

Christ Church Called Vestry Meeting Minutes
Monday, March 30, 2020, 5:00 PM
Online Zoom Meeting

Attending: Harrison McLeod (Rector), Ben Horne (Senior Warden), Ashley Reynolds (Junior Warden), Anne Arrington, Nelson Arrington, Milton Bates, Emily Davis, Jordan Earle, Elizabeth Fletcher, Mac Gentile, Norma Givens, Nancy Kennedy, Chris Klasing (Co-Treasurer), Wade Kolb (Assistant Chancellor), George E. McCall, Cecil Nelson (Chancellor), Dan Seaman (Co-Treasurer), Laura Whitney (Secretary of the Vestry), Penn Williams, Helen Wynkoop, Sherri Allred (Clerk of the Vestry)

Note: This is a called meeting of the Vestry that took place online via Zoom because of the COVID-19 pandemic and subsequent government orders for social distancing.

The Rev. Dr. Harrison McLeod opened the meeting with prayer at 5:00 PM.

Executive Summary of Actions:

- Vestry authorized the Wardens, Treasurers, Chancellors, and the Business Office to pursue conversations with TD bank to open a line of credit.
- Vestry authorized Christ Church to pursue the Small Business Association loan application as part of the CARE Act.
- Vestry approved the re-designation of the Habitat and Choral School Reserve Funds to be used for unforeseen expenses as necessary for operating purposes.
- Vestry approved a contract for the sale of the property located at 500 East Washington Street, Greenville, SC, affirmed that Christ Church is authorized to sell the property to the buyer and that Ben Horne is authorized to sign all documents to convey the property to the buyer.

Rector's Report

- Harrison reported that things have changed hourly. The Bishop has ordered no more than three people together at any time. He explained that the plans for a full Holy Week will radically change if there is a stay-at-home order from the governor or the city council. The plans for Holy Week will involve online events that are both nurturing and meaningful for parishioners to participate at home with their families. He shared that there was an online staff meeting this morning with 28 participants. He said we have done a fairly good job providing social media.
- All Vestry members have received name assignments from the Resource Development Department and directions about calling those folks. Harrison said that it is important to stay in touch with donors. The staff will divide up the rest of the parish and be in touch with everyone.
- Harrison and Lauren had an encouraging meeting with the Capital Campaign consultant, Rob Townes, on Friday. He suggested a pause in the capital campaign. Townes will attend the April meeting via zoom.

New Business

1. Financial options for the church: Harrison noted that because of the CARE (Coronavirus Aid, Relief, and Economic Security) Act, there is no longer the need to furlough people or have a

reduction in salaries to meet the budget. Harrison also requested that the Vestry authorize the opening of a Line of Credit with TD Bank to have as a resource should CC need it.

Wade outlined his understanding of the relief act as follows:

- Federal Government has set aside \$350B to assist businesses and to avoid having small businesses put employees into the unemployment system.
- The design is to keep people employed so that when the pandemic subsides employees will be there, and the economy can ramp up quickly.
- Amount of loans can be less than \$2 million- or 2.5-times payroll costs; it can be used to pay utilities, benefits, salaries, and the interest portion of mortgage payments.
- The regulations covering this will be vast--legislation is bankrolling half of the US work force for a couple of months.
- The idea is that in the next week or two we can apply for this and then you can apply for forgiveness if you can prove you used it to keep employees.
- There will be an enormous demand on lenders who are doing this. We will go with TD bank and there will be significant demand. The government is planning to get this money out as quickly as possible.
- This is an unprecedented step by the government.
- We would have 8 weeks to spend that money. We would have to pull out of that the portion of salaries above \$100K. It is not meant to benefit the highest income salaries.
- If you furlough people, the amount of the loan that is forgiven would be proportionally reduced. In the end, it will be a grant and entirely forgiven.
- Nothing that we have seen so far is that there are huge red flags or problems. The bigger question is the forgiveness on the back end.
- Will be beneficial to keep this money separate and keep detailed records and paper trails. We are in the groups that this is designed to help. The whole point of this is to keep workers off unemployment.
- It is meant to help lower income employees. It seems possible that the system can get overwhelmed. Could have the money in hand as early as May

Discussion:

- Chris noted that a rough guess for the loan amount is \$500K (preschool payroll is \$100K; staff is just short of \$200K). TD bank expectation is that it will take 30 days for the application process. He guesses that it will be early May before CC can apply. He said that if CC keeps everybody on staff as it would like to do, there is enough money in operating reserve to cover that.
- Penn noted that the loans are given on a first come first served basis, so CC needs to be ready.
- Cecil said it is imperative to go ahead and get in line. The collateral and security are provided by the government. SBA loans are document intensive.
- Harrison reiterated that the church and the preschool will be able to make payroll tomorrow. There will not be any furlough and there will not be a 5% payroll deduction.
- Wade said it would include healthcare and retirement up to a certain amount. No prohibition for religious institutions being able to use these benefits.

- Harrison said it sounds like in the short term we would borrow money from TD to meet cash flow to meet those obligations. At the end of 2.5 months that portion would be forgiven.
 - Nelson cautioned that having a line of credit is not a good idea because it brings with it a temptation to use that cash.
 - Harrison said that the Vestry would have to approve a draw from the line of credit.
 - Elizabeth said that the SBA loan and line of credit are not connected
2. Harrison requested that the Vestry re-designate the Habitat Reserve Fund of \$54,500 and the Choral Academy Reserve Fund of \$50,000 to be used as resources for unanticipated expenses during the pandemic. He reminded the Vestry that this is not donor money—this is budgeted money.
- Anne said she would like to see CC put out some money to ministry partners such as United Ministries, Project Host, and Free Medical clinic.
 - Harrison said that money from endowment is allocated specifically for outreach. It cannot be spent anywhere else. CC has received endowment money to send to those places. He will authorize that payment as soon as he is told that the money is available. They will receive about 1/8 of their commitment at the end of the first quarter.

Motions:

- **Motion: Authorize the Wardens, Treasurers, Chancellors and the Business Office to pursue conversations with TD bank to open a line of credit.**
Motion: Penn Williams. Second: Emily Davis. Vote: Approved. Nelson Arrington opposed. Motion carried.
- **Motion: Authorize Christ Church to pursue the Small Business Association loan application as part of the CARE Act.**
Motion: Norma Givens. Second: George McCall. Vote: Unanimously approved. Motion carried.
- **Motion: Re-designate the Vestry’s Habitat and Choral School Reserve Funds to be used for unforeseen expenses as necessary for operating purposes.**
Motion: Anne Arrington. Second: Norma Givens. Vote: Unanimously approved.
Motion carried.

Other Business

Motion: the contract for the sale of the property located at 500 East Washington Street, Greenville, SC, be approved and affirmed and that Christ Church (Episcopal) is authorized to sell the property to the buyer pursuant to the terms and provisions of the contract, and that Senior Warden, Benjamin S. Horne, III, MD, be authorized to sign the Limited Warranty Deed, Settlement Statement, Bills of Sale, Assignments, Affidavits and any and all other documents as may be necessary to convey the Property to the buyer.

Discussion: None

Motion: Jordan Earle. Second: George McCall. Vote: Unanimously approved.

Approval of February and March Meeting Minutes:

- February minutes: **Motion to approve as presented: George McCall. Second: Ashley Reynolds. Vote: Unanimously approved. Motion carried.**
- March 2, 2020, Called Meeting Minutes: Laura Whitney noted that the minutes were not submitted by her and requested that correction. **Motion to approve as amended by Laura: Mac Gentile. Second: Milton Bates. Vote: Approved. Norma Givens opposed. Motion carried.**

Closing Notes:

Harrison said that teachers and full staff will be paid. He said that CCEP is researching family capacity to pay tuition. He anticipates that some families will pay the full amount, and some won't be able to pay anything. CCEP is also addressing what remote learning will look like for the preschool? He said the teachers need to be working. He said he and Christine (CCEP director) will address what the summer looks like at a later point. Norma asked Harrison to convey the Vestry's expressions of gratitude to the teachers.

Adjournment:

Warden Ben Horne closed the meeting with prayer at 6:48 pm.

Respectfully submitted,

Sherri Allred
Clerk of the Vestry