

Christ Episcopal Church
Minutes of Vestry Meeting

September 25, 2018

In attendance were The Rev. Debra Kissinger, Interim Rector; The Rev. Cindy Simpson, Assistant Rector; and Vestry members: Christie Carrico, Senior Warden; Mary Barnstead, Geof Fuller, Adebayo Laniyonu, Meghan Matulka, Steve McNeil, Katherine Schexneider, and Audra Snider. In attendance for a part of the meeting were Michael Febrey, independent auditor, and Janice Musselman.

Opening Prayer

Mother Debra convened the meeting at 7:00 PM, and Bayo Laniyonu led the vestry in an opening prayer.

Report from our Auditor

Steve McNeil introduced Mike Febrey the parish auditor. Mike opened by stating that Erin, the bookkeeper, is doing a good job. The parish has moved to full accrual accounting, which is a good thing (the downside is that comparisons from 2016 to 2017 are not easy to display).

Mike distributed the annual Financial Statements and the Independent Auditor's Report. The first three pages are boilerplate and mandatory. Next in the document is an opinion only, that the financials should also include the day school (the school does have their own independent auditor, and they are on a school year not a calendar year).

The Statement of Financial Position is just a snapshot in time, showing the financials at the end of the year. Christ Church had \$3 million in "liquid" assets (including Endowment funds) and \$7 million in long term assets (property).

Because of the change to the accounting method, the Statement of Activities had to be from 2017 only; the report will be comparative next year. To note, pledge income was down in 2017, and Endowment revenue was up in 2017. Expenses were cut in 2017, except for the Youth line item; Music expenses went down, from \$60,000 in 2016 to \$33,000 in 2017. Church Administration went from \$81,250 down to \$58,894. The bottom line, according to the auditor is that the Church is doing a good job managing its finances.

Mike distributed a 2017 pledge gift comparison: he said 17 pledge units contribute over 34% of the total pledges. In discussion, Christie Carrico said the list of "congregants in good standing" was cleaned up about ten years ago. Mike said the average weekly pledge is doing well. He did note that in the parochial report, there are 170 persons under 16; 76 youth are registered in Sunday school. (Sunday school likely does not go past 7th grade, likely leading to the discrepancy)

Steve said our numbers are down for this year, which Mike said is normal as the parish is in transition. He then said, "God doesn't need your money; stewardship is about giving yourself not your money"

There was a motion to accept the Auditor's report; following several seconds, the motion passed unanimously.

Search Committee Report – Janice Musselman

Janice Musselman reported that we have some good candidates for Rector. She said the search committee is winding down their search, and expect to be done by mid-October. The committee has given the top two candidate names to the Bishop; phone conversations with the candidates will be on Monday. A potential third candidate will be interviewed this weekend, and by next Monday the committee will finish narrative summaries on the top candidates. The two candidates are strong with stewardship.

The search committee has spent just under \$2800 on 4 visits to candidates; also, the committee has held 23 meetings in 8 months. Janice asked the Vestry to consider inviting the Search committee to the October meeting.

Paula Clarke is in a 4-day convention on candidates; the committee is not anticipating needing additional candidates.

Review and Approval of the Minutes of August 28, 2018 meeting

There was a motion to accept the August 2018 minutes as presented. The motion was seconded and passed.

Jefferson Building & CES Update – Christie Carrico

Christie reported that the Jefferson Building has not yet sold; interest in using the building for office use is not commensurate with the cost. The building has been shown twice this week. Christie added we may need to consider selling the building at below the mortgage.

The school is in a better financial position this year than it has been for several years; enrollment is up. We are not in a rush to sell, at this time.

Update on call of Interim Director of Music and Choir Director

Mother Debra said Jason West has provided a number of documents, including a list of the hours he has already worked, diocesan guidelines, offer information, etc. The breakdown on the possible arrangement for Jason to serve as Interim Director of Music and Choir Director includes: 30 hours required; defined contribution of 5% with a diocesan match of up to 4%; (see doc/notes) (Kathleen, admin of diocese) – Effective in January, the salary will be annualized for new year. Mother Debra said this package is a good one – in January, the hours will change from 30 to 20 hours. This will allow time now to organize the music library and choir room and will modify hours as the parish goes to one sung service in January.

A question was asked about shared music space w/school, and if the office would be used for music storage for the school. That may need to be coordinated in the future but is not currently an issue.

There was consensus to accept the financial package for Jason West as the Interim Director of Music and Choir Director, from September 1, 2018 – August 31, 2019 with 30 hours a week through 2018 and 20 hours in 2019.

Finance Report – Steve McNeil

Steve confirmed there were no follow-up questions for the Auditor, then presented the Finance report. August, he said, was “awash in red ink”, as the parish lost \$12,000 for the month. Of note, was the fact that pledges receipts were at \$51,000 for the month, which is up, year over year. On a positive note, a two columbarium niches were sold. Investment income was also up for the month.

Steve then reviewed the balance sheet, reporting first that the Endowment fund currently has earned over \$200,000 for the fiscal year, which is higher than the “maximum” that can be spent out of the Fund. The first withdrawal from last year’s fund has been made

In the area of property & equipment money has been spent on renovations for the Hillstrom house. Of note, Steve said the swap on the Jefferson Building, at the end of August was at \$381,600, now it is at \$344,000.

There was a motion to accept the Treasurer’s report; the motion was seconded and passed.

Budget – Steve McNeil

Steve reviewed the 2019 proposed budget, first saying that in 2018, the original goal for pledges was \$785,000; the final budgeted line ended up at \$700,000. The only increase for 2018 was payroll. We made up the shortfall by slashing the clergy budget / salary (because of Fr John’s retirement). The \$63,000 that came out in 2018 needs to go back into the budget in 2019, as we will be fully staffed. The goal, then, is a 5% increase.

Steve added several comments: the loose plate receipt line is up this year; rent and facilities use is up, as Mother Debra is paying more (to rent Hillstrom House) than Father Choi paid. Investment income has been slightly reduced for 2019, as it was likely budgeted too aggressively for this year.

For 2019 proposed Expenses, there is an increase in Diocesan support – if we get the proposed 5% increase). The Outreach budget will be increased by 5% if we get the proposed 5% increase as we like to spend 12% outside the parish. Clergy salaries and benefits has been significantly increased, based on the presence of Mother Debra; if we have new, younger, less expensive Rector, we could see some savings. There are some proposed salary increases, both for Administrative staff and for Michelle. The Youth will remain as it is for 2018.

Music will see a decrease, due to the salary difference (because of the reduction in time) between Tad’s salary and Jason’s. Choral scholars, tuning, and other music spending will stay the same as the current year. Other ministries are the same or lower; the Altar guild request has been

reduced by \$2400. Several other savings including Facilities, where \$4000 less was requested. However, the day porter/custodial expenses will go up next year. Of note, we have a lower contract for trash removal, but we get charged \$400 when the trash and recyclables are not separated correctly.

Bayo asked, since we are in transition, should we keep proposed budget the same as the current? Steve responded that we are doing better this year than was budgeted.

There was a motion to approve the preliminary 2019 budget; the motion was seconded and passed.

Ministry Committee Reports

Adult Christian Formation – Bayo asked Mother Debra about her thoughts on her presentations at Forum; she will discuss how the size of a parish impacts growth.

Communications – No report

Environmental Stewardship – No report

Fellowship – No report

Outreach - Katherine said the committee is still discussing whether to continue financial support for Loaves and Fishes, and said the committee will meet on the 2nd Tuesday.

Pastoral Care – She reported that Kaye Kubas would like to delegate more of her tasks for the Pastoral Care Committee. As part of this, the committee will move their meetings to once a month.

Property – Geof distributed a written report. He mentioned the following specifics:

- A new air handler for the Church nursery (for the air conditioning) is needed; the cost is about \$8,000.
- Michele is requesting new flooring in youth room (current is moldy) at an estimated cost around \$4700; Jim Chellini will be researching the water leak there. Geof thinks a new sump pump will cost about \$5,000. He is also getting estimates.
- The Men's room in the dining room needs work, as there is a leak/water issue.

St Francis Flock – Meghan reminded all of upcoming events: tomorrow, there will be an instructional talk on pet emergency preparedness. The upcoming Sunday Forum will be interesting; the annual service for Blessing of Animals on October 7th, at 5 pm; and the Pet Memorial service will be held on November 18th.

Stewardship – No report

Welcoming – No report

Interim Report

A written report from the Interim Rector was distributed prior to the meeting.

New Business:

Vestry Stewardship Statement

- Vestry members reviewed the existing stewardship statement. There was a motion to adopt/continue to support the Vestry stewardship statement. The motion was seconded and passed.

Making our Commitment

- Pledge cards were distributed to all members, and there was discussion on the process. All members were invited to pledge prior to Stewardship kick-off Sunday.

Old Business:

Safe Church Guidelines

- No discussion

Minutes of Executive Session

- The minutes of the executive session were reviewed; a motion was made to accept the minutes as modified. The motion was seconded and approved.

Date of Next Meeting: October 23, 2018

Devotion, Scripture, and Closing Prayer and Adjournment

The closing prayer was offered in unison by all, and the meeting was adjourned at 9:33 p.m.

Respectfully submitted,

Dotty Reitwiesner