was not a huge concern...frequently properties are sold with no sign on the property...it will be on the commercial websites

Diana – what you told the realtors to say is sufficient...

Janice - Caroline and Jeff Whitman want to delay until September before we put the building on the market...Bayou wants to wait at this point.

Delia- many companies are now wanting to operate remotely....commercial real estate will take a bad hit.

Emily – supports beginning the marketing process now, CES operations will probably be virtual ...

Diana – concurs, we need to be proactive and not worry about enrollment...either way, we will lose.

Jim – concurs, virtual practices make commercial property worrisome...investor cash is on the sidelines....we need to make the most of the opportunities out there...we really cannot predict what will happen, otherwise.

Meghan - supports decision.

Bayou – advises Vestry to think about messaging to community and parents.

Delia ... what are the chances with virtual learning they will never return to Jefferson Building?

Emily – clarify sale but allow CES occupancy until June 2021.

Geof – ~~recommends~~ believes that the Jefferson Building and parking lot will be jointly considered as a “tear down” opportunity for a potential investor.

Diana ...proposes this motion: Allow realtors to put the Jefferson Building on market now with the proviso the realtors are not allowed to answer inquiries other than the building would be vacant June 2021...Jim seconds the motion ...unanimous support, no abstentions

Janice –

- announced the formation of a “re-gathering” Task Force to plan for church re-opening;
- this committee is composed of Buzz Van Arx (chairperson), Meghan Matulka, and Bob James;
- recommendations are expected by June 5th...the plan would deal with Phase 2 - opening churches once again...the specific mandate is on worship;
- our Annual Meeting will be handled virtually (i.e. on-line)...Geof, Janice, Christy Carrico and Jeremy Snider will coordinate the technical aspects of this conference meeting via the Zoom platform...this modification of our traditional face-to-face meeting format requires consent of Don Crane;
- Anna Van Arx, who chairs our Altar Guild, is concerned about how we will administer Holy Communion once we reconvene (ie. options: providing only the host or only the wine...in this case, only the host ~~only~~...Anna is leaning towards trays for distributing the communion wine);
- Capital Campaign annual report has been written by Christy Carrico and George Wojoholian....it is well crafted and informative;
- Caesar of Atlantic Building Maintenance has supplied electromagnetic spraying hoses for deep cleaning to prepare for the CES graduation services
- The vestry still hasn't identified anyone who might volunteer as our Vestry clerk...this is a major priority to chronicle what we discuss, are doing and have decided.

Janice closed our meeting with a concluding prayer.

The meeting was adjourned at 9:05 pm.