

Vestry Meeting - May 17, 2016

Attending: Harrison McLeod (Rector), Sam Erwin (Sr. Warden), Bill Hardaway (Jr. Warden), Chris Klasing (Treasurer), Bill Kehl (Chancellor), Nelson Arrington, Dena Benedict, Tom Croft, Donald Duncan (Principal Organist and Director of Music), Wayne McDonald, Bryant Nixon, Ben Norwood, Louise Oxner, Chuck Reichert, Beth Smith, Betty Teague. Brent Williams, Rose Cuddy (Recorder)

Absent: Dan Seaman (Assistant Treasurer), Lizzy Sterling

April Minutes

The April Vestry Meeting minutes were distributed by email prior to the meeting. A motion to accept the minutes was made by Betty Teague and seconded by Wayne McDonald. All voted in favor, none were opposed.

Special Reports - Organ

Two motions were presented. Information and explanations were offered.

First Motion: The motion was presented by Bryant Nixon, on behalf of the Restoration Committee: **MOTION:** *To enter into a contract with Cornel Zimmer Organbuilders of Denver, North Carolina, for the removal, storage, protection, cleaning, re-installation, re-voicing, and fine tuning of the Goulding and Wood pipe organ during the restoration of the historic church. This contract allows for the removal and storage of the majority of pipework, the organ console, and many decorative items in the casework. Components that cannot be safely removed will be otherwise protected in place. The contract amount will not exceed \$162,100, and will be funded from the general construction budget of the History Lives capital campaign.*

The motion was seconded by Nelson Arrington.

Donald Duncan presented an explanation to the Vestry along with a detailed published recommendation. Discussion ensued with Vestry asking pertinent questions. Chuck asked about the initial estimate by the architect for \$50,000. Tom Croft said that estimate was to keep organ in place and protect it, but this appeared to not be a feasible option given the scope of the restoration work. Chris Klasing asked about coordination between the organ contractor and the general contractor. Bryant Nixon said it should not be an issue with the removal, but coordination would be required for the re-installation at the conclusion of the project.

All voted in favor, none were opposed.

Harrison noted that contracts related to the Restoration project will be reviewed by counsel.

Second Motion: Tom Croft, on behalf of Building and Grounds and the Restoration Committee: **MOTION:** *To enter into a contract with Cornel Zimmer Organbuilders of Denver, North Carolina, for the expansion of the Goulding and Wood pipe organ which includes the construction of a custom digital chancel organ with a console that is fully integrated into the existing pipe organ in the balcony.*

The motion was seconded by Wayne McDonald.

Donald presented an explanation to the Vestry along with a detailed published

recommendation. The new organ console would be built and installed in the All Saints Center during Church restoration by December 1, 2016. Until December 1, a loaner organ would be available for free in the All Saints Center. Discussion ensued. Aesthetic details were discussed and the concept of a similar unit proposed, but not realized due to lack of funds, during the previous organ project was brought up. A rental organ would cost \$2,000 per Sunday, so an additional console that would be usable with the Church organ post-restoration was thought to be a better use of funds.

All voted in favor, none were opposed.

Bill Kehl was charged with reviewing both contracts to see if it is worthwhile to consolidate them into one.

Rector's Report

Harrison expressed the Vestry's good wishes to Bill Hardaway, whose birthday is today.

Harrison informed the Vestry that Lauren Sigmon has been hired as Resource Development Director. She will divide her time between Annual, Capital and Legacy Giving with additional duties regarding the Joyful Garden Tour every other year.

Harrison said he has not finished his phone calls to invite new members of the Nominating and Elections Committee. The slate can be affirmed by email soon. This will require 100% participation, so please watch for upcoming communication.

Staff goals are due to Harrison by June 1.

Lunch with the Wardens and new employees is Monday, May 23, as part of the new process of onboarding employees.

He reminded the group that Bishop Waldo will be with us Sunday, May 22, for the 9:00 AM service and the 11:15 AM combined service in the church where 24 adults will be confirmed. In their phone conversation today, he encouraged the Bishop to challenge the church in relation to the upcoming Restoration project and the Bishop requested to challenge the church regarding compliance with the Episcopal asking (which is 16% of budget annually). He agreed to describe his vision of what ministry with the Diocese of Upper South Carolina would be like – such as the opportunity to offer college chaplain ministry.

After the services on Sunday, Harrison will have lunch with a candidate for the Youth Ministry position.

Senior Warden's Report

Sam brought up the continued discussion on engagement. He noted that Lauren Sigmon's position will primarily be relationship building and that will hopefully result in increased giving. He also brought the Vestry's attention to the Ministry Architects' report regarding Youth Ministry and the challenges and recommendations for Youth Ministry at Christ Church. He encouraged the Vestry to read the entire report.

Junior Warden's Report

Bill praised the talent and dedication of the staff and brought up three opportunities to express appreciation: 1) Sam, Bill, Caroline Avinger and Chris Cunningham will hold one on one discussions with every member of the staff this summer. This is well received and a good

investment of time. 2) In October, there will be a Vestry-sponsored lunch for the staff. 3) In November, the Vestry will write thank you notes to the staff to show their appreciation near Thanksgiving.

Treasurer's Report

Chris Klasing brought two motions from the Finance Committee, who approved them Monday.

2016 Budget Changes: Chris presented the motion *To amend the budget by the combination of endowment draws and the reserve account liquidation as proposed by the C6 staff.*

Dan, Jeremy, Chris and Larry Pope proposed a group of proposed budget cuts to Harrison and the staff, who offered their input regarding their ministry areas. These proposals are appropriate adjustments due to receiving less pledging than anticipated for 2016. Chris drew the Vestry's attention to the information he sent previously (included in their monthly Vestry e-packets).

The motion, coming from the Finance Committee, does not need a second. Discussion ensued. Chris said the proposal is a one-time drawdown on reserves (restricted accounts), which cannot be repeated. He clarified that the reserves given for specific purposes were not intended to be paid back – the uses that are now proposed are in line with the goals of the original givers. These funds are different from the operating reserves.

All voted in favor, none were opposed.

Reserve Policy: Motion 1A. *We should advise the Vestry, but not require approval, when we borrow from the operating reserve restricted account late in the year to cover short-term seasonal cash shortfalls.*

The reserve should have 10% of our operating amount as a rainy day fund and, unlike the reserve accounts previously mentioned, must be paid back. This is approximately \$100,000 each year. It may be used without Vestry approval although the Vestry is informed.

Prior to the meeting, Chris distributed by email a detailed attachment that describes the seasonal borrowing to meet a need before the "December miracle." This builds on last year's accounting changes that allow for better flow of resources. This year's amount is anticipated to be \$56,000 or so.

Chris noted the nature of dissent on the Finance Committee was that the Vestry should have to approve withdrawals from the operating reserve every year. Sam noted that the proposed policy basically memorializes our current practice. This was brought to the Vestry last year only for 2015 and this is the follow-up promised proposal to not request Vestry approval on an annual basis unless an abnormal situation arises.

All voted in favor, none were opposed.

Reserve Policy: Motion 1B. *A mid-year review facilitated by the treasurer to determine whether funds contributed to reserve accounts for specific uses are being used for the purpose intended by the donor. If they cannot be spent for the intended use, an alternate use should be found (with concurrence of the donor if possible). Carrying over donated reserve funds for several years should be avoided unless specified by the donor. Annually, during the budgeting process, surplus amounts in reserve accounts should be examined for use in funding the next year's budget. Examples are leftover funds*

from cancelled programs (e.g., Holy Toast) and programs where the current year shows a surplus (e.g., athletic programs).

Every year, the church struggles with their operating budget, but “stashes” money in the reserve fund. Chris related that he and Larry Pope listened to a webinar about the handling of restricted donations. The proposal is to review the restricted funds a couple of times a year: first by the Treasurer and Business Administrator and second is during the annual budget process. The first review is to be sure that the money will be used according to the intent of the giver and in a timely fashion. An annual report will be given to the Vestry. The second review will be during Budget Process in the fall, when we often look only at the operating funds and not the reserve accounts. The second part of this motion encourages ministry areas to review these funds in their budgeting process. Chris also recalled that there are orphan funds for ministries that have not been continued and that may be repurposed for similar goals. This motion comes unanimously from the Finance Committee and needs no second.

All voted in favor, none were opposed

Chris asked the Vestry to review the monthly Treasurer’s report and offered to answer any questions related to it. Sam praised Chris’ work and time spent on Church finances.

Departmental Reports

Transition Team – Chuck Reichert discussed the need for more parking at 10:30 AM on Sundays with the move to the Summer and Restoration schedule of three services instead of five as of May 29, 2016. The team has reviewed other parking lot options available in the area.

Building and Grounds - Tom Croft addressed the Broadus House demolition issue. This will be brought up at the June 2 City Design Review Board meeting.

CCEP - Bryant Nixon presented the new slate for the Christ Church Episcopal Preschool Board. Delete from the list Doug Day (who is already on the board). This slate of Jessica Williams, Ann Clarke, Amelia Clinkscales, Helen Sanders, Jody Webb, Julie Joy, Emily Goldsmith and Emily Hutmaker will be in office through 2018 and comes as a recommendation from the CCEP Board. The Vestry must affirm the CCEP board’s decision in accordance with the CCEP bylaws. Dena Benedict seconded the recommendation. All voted in favor, none were opposed.

Faith Development - Beth Smith drew the group’s attention to the Ministry Architects’ report on Youth Ministry. Harrison responded to Betty Teague’s question about interviewing an employee before the Ministry Architect’s plan is implemented. Sam noted that we need to bring a leader on board and then use that person to implement the plan. Harrison said that Ministry Architects recommend a youth director and an assistant director (rather than divide duties by age group) to allow for more cohesion and for better transition in the event that one departs. Beth noted that hiring someone interested and excited about building the program might dovetail with these goals.

Other Notes

Wayne McDonald praised Donald for his talent as a musician and his administrative capabilities.

Chris thanked Tom Croft for all his work and time on the Broadus House. Nelson asked for the report created in 2014 about the best use of our properties. Chris said he would send the report electronically to the Recorder to be sent on to the Vestry.

New Business

None

Adjournment

The meeting was adjourned at 6:39 PM.

Respectfully submitted by Rose Cuddy, recorder