

Christ Church Vestry Meeting Minutes
Tuesday, July 21, 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, Laura Whitney (Secretary of the Vestry), Penn Williams, Helen Wynkoop, Rose Cuddy (Substitute Clerk of the Vestry).

Not in Attendance: Cecil Nelson, Dan Seaman

Note: This is a regular 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 5:01 PM.

Executive Summary of Actions:

- Vestry approved a motion from the Strategic Property Task Force that the “101 Broadus Reserve Fund” (“101BMRF”) be merged into the “Capital Projects Reserve Fund” (“CPRF”) resulting in a single reserve for all “Off Campus” properties.
- Vestry approved a motion from the Strategic Property Task Force that net lease income from 101 Broadus Ave. be allocated to the “Capital Projects Reserve Fund” (“CPRF”) as needed to fund necessary capital improvements and keep the fund solvent.
- Vestry approved a motion from the Finance Committee to put the East Washington Street property sale proceeds of approximately \$850,000 in the Endowment and that the funds be governed by a document prepared by our Chancellor
- The Vestry approved the proposed slate of CCEP Board members for 2020-2021 as recommended by the CCEP Board.

Rector’s Report

Minutes

- Harrison reported that the Vestry will approve both the June and July meeting minutes at the August meeting.

Reopening Plans

- Harrison said that the Bishop is more cautious as Covid-19 cases rise, but has approved Christ Church’s plan to offer two services (2:00 and 4:00 PM) beginning August 2 without Eucharist and with proper protocols in place and those attending having registered in advance to maintain a safe environment. Prayer, readings, music and a short homily will compose the service, which will run approximately 35 minutes. The same content will be offered virtually as well.
- We anticipate doing something similar with Faith Development content. Sunday School can be offered both to those who wish to be present and virtually as well.
- Harrison said we can expect to continue to offer our content both in person and virtually not just for the duration of the pandemic but from now on.

- Some Vestry members expressed support for Sunday morning services instead and discussed various options that have been offered and aggressively marketed by other area churches. Harrison offered to move the services to 9:00 and 11:00 AM if the Vestry preferred.
- Anne Arrington reported that she and some of her friends have expressed thanks that Christ Church has been conservative about reopening.
- Milton Bates said that ushering at the services would be a way to participate without taking parishioners' spots at worship.
- Ben Horne said that he appreciates what the reopening committee has suggested, and to keep our options open to alter plans as needed. He commented that the Vestry is likely representative of the parish as a whole in their comfort level in attending or not depending on age and risk factor.
- Penn Williams suggested surveying the parish to see what they are comfortable with as we move forward and to not make decisions in reaction to other churches.
- Harrison said that barring the Vestry's objection, that we will proceed with the Liturgy and Reopening Committee's plan to offer the afternoon classes

CCEP

- We will have two 5K classes in the CCEP. This will involve using two classrooms in the Faith Development hallway on the second floor in the Parish House.
- We will also offer a remote learning classroom for teachers' children and others.

Communications

- Plans to adapt to our new circumstances are underway and are considering questions such as the following: Do we provide a printed bulletin or boost wi-fi capability to allow people to bring devices to services?

Major Events

- The Bicentennial Celebration has been postponed until 2021.
- The Annual Meeting in November will be held, likely virtually.

Budgeting

- The ELT has begun to contemplate next year's Budget.

Confederate Memorials on Campus

- This is a question that we need to be ready to answer proactively. Laura Whitney asked for background information on the memorials to be prepared in case of questions. Harrison reported on the bronze markers placed by the Daughters of the Confederacy and on plaques on the church to war dead in the Civil War, World War I and World War II. He noted that Bishop Capers was also a Confederate general.

Questions:

- Helen Wynkoop asked about the Bicentennial magazine and Harrison reported that it would be published and available this fall with an addition about the church's response to the pandemic.
- Ben Horne asked about the timeline for the Choir School. Harrison said we would consider the updated plans soon.

Senior Warden's Report

- Ben Horne reported that he is thankful for the new Small Groups being formed by Amy Malik and Chantal Smith. He encouraged everyone to sign up.
- The Men's 7:00 AM Bible study has continued to meet through the summer via Zoom.
- Ben said that he is in favor of finalizing the budget before the close of the year (the same year the budget discussions take place).
- He thanked Harrison for sending out updates to the Vestry in advance.

Junior Warden's Report

- Ashley Reynolds said that it would behoove us to approach people who may be interested in running for and serving on Vestry and as Senior and Junior Warden.
- She encouraged everyone to tune in to the Wednesday night *Just Mercy* book study with Harrison and Norma.
- She thanked Chris Klasing for his work in keeping our finances in a good place while Dan Seaman is working on other volunteer duties.

Treasurer's Report

Monthly Report

- Treasurer Chris Klasing said we are doing amazingly well financially due to parishioners keeping up their pledge payments. The monthly report was provided in advance. Milton asked for a quarterly report by line item. Chris said he would send a second quarter report to Sherri, who will distribute to the Vestry.

Cash Flow Forecast

- We are now projecting a surplus of \$265,000. Reopening the CCEP cost more than anticipated since the last month's forecast.

Deficits, Surpluses and Reserves

- Chris described the makeup of the Budget Committee and the typical budget presentation schedule of meetings in late October and early November. A recommendation to the Finance Committee follows in November. The Finance Committee will forward their recommendation to the Vestry, who then votes on the budget in December.
- Chris shared a PowerPoint presentation on deficits, surpluses, and reserves. He sent a handout in advance, which is included in this meeting packet. He asked for questions.
- Norma Givens asked about the history of the amount we pay toward the Diocesan Ask. Harrison gave a brief history and reported that we continue to increase the amount we pay toward the ask and that in years of a surplus, the church pays additional funds to the Diocese.

Approval of June Meeting Minutes:

The June meeting minutes will be brought to the August meeting.

New Business

Strategic Property Task Force

Jordan Earle and Harrison distributed a packet of information in advance to the Vestry regarding the Strategic Property Task Force's recent work and two proposed motions for tonight's meeting. Jordan reviewed the diagram of the six off campus investment properties with the Vestry, including the CCES campus property and all the improvements (The school organization is a separate corporation). He noted that the sale of the East Washington St bank building generated \$2.6 million. As a result, Christ Church became debt free. The church also paid off the loan provided by the Endowment to purchase 101 Broadus.

The first motion addresses that since the loan has been paid off, the requirement to have a separate 101 Broadus Reserve Fund is null.

The Broadus property generates close to \$50,000 in rental income, which is addressed in Motion 2. The committee recommends that a portion (approximately \$35,000) of the net lease income from 101 Broadus Ave to fund Capital Projects Reserve Fund and \$15,000 go into the program budget for the church. This amount would be subject to change on an annual basis.

Motion: The loan from the endowment used to acquire 101 Broadus was satisfied from 500 E. Washington St. sale proceeds. With no loan outstanding to the endowment, the Vestry's standing resolution that all net lease income from 101 Broadus Ave. be allocated to a separate "101 Broadus Reserve Fund" ("101BMRF") is no longer applicable. To simplify accounting, it is recommended that the "101 Broadus Reserve Fund" ("101BMRF") be merged into the "Capital Projects Reserve Fund" ("CPRF") resulting in a single reserve for all "Off Campus" properties.

Motion: Jordan Earle for the Strategic Property Task Force. Second: Nelson Arrington, but since the motion is coming from a committee, no second was needed. Vote: Approved. None opposed. The motion carried.

Motion: It is recommended that net lease income from 101 Broadus Ave. be allocated to the "Capital Projects Reserve Fund" ("CPRF") as needed to fund necessary capital improvements and keep the fund solvent. Funding amount will be objectively reviewed and if applicable, adjusted at least annually. This process will be led by the Vestry Treasurer in coordination with the church business and grounds staff, "Off Main Campus" Task Force, and independent real estate professionals. Should funding exceed estimated capital expenses, said surplus is available to support ministries of the church through the operating budget at the discretion of the Vestry.

Motion: Jordan Earle for the Strategic Property Task Force. Second: The motion does not require a second coming from a committee. Vote: Approved. None opposed. Motion carried.

Finance Committee motion regarding East Washington Street property sale

Motion: George McCall brought a motion from the Finance Committee to put the East Washington Street property sale proceeds of approximately \$850,000 in the Endowment and the Committee recommends to roll the funds into the existing Endowment Corp. and that the

funds be governed by a document prepared by our Chancellor. The document would need approval by the Endowment Board.

Motion: George McCall on behalf of the Finance Committee. Second: The motion does not require a second coming from a committee. Discussion: Nelson Arrington and Milton Bates cautioned against this due to market fluctuations which could affect the value available for future property acquisitions. Chris commented on the Finance Committee's various considerations before recommending this plan. Vote: 10 to approve, 4 opposed (Elizabeth, Nelson, Milton, and Helen). Motion carried.

Proposal for upfitting the Church and Parish House with Audio Visual capabilities.

Harrison reported that bids from Sharp and Productions Unlimited to upfit the church and parish house audio visual capabilities to continue and improve virtual content for services and classes are between \$150,000 and \$200,000. Bids do not include ongoing maintenance, replacement for planned obsolescence, or personnel. Harrison asked for the Vestry to authorize up to an amount to be determined. He listed potential sources for funding as \$560,000 in outstanding pledges for HIStory Lives, the projected \$250,000 surplus from this year's budget and Bicentennial funds raised for projects that may or may not happen. Donor approval would be required to redirect Bicentennial gifts. There is also money in the 2020 budget for unfilled positions if we choose to redirect it to a Communications employee. Harrison said that the cost to increase broadband is marginal compared to the personnel and equipment expenses.

Discussion followed: George asked if we had the technical expertise in house. Harrison said yes but it requires an existing employee's time. Nelson said he was uncomfortable voting on an amount without additional questions being addressed and how they impact the annual budget on an ongoing basis. He agreed with the one-time expense for equipment. He asked for others' input on prioritizing expenses.

Ben said that he looks at this three ways:

As a parishioner, he appreciates the virtual worship and better equipment is needed to make this ongoing.

As a Bicentennial patron, he would approve of using those funds to move us forward.

As Senior Warden, his responsibility is to provide the Rector with the equipment he needs to direct worship. He expressed approval for pursuing this recommendation.

Harrison said that he could obtain from Sharp and Productions Unlimited their projected equipment lifespan and cost to maintain. Once this information is obtained and distributed, he would like to have a Vestry vote via called meeting or email vote as soon as possible since all churches and organizations are competing for these companies' time.

Nancy Kennedy asked about the amount of time an employee dedicated to this task would be needed. Harrison said we need someone who knows how to both produce and edit video content.

Ben asked if the Hatch fund or other reserve funds could be used to replace a major piece of equipment if it failed out of warranty. Chris said non-recurring expense of \$10,000 or more would be covered.

Harrison will work on gathering a comprehensive proposal of hardware costs, support costs and personnel costs.

CCEP Board Approval

Helen Wynkoop had sent in Advance the proposed slate of CCEP Board members for 2020-2021, which requires Vestry Approval.

Motion: Helen Wynkoop moved to approve the proposed slate of CCEP Board members for 2020-2021 as recommended by the CCEP Board. Penn Williams seconded. Vote: Approved. None were opposed. Motion carried.

Ministry Area Reports

Faith in Action: Anne Arrington reported that the kitchen staff and FIA team has prepared close to 40,000 meals to feed our community. She asked Vestry members to donate their extra produce and to check the list of needs for this transformative ministry.

Human Resources: Nancy Kennedy commented on having two viable candidates for the young adult ministry position and said it's a great time to hire for this opening.

Adjournment:

Warden Ben Horne closed the meeting with prayer at 6:57 pm.

Respectfully submitted,

Rose Cuddy
Data Integrity and Administrative Coordinator