

Christ Episcopal Church
Minutes of Vestry Meeting

January 23, 2018

Opening Devotion & Prayer

In attendance were The Rev. John McDuffie, Rector; the Rev. Cindy Simpson, Assistant Rector; and Vestry members: Christie Carrico, Senior Warden; Mary Barnstead, Geof Fuller, Adebayo Laniyonu, Meghan Matulka, Steve McNeil, and Katherine Schexneider.

Father McDuffie convened the meeting at 7:09 PM, and then offered opening prayers.

Review and Approval of the Minutes of October 24 2017 and November 28 2017 meetings

There was a motion to approve the October 2017 minutes as amended. The motion was seconded and passed.

There was a motion to approve the November 2017 minutes as read. The motion was seconded and passed.

CES Update (including real estate) and approval of 2018-2019 budget

Christie reported on Christ Episcopal School, first reporting the school currently has 136.7 full time enrollments (they are budgeted for 131). Donna Gentry's term as the parish representative to the board will end in June, and her replacement will be needed. Among desired qualities would be experience or at least an interest in education.

The school board has discussed potential contingency plans if they are unable to sell the Jefferson building. The mortgage is currently \$3.2 million; we may need to pay the difference if the building was sold for less the full mortgage. One developer is interested in the building for a senior living location, and would need some zoning changes for the use of building (as required by the city). Additionally, Ivymount School, a local special needs school, has expressed some interest in the property. Offers have been low because of renovations that are needed to modify the building for office use; for a school, hopefully less work would be needed.

The city wants the church to consolidate all of the properties that it owns; the neighborhood does not want the church and school zoned as one large parcel. The parking lot and its use is a sticking point with some of the potential buyers. Christie presented the proposed 2018-2019 budget for CES: The school is projecting net revenues of \$2,675,707, and net expenses of \$2,675,444. Budgeting for enrollment for next school year is conservative, at 129 FTEs (considerably less than last several years). The school expects to have a net balance of around \$500 at the end of this school year; a significant amount is budgeted for financial aid for next year.

There was a motion to approve the day school's 2018-2019 budget; the motion was seconded and passed unanimously.

Finance Report – Steve McNeil

The parish ended 2017 with \$184,297 (operating funds) in the bank. Of note, the new sound system was paid for in December, and the Endowment fund had a banner year. The investments in Wells Fargo accounts also made money in 2017.

Money listed in the report that was due to CES for the Capital Campaign was paid in January. Deferred pledge income (for 2018 pledges) of \$56,820 was received late in 2017, and will be amortized in 2018. The mortgage on the Jefferson building has been paid down some over the past year.

The endowment fund is off to a good start again, in this fiscal year. The mortgage swap is down for the year by \$65,000 from the end of 2016.

Income statement: The year ended with operating income of about \$9000. Pledge income was down, overall, for the year, by about 7%. Investment income almost doubled for the year.

Income from the Hillstrom house was up since we had not budgeted any income for the second half of the year, expecting that Fr. Choi would be moving. The school was able to pay its rent. Clergy salary and benefits were over budget for expenses, as the school still owes some of Cindy's salary.

Also of note, the Altar, Worship, and Fellowship areas were under budget by 23%.

Review, modification, and approval of proposed 2018 budget

2018 Budget: Steve presented modified proposals to the budget, saying that basically, the new proposed budget reduced any increases that been put into the 2018 budget. He reduced \$63,000 from Fr John's annual salary because we will not be paying his salary for at least two months, but that will be needed in 2019. Steve kept the proposed salary increases of 2.5% in place.

There was a motion to approve the modified 2018 budget. The motion was seconded and passed.

Update on the Capital Campaign: "Firm Foundation, Bright Future"—George Wolohojian

George submitted a written report (in his absence), saying that to date, \$2.4 million has been pledged to the capital campaign. There will be a new push for more pledges in future once the school and the church finish their annual giving campaigns.

Nominating Committee Plans

John reported the nominating committee typically consists of outgoing vestry members. George will chair the committee (Megan, Peggy, Steve, Christie all are completing terms). To allow continuity, Christie is willing to stay on another year as the Senior Warden. A one-time amendment to the by-laws will be required to allow her to continue, as she will have served for 4 years & 3 months at the annual meeting. If re-elected, her term will end at 5 years & 3 months

(the limit is five years). Steve is also willing to continue as treasurer for one additional year to provide continuity during the transition.

Appointment of a Search Committee Chairperson

Father John said that Christie had suggested appointing the chairperson now, in order to start the process as soon as he leaves. Christie proposed Janice Musselman be appointed the chair of the search committee. Janice is results oriented, and spiritual, and she has skills to keep the committee on track. She has been approached and is willing to serve.

The motion was made to appoint Janice Musselman as chair of the Search Committee; the motion was seconded and passed unanimously.

Committee Reports

Environmental Stewardship – no report

Property – Geof reported on property, with the following accomplishments:

- The installation of the new sound system was completed in December and the old equipment was returned to the manufacturer for a rebate of \$300.
- One hand-held microphone has stopped working. Two will be purchased (estimated cost of \$1800); to be paid out of the plant fund
- Three estimates have been received on repairs to the floor of the church. Three options: Cosmetic maintenance and partial repair (\$6,000 - \$8000); cosmetic maintenance and a vinyl covering (\$13,000 - \$16,000); remove all tile and replace with hardwood floors (up to \$100,000, will take several weeks. Geof said we likely need to go with the lowest estimate for now and plan for a new floor in the future. He will solicit bids.
- Recycling – the Road Runner company is proposing to work with recycling. Geof said he will review Waste Mgmt agreement. Cindy asked that environment team also get involved; we need to do more research on the current agreement. The City won't take our recycling.
- Window repairs are completed; there was an extra cost of \$250 for permits.
- A Dehumidifier is needed for the Youth Room.
- Roof repairs have been completed. Newly discovered leakage continues in the bell tower, however, and we need a new gutter.
- The Environmental committee has paid for two new toilets in bathroom in this building; Jim Chelini will install them. Additionally, he has repaired other leaks in bathrooms on the property.
- Jim is fixing the ice machine in the kitchen, and the boiler is being fixed.

St Francis Flock – Meghan Matulka reported the committee will be coordinating a film series during Lent. Three films will be presented: “Cowspiracy”; “What the Health”; and “Food Inc.”. The point of these films is to encourage discussion and dialogue.

Pastoral Care – Fr John said he is training five persons to conduct home Eucharist visits within the parish.

Outreach – Katherine reported the committee finished the year strong; the first meeting for 2018 will be in February; Outreach is currently organizing an activity with A Wider Circle.

Communications – Christie reported the committee is updating the church website with a section on the transition, and is updating pictures for the web site.

Fellowship – no report.

Adult Christian Formation – Mary reported that Sister Maureen Fiedler (“welcoming the stranger”) will be here in February; Hemchand Gossai will also do a presentation in February.

Welcoming – Cindy reported that the next newcomer reception will be in June.

Stewardship – Father John reported the committee is making follow up calls to members who have not pledged.

Old Business:

Second vote: Christie moved to approve \$24,000 to begin the search and transition process, funding to come from Endowment. The motion was seconded and approved.

New Business:

Father John said that some staff have expressed concerns about the future of their employment during this transition period. Following discussion, it was agreed that Christie will present the following to the staff:

The Vestry of Christ Church Prince George Parish wishes to express its support for the staff of the church. We value their efforts and hope they will continue to serve the church in their current capacity throughout the transition process.

Farewell to the Rector

A Certificate was presented to Father John by Christie. Other informal celebration of Father John’s ministry continued at the conclusion of the meeting.

Date of Next Meeting: February 27, 2018

Prayer and Adjournment

The closing prayer was offered by Christie Carrico, and the meeting was adjourned at 9:05 p.m.

Respectfully submitted,

Dotty Reitwiesner