

## **Christ Church Vestry Meeting Minutes**

**April 16, 2019**

### **Earle Conference Room, Parish House**

**Attending:** Harrison McLeod (Rector), Ben Horne (Senior Warden), Ashley Reynolds (Junior Warden), Anne Arrington, Jim Baumgardner, Lauren Briles, Cotton Clarke, Emily Davis, Jordan Earle, Mac Gentile, Norma Givens, Chris Klasing (Assistant Treasurer), George E. McCall, Cecil Nelson (Chancellor), Dan Seaman (Treasurer), Helen Wynkoop, and Rose Cuddy (Clerk of the Vestry).

**Absent:** Elizabeth Fletcher (Secretary of the Vestry), Wade Kolb (Assistant Chancellor), Kevin Mertens, Penn Williams.

Rector Harrison McLeod opened the meeting with prayer at 5:00 PM.

### **Capital Campaign Consulting**

Harrison took the Vestry on a tour of the Parish House and Markley Chapel to set the context for this item. The group examined the interior and exterior needs of the physical plant. He reconvened the group and said that he, Resource Development Director Lauren Sigmon and the Resource Development Committee have been exploring the efficacy of a capital campaign to address these needs.

Lauren Sigmon reported that as we consider a possible capital campaign, we must also be mindful of the other fundraising efforts of the church: the Annual Giving campaigns which have been successful and posted gains over the last few years, resource and budget development for the Bicentennial, and the spring 2020 Joyful Garden Tour that benefits grounds maintenance. With the creation of the Resource Development Committee, the church has begun to see development as a year-round synthesis of these campaigns, cultivation with major donors and boosting legacy giving. She said that people want to be a part of a winning team – when things are going well, they want to participate.

She distributed a timeline charting the major fundraising efforts slated for 2020 and reviewed it with the Vestry. The timeline is attached.

Lauren Sigmon said that the Resource Development Committee heard capital campaign proposals from two companies and recently shared the proposals with the Vestry. The consultant whom they prefer suggests having the Leadership phase of a capital campaign concurrent with the 2020 Annual Giving campaign and the public phase in the months to follow.

Harrison commented that this is a busy and exciting time in the life of our church as we prepare to celebrate the Bicentennial in 2020. We would like to live out our mission statement in several ways, including Outreach projects and Celebrations, that require additional funding beyond our annual budget. He and Lauren have begun to discuss how to map out our emphases to better resource the life of the church. He recalled that the consultants have said that benefits are typically more if you combine Annual Giving with a Capital Campaign and Legacy Gifts. This worked for HIStory Lives. However, this particular process would be more complex than that with the added layers of the Bicentennial and the Joyful Garden Tour.

The Resource Development Committee recommends Rob Townes and his company, Sinclair Townes, as consultants, not just for the capital campaign, but for how we would manage the multiple resourcing emphases that are quickly coming up. If the Vestry approves, we can start tomorrow. The costs presented are in three phases:

- Pre campaign discernment: \$40,000 cost. It's easy to see the needs of this building, but are there other needs that our parish might identify? This is a time to intentionally gather information from the parish.
- Feasibility study: \$26,000 cost. The parish is surveyed. Interviews with parishioners.
- Manage a capital campaign through conclusion (estimated \$10,000,000 goal): \$250,000 cost.
- If a campaign occurs, the costs of the first two phases are covered by the campaign. If no campaign occurs, these costs are not covered and will be paid by the church.

Harrison asked the Vestry to engage in discussion about the campaign and the consultant.

Cotton said, for the Resource Development Committee, that the overall feeling was that the success of the last campaign left them excited about the prospects for the next one.

Ashley said that there was a general consensus with the group that Rob Townes, having successfully guided Christ Church through the last campaign, has a history with the church and knows more about Christ Church. He appeared to be motivated to beat his goals from the last campaign!

Anne asked what the question before the Vestry is tonight. Harrison said the question is whether or not the Vestry feels that it is time to consider a capital campaign. If so, will we choose to go with Sinclair Townes? Anne followed up asking about the projected amount of the campaign. Harrison said that the figures are currently based on projected needs and the consultant will help us determine the capacity of the parish for the amount to raise. Anne asked who would determine the cost of the renovations. Harrison said a rough estimate would be provided gratis by Bryant Nixon of Triangle Construction in return for consideration of Triangle among other firms for the project. She asked if we have money earmarked for this purpose. Harrison said that we do not, but his first thought was that the money could come from HIStory Lives and be replenished as money comes in for the second campaign, delaying the some of the debt repayment of \$900,000.

Jim said he had several questions for discussion: What is the plan with the preschool during the renovation? Do we have money set aside for All Saints Center repair? Do we have a plan for staffing? Do we have a plan with the existing debt? Is there a plan for Finlay Hall? How and why did we allow the disrepair of the Parish House? The kitchen in both the All Saints Center and the Parish House are in need of upgrades. His concerns are that our Sunday School attendance and attendance in the Historic Church have gone down. He thanked Harrison for the wonderful job he does and realizes there's no perfect time to launch a campaign. Jim said that there are a number of emphases going on, and asked do we have a firm grip on our priorities to be sure we do this right.

Ben said that we could wait ten years to have the conversations, but it would not be cheaper then. He agreed with Jim's questions and reiterated that we do have a lot of balls in the air.

Cotton said that the questions that were sent to the parish for HIStory Lives let the parish vote on their priorities since they are the ones who're going to fund it. Cotton agreed that Jim's questions needed to be answered and, if we decide to go forward, this will be put to the parish.

Ben said he sees this as not another campaign but a continuation of what we didn't finish last time. He noted that it's hard to do ministry when things are falling apart. Lauren Briles said we should consider our priorities including growth of the church and what will fuel the future of the church. She asked if parishioners choose the cosmetic issues, how will this help the church grow.

Cotton said that helping encourage Legacy giving would also provide additional funds for repairs and maintenance. He agreed with Jim's concerns that we need to consider long term funding of maintenance issues.

George said he thinks the needs are overwhelming and he's in support of contracting the consultant. He said he thinks we should not overlap this with the HIStory Lives campaign – that is a credibility issue in his opinion if we don't complete the campaign and pay down the debt as promised to the parish. Helen said she agreed with George. Norma said she concurred with George and Helen and also agreed that the next capital campaign is needed. Cotton asked if previous capital campaigns have traditionally seeded the next campaign. Treasurer Dan Seaman said that the HIStory Lives campaign did have funds left from the Doors and Windows campaigns, but those campaigns had been concluded prior to the initiation of HIStory Lives.

Harrison addressed some of the questions and comments.

Deferred maintenance: We do have deferred maintenance. If we had \$250,000 additional annual income, that would fund the level of maintenance needed. Barring that, he said that we are likely to always be in a capital campaign.

The Preschool: It will take creativity to run a preschool in a building that's under construction. What happens if there's a construction accident in the middle of the day? Experts will help us figure this out.

Priorities: We are using the Bicentennial to help us live into the priorities that we've identified. Examples would be the Embrace subcommittee that is planning how to contact all members of the church and invite them to participate in the life of our church. Equip is looking at how we reinvent Christian education to reach our parish. Empower is identifying an Outreach project that will impact our parish and community for years to come. These efforts will likely change how our staff and our Vestry work as they are plugged into these emphases. We've taken some steps that position us to make some meaningful changes in the life of the church to reflect our Mission, Vision and Core Values.

Pre-Campaign Phase: The consultant would help us think strategically about the next two years of resource development. Such as, would we look for 200 new pledges in our bicentennial annual giving campaign? The JGT wants to raise \$100,000 to help establish an endowment for our grounds. In addition, how do we encourage Legacy Giving? It's a complicated Resource Development picture. The consultant would help us maximize our efforts and lay the groundwork so each of these emphases are

successful and we are not taking from one to give to another. Rob Townes would be on campus a couple of days a month and act as consultant for all of our resourcing efforts.

Emily asked what our goal is tonight. Harrison said it is to begin discussion, consider the timeframe and, if we are ready to vote to begin the pre-campaign discernment.

Lauren asked if we have programs that generate income to help offset some of our maintenance needs. She used examples of soup sales, the preschool, etc. Harrison said that the soup sales do produce income but is taken up by our expenses.

Discussion revolved around the cost, expenses and the complexity of offering ministry at churches. An example was the preschool, which provides \$120,000 in rent and reimbursables for the church, but costs more than that to operate while also bringing in new members and pledges.

Jordan said he agreed with Jim's questions and discussed optimistic and pessimistic scenarios. He did not see \$40,000 as much money to spend for someone to help us develop scenarios, but asked if we are willing to put the brakes on if the results come back finding the parish without the appetite to pursue a capital campaign?

Harrison said that his thoughts about using HIStory Lives to seed the next campaign were to prevent us from borrowing money, but that plan would create additional interest anyway by delaying debt repayment. Helen said that she thinks that plan lacked transparency.

Anne Arrington moved that the Vestry move forward with the pre-campaign discernment and planning phase and that the church may borrow, from a source to be determined at the lowest interest rate, up to \$40,000 to pay for the expense of contracting Sinclair Townes and Company. Norma Givens seconded the motion.

The Vestry then considered the funding source. The Treasurers said that we could get a line of credit from a bank with an interest rate of likely 3.5 to 4 percent. They said it's also possible that we could borrow from the Hatch Fund if the request is determined to fit the parameters of this account. All Vestry members voted to approve, none were opposed. The motion carried.

### **Rector's Report**

Harrison said that he would be brief. He thanked Vestry members for their help with the Bicentennial efforts, which are moving along. He said that he hoped that we will all have an excellent Holy Week and Easter. He welcomed Cecil Nelson for his first Vestry meeting as Chancellor, our counsel on legal matters and voice on Vestry matters. Wade Kolb is our newly elected Assistant Chancellor and Cecil and Wade have worked out a schedule where at least one of them will be in attendance at each month's meeting.

Harrison said that will be out of the office the month of July. He thanked the Vestry for this opportunity for renewal. He said that Meredith Hairston is the temporary Faith Development admin upon Mary Ellen Vernon's departure. Jay Biedenharn has been called to a church in Memphis. We have tentatively made an offer to Charles Jenkins to join us as Priest Associate for Pastoral Care. Charles will be ordained as a

deacon June 15 and ordained as a priest December 15. We are in the process of checking references on a priest candidate for Faith in Action.

#### Bicentennial Update

The Four large events being planned for 2020 are a kickoff in January, the Joyful Garden Tour in April, a Fall event, and around the November Annual Meeting.

#### **Senior Warden's Report**

Ben Horne said he had no report for tonight, but will have something for the Vestry at the May 21 meeting.

#### **Junior Warden's Report**

Ashley Reynolds thanked the Vestry for writing thank you notes to church staff during Holy Week.

#### **Treasurer's Report**

##### Monthly Budget Report

Assistant Treasurer Chris Klasing referenced the report sent earlier via email. Chris said that we are about \$90,000 ahead of budget due to various factors and that we are on track. In addition, the outstanding bank loan is currently \$406,000. We anticipate paying \$70,000 down in April, so we should see this drop to around \$325,000 on next month's report. If receipts stay on track through December, we will pay off the construction loan on time.

##### Endowment Draws

Chris requested a motion for Vestry and Rector approval of the Endowment designated fund draws for the second quarter. Totals for this quarter's draws are \$46,925 from about 20 funds. George E. McCall made the motion to approve the draws and Anne Arrington seconded the motion. All Vestry members present voted in favor, none were opposed. The motion carried.

#### **Approval of Revised February Vestry Meeting Minutes and March Meeting Minutes**

The revised February 19, 2019, Vestry Meeting minutes which included additional description of the Vestry discussion regarding the Diocesan Pledge and the March 19, 2019, Vestry meeting minutes were distributed prior to the meeting by email and were presented at the meeting by Harrison McLeod on behalf of Elizabeth Fletcher, Secretary of the Vestry. Harrison asked for a Vestry member to make a motion to accept the minutes.

Jordan Earle made a motion to accept the February meeting minutes. Emily Davis seconded the motion. All Vestry members present voted in favor, none were opposed. The motion carried.

Ashley Reynolds made a motion to accept the March meeting minutes. Helen Wynkoop seconded the motion. All Vestry members present voted in favor, none were opposed. The motion carried.

**New Business**

A Nominations Committee slate will likely be sent for Vestry approval via email. For an email vote, all Vestry members will need to respond for the vote to be valid.

**Ministry Area Reports**

Ministry Area Reports from department heads were distributed prior to the meeting via email.

Faith in Action: Anne Arrington said that she will have a resolution at next month's meeting to honor Jackie Williams. This item will be added to the agenda. Christ Church will honor Jackie for her ministry in Haiti at the 10:30 AM Church service on Sunday, June 2.

Anne also reminded the Vestry to register by April 24 for the April 29 Episcopal Church Women's Ministry Annual Luncheon, featuring speaker Deb Richardson-Moore. Please register if you haven't already.

Parish Life: Emily said that Mrs. Dana McCall called her and expressed thanks to Harrison for traveling to Nashville and assisting the McCall family in the tragic loss of their son-in-law in a Marine helicopter training accident. Harrison thanked the staff and Vestry for their role in allowing him to do that.

**Adjournment**

The meeting was adjourned with prayer at 7:09 PM.

Respectfully submitted, Rose Cuddy, Clerk of the Vestry