

“To love others as Christ loves us”

**Christ Church Episcopal Vestry Minutes
Christ Church - McKissick Refectory
Sunday, December 15, 2024**

Attending: Harrison McLeod (Rector), Bill Hardaway (Senior Warden), Bryant Nixon (Junior Warden), , Wade Kolb III (Asst. Chancellor), Nelson Arrington III (Treasurer), Chris Klasing (Asst. Treasurer), Betsy Baumgardner, Betty Parker Ellis, Norma Givens, Julie Haas, Kay Jenkins, Martha Louise Lewis, Mary Holt Murphy, Phil Peterson, Angelle Reichert.

Minutes Taken by: Wes Clarke.

Attending by Phone: None.

Not in Attendance: Cecil Nelson (Chancellor), Dexter Hagy, Paul Landis, Smyth McKissick IV.

Guests: Nancy Kennedy, Senior Warden-elect; Chan Boyd, Junior Warden-elect; John Wood, Vestry member-elect.

Welcome & Prayer:

After the Vestry concluded lunch with the Bishop, the Reverend Dr. Harrison McLeod (Rector) opened the meeting at 2:18pm.

Rector’s Report – Harrison McLeod:

Harrison began by again requesting a vote to offer seat and voice during the meeting to both Nancy Kennedy, Senior Warden-elect, and Chan Boyd, Junior Warden-elect. With no discussion, all were in favor, and none were opposed.

Harrison continued by offering a few comments to reassure some concern he detected during the last meeting regarding the preliminary 2025 budget that was approved, stating that at this point, the budget is aspirational. There are various strategies to adapt the budget based on the income that is eventually available. One is not to fill vacant but budgeted positions that might amount to approximately \$200k. Another is to request additional bridge gifts, which were a new income component as of last year.

Regretfully, Harrison has accepted Christine Skelton’s resignation as of 12/31 after 30 years in Pre-school education, 14 as a director, and 9 as Director of CCEP. He has held several meetings with Christine, with JoAnne Pusateri, and with the CCEP Parents Council to develop a leadership strategy moving forward. As a result of that development, there is no CCEP budget yet to present. There remains a desire to moderate the potential tuition increase, perhaps closer to 5% than 6%, or perhaps to hasten further a return to 3% annual increases by relying upon retained earnings reserves. CCEP educates approximately 200 students and currently costs approximately \$12.5k annually for those who pay for the full slate of services. The plan is to have a budget and anticipated leadership structure in time to send a re-enrollment letter to CCEP families in January. Harrison reported a feeling of

invigoration at becoming reacquainted with CCEP, and with Youth Ministries through dialogues with Cara and Joleen, the past few weeks since Kellie's departure.

Last week, the same family who had previously issued a challenge grant for annual pledges reached out with another challenge grant, this time for \$50k and with an open-ended desire that the grant have an outreach component. In turn, Harrison is challenging the church staff to determine how to leverage that offering according to some specific criteria: the outreach should involve lots of parishioners, accomplish systemic change, be scalable, and eventually become sustainable without the financial support of the church.

Harrison then remarked upon turnover in church staff as he desires to remain attentive to job satisfaction and morale.

Finally, Harrison aims to meet with Chan and Nancy to set a date for the Vestry retreat, which is typically held in late January, and to begin to plan to match incoming and returning Vestry members to their ministry passions.

Senior Warden's Report – Bill Hardaway:

In Bill's last meeting as Warden, he expressed gratitude to Bryant as a partner, to all Vestry members for their service, and especially to Kay, Julie, Paul, and Dexter as they complete their terms. Last week, Bryant and Bill hosted an extended lunch meeting with Chan and Nancy to begin the transition process for the new wardens.

Bill commended the great experience that he and a group had last Sunday as they served lunch at Project Host. That would be a wonderful service project for any church group, and perhaps for the Vestry itself.

The recent pulse survey of church staff reflected positive feedback but also some work to do in two key areas: collaboration and communication. Bill will continue to work with Dennis Hughes of Find Great People (our church's HR consultant) on the next steps with the Leadership Team and staff in January.

Junior Warden's Report – Bryant Nixon:

Regarding the facility improvements to the Pre-school, painting of the hallways, lobby, and stairwell will start Saturday (possibly Friday) and may conclude before Christmas. Sometime in January, the carpet and baseboards will be replaced, but meanwhile there will be no baseboards. The painting will coincide with CCEP break, but in response to questions about basketball games and Christmas Eve nursery, Bryant stated that he would talk to Kevin and Harrison about communicating detours with the parish.

Bryant concluded that his time as Junior Warden has been very rewarding. His family has experienced two marriages and three baptisms, and so it has been his honor to try to give back. Working closely with Bill and Harrison has been a blessing. The best part of serving that he will miss the most is learning from and alongside other Vestry members.

Treasurer's Report – Nelson Arrington & Chris Klasing:

Thankfully, November saw an overall positive correction of October's shortfall which confirmed that Hurricane Helene disrupted October giving patterns. Monthly revenues were \$341k vs. \$214k budgeted, with pledge revenue of \$275k vs. \$186k budgeted. Year-to-date total revenues were

\$2.84MM vs. \$2.81MM budgeted, with year-to-date pledge revenue of \$2.40MM vs \$2.38MM budgeted. Of \$225k in bridge gifts budgeted, \$208k have been collected.

Net expenses for November were \$164k, which is \$32k (16.5%) under budget. YTD net expenses were \$2.89MM, which is \$73k (2.5%) under budget.

Net Income without auxiliary income/loss year-to-date was a deficit of \$52k vs. a budgeted deficit of \$146k, \$94k better than expected. Net income with auxiliary (including the Pre-school) is a gain of \$59k, \$231k better than budgeted.

Due to November's cash flow performance, the Parish Operating Reserve has been repaid early. Typically, this repayment occurs during the strong month of December.

Approval of Minutes from November 19, 2024:

Phil moved to approve the November minutes, and Angelle seconded the motion. All were in favor. None were opposed.

New Business:

None.

Committee/Team Reports:

None.

Other Business:

Martha Louise presented a request to vote for a change to the bylaws of CCES. The School Board of Trustees had already passed it, and the Vestry must also do so. The change is to reduce the Chair term from 3 years to 2 years, with a Chair being able to serve up to two additional 2-year terms (so up to 6 years), whereas previously the term was for 3 years with the ability to serve another 3 years (also up to 6 years). The purpose of the change is to reduce the time commitment in order to interest more people in serving as Chair in the future. This change is to be effective July 1, 2025. After a question about how CCES Trustees are determined, the motion was seconded by Betsy. All were in favor. None were opposed.

The meeting was adjourned at 3:03pm.