

Christ Church Vestry Minutes
Tuesday, April 20, 2021, 5:00 PM
Hybrid Meeting

Attending: Harrison McLeod (Rector), Dena Benedict (Senior Warden), Nelson Arrington (Junior Warden), Milton Bates, Emily Davis, Jordan Earle, Betsy Elliott, Elizabeth Fletcher, Norma Givens, Bill Hardaway, Nancy Kennedy, Chris Klasing (Co-Treasurer), Wade Kolb (Asst. Chancellor), Russ Miller (Secretary of the Vestry), Cecil Nelson (Chancellor), Cindy Poe, Penn Williams, Kellie Wilson (Senior Associate Rector), Sherri Allred (Clerk of the Vestry).

Absent: Sam Erwin, Dan Seaman (Co-Treasurer), Reid Sherard

Guest: Rob Townes, consultant with Sinclair Townes Consulting

The Rev. Dr. Harrison McLeod opened the meeting with prayer at 5:04 PM.

Executive Summary of Actions:

- The Vestry approved a motion to undertake a capital campaign pending the successful hire of a Resource Development staff person.
- The Vestry tabled a motion to enter into a contract with Sinclair Townes for a capital campaign for \$174,000 pending providing the full contract to Vestry members for review. Harrison will call for an email vote next week.
- The Vestry approved a motion to accept endowment draws of \$134,369 for the second quarter as presented.
- The Vestry approved the March minutes with corrections.
- The Vestry approved a motion to accept a Vestry resolution confirming an Amendment to the Lease Agreement between Christ Episcopal Church and Christ Church Episcopal School as provided.

Capital Campaign:

Harrison introduced Rob Townes, consultant with Sinclair Townes Consulting, who has worked with Christ Church on the History Lives Campaign, the Holy Cow Survey, and a feasibility series. Harrison has also worked with Resource Development and Rob to study where the church might stand with major donors regarding a capital campaign.

Rob shared the following information:

- Sinclair Townes conducted a feasibility study towards the end of 2019, testing for a \$12 million campaign since the History Lives was a successful \$7 million plus. Rob said they always test a little high. The results were positive.
- Early in 2020, they recommended a \$6 million campaign with focus on Markley Chapel and the Parish House. They were ready to go with the campaign, and then COVID hit. That put a radical stop to all plans.
- Rob and his co-worker, Gina Snider, conducted circled back interviews with large donors about five weeks ago. The largest 18 donors said that their estimated giving ranges from the fall of 2019 held. There was one who said they might not be able to give quite as much and another who said they will be able to give more.

- Sinclair Townes is recommending that CC move forward with the \$6 million campaign. Rob said the plan is to have one mobilization of volunteers doing a triple ask which would include Annual Giving, Capital Campaign, and legacy gifts. Those who cannot give to the Capital Campaign will be asked to consider supporting Christ Church by putting the church in their will for future benefit.
- Those gifts cannot be counted as tangible gifts, but Rob said it will be because of the blessings and work of the team who will bring this triple ask that Christ Church will see some long-term benefits.
- Rob shared two additional points worth noting—one of the biggest voices that they heard in late 2019 was that the Capital Campaign comes right on the heel of History Lives ending. Even with that registered nervousness, Rob said they still have signs indicating success behind the 6 million that was registered in 2019. In this situation, Rob says Christ Church fell forward. COVID bought a year of people being able to catch a breath.
- He said the second thing to the good is that because of the work that is already done (feasibility study) Christ Church is ready to go because of due diligence. He believes the sooner you get out there, the better. Rob said there is so much pent-up philanthropic demand, everyone will be out there asking for funds once COVID breaks.
- Rob said the main thing he wants to do is for the major donors—he wants to let them know the campaign is coming so they will hold on to the money they have agreed to give. He doesn't want other ministries to come along and woo them away.
- Rob said that since there will be a transition in the Resource Development department, the next immediate term months will allow counsel and Resource Development staff to work together and be ready to go at or around August of this year.

Capital Campaign Questions/Discussion:

- Nancy Kennedy asked if Rob had a sense that the non-major donors are ready to go along. Rob said that since the pledges were strong during the Annual Giving Campaign, he is confident that they are. He said there were consistently five-, six-, and seven-figure gifts.
- Harrison said the number identified earlier was \$4.7 million from 18 donors. The concerns that he has heard most often concern timing and donor fatigue. The church must affirm to non-major donors that whatever they can give is very important, that CC celebrates every gift, and give the assurance that folks can participate at every possible level.
- Harrison announced that Resource Development Director Lauren Sigmon is leaving the staff to start her own interior design firm. Harrison said he feels a little paternalistic and would like to think that Christ Church staff and parish has encouraged her to take a step in faith. There are several candidates interviewing for the position.
- Russ Miller asked what the \$6 million campaign would cover. Harrison replied that Jackson Hughes has agreed to manage the project and will be on campus soon for an evaluation. Markley Chapel is identified as the highest priority and may be a \$3 million item. Most of the windows in the chapel are newer than the church, but the three oldest windows on campus are in the chapel. The newer ones may not need the restoration work that the church needed (which was an \$800,000 expense.). The HVAC system will have to be redone, but there is one system for the chapel and Parish House. He said \$3 million is the best guess for that expense at this point. An architect would have to be hired to evaluate needs for the Parish House and

decipher what the balance of the campaign will provide to renovate the kitchen and the upstairs. He does not imagine having to do anything on the bottom floor. The other component is the Stephenson courtyard, where the idea is to turn that into an interior/exterior space like a sunroom with a memorial garden and niches. There is a \$500,000 gift already committed above the estimated campaign. The plan would include approaching the endowment again about buying the niches like it did in St. Luke's chapel.

- Emily expressed the need to replace the lights in the chapel. Harrison reminded the Vestry that it was very expensive to change the lights in the church during the History Lives Campaign.
- Chris stated that the church has received about 90% of what was pledged during History Lives and it expects to receive another 3-5 percent of pledged amounts, noting that the business office is still receiving money for the Doorways Campaign. He asked what contingency should be considered as the end of the campaign nears.
- Rob said church campaigns are usually more solid than other philanthropic campaigns because his firm makes sure it involves a new family campaign so that new families joining the church can make up for some of the natural loss through death and moving. He said that some churches allow a 1 percent contingency, but usually in Episcopal churches, people will come through with paying their pledges.
- Harrison said it would be prudent to have a contingency so that there is no debt after the project. He would trust the treasurers and business office to say what contingency they think is possible.
- Rob said he was very happy that there is an income element to the capital campaign because church campaigns usually can't count on that. He reminded the Vestry that Christ Church is very blessed and said he hopes leaders are excited and grateful for such a vibrant community of faith when so many Episcopal churches are really struggling. At the end of the day, the capital campaign will allow for more empowered ministry which is the whole purpose of the campaign.
- Cindy Poe asked if it is possible to hire an architect or consultant firm to provide a draft of what it entails and outline the Stephenson renovation before the Vestry makes the decision to undertake a capital campaign.
- Harrison said they could, but that would delay the campaign. He said he might not feel that it's completely necessary, because he can't imagine that the chapel and courtyard renovations would cost more than \$6 million.
- Cindy reminded Harrison that the parish hoped to do something with the kitchen.
- Harrison said that was definitely part of the plan and presented unique issues because the kitchen is landlocked.
- Nelson said the committee will secure the major donors first, get through this year's Annual Giving campaign and then approach the parish in early 2022 which will allow time over the next several months to get a more definitive plan. The major donors are 40-50 people.
- Cindy reminded Harrison about the concern about donor fatigue.
- Harrison said that there are people who feel that they've just got out of the History Lives campaign. He said the church celebrates those large gifts as people are able to make them, but also makes sure to communicate to everyone that it is happy that they can give at any level. He said we want to celebrate and affirm every gift.
- Russ asked if the team was thinking big enough when there are so many people who need to give to something new.

- Harrison responded that the History Lives campaign tested for \$20 million and the parish said \$7 million, noting that this time they tested for \$12 million, and the donors said \$6 million.
- Rob noted that is a lot of money for churches this size, saying that the church is very financially fortunate. If the campaign comes upon a new family that can make a major donation, the committee will take a step back and see if they can integrate a new component. He also encouraged Vestry to look at how Christ Church fell forward because of the pandemic, noting that a post-COVID renovation may be different from a pre-COVID one. Church is going to be done differently going forward. He believes that larger churches will begin to put money towards higher dollar activities such as adult education. Young people fully expect the online elements.
- Milton noted that the renovation will offer the opportunity to correct one problem with the HVAC system to bring in fresh air. He also noted the need to go green with the lights and do the things around the church that really need to be done including replacing the doors on the church building that are difficult for some people to open.
- Harrison said it is an exciting opportunity and he hopes that a yes vote is out of a sense of excitement to imagine that we finished History Lives, survived through a pandemic, and be able to take this step. He plans to have Jackson Hughes on campus soon with a contractor and architect, reminding that managing the project is a huge gift from Jackson and his firm who is doing this “because he loves this place.”

Motion: Norma Givens made a motion to undertake a capital campaign pending the successful hire of a Resource Development person who will remain unnamed. Betsy Elliot seconded the motion. There was no discussion. All were in favor. The motion carried.

Consultant Agreement:

Harrison presented the agreement between Christ Church and Sinclair-Townes for conducting the Capital Campaign. The total fees are \$174,000. Harrison said the experiences with the consultant firm have been good in the past and the fees are in line with what he expected. He said work will continue moving forward on the campaign even if the contract is not approved right away. A motion to enter into a contract with Sinclair Townes for a capital campaign for \$174,000 was tabled pending providing the full contract to all Vestry members for review. An email vote will be called for by Harrison next week. The vote will require 100% participation to be valid.

Rector’s Report:

- Harrison clarified a question from the previous Vestry meeting that the Parochial report only asked for the number of services through the month of March rather than an annual figure. Chris has sent membership data to Vestry members.
- Recruiting for the Nominating Committee and convention delegates is not complete. Harrison will request a vote via email next week. He said the delegates are critically important this time because a new bishop will be elected via ballot. There will be a convocation in June for delegates. **{See update at the end of this document.}**
- **Goals:**
Harrison emailed a copy of his goals to Vestry members prior to the meeting, stating that the written goals are not any different than anything he would be doing any way. Dena, Nelson and have worked through constructing the document together. A summary of the goals follows:

1. Ensure parish (Ministry Areas) are positioned and ready for Fall “Grand Reopening.”

He has formed a committee to work on a fall grand reopening. This group is a resource, an accountability group, a brainstorming group. They will work alongside ELT members in a number of ways to ensure that staff has been thoughtful and ready to go. Committee members are Dena Benedict, Harrison, Nelson Arrington, Kevin Mertens, Donald Duncan, Cindy Poe, Nancy Kennedy, Bryant Nixon, Julie Haas, and Addie Tapp. He is still recruiting a few young adults for the committee.

2. Clarify & Define ideal relationship between CCEP & CCEC.

Every year there is talk about the relationship between the church and the preschool. Harrison said it is time to define it and discern how to function as one unit.

3. Clarify & redefine budgeting process for adherence to Values, Mission Statement, and Vestry Priorities.

Harrison said the budgeting process is not very organic. He is working with peers and former wardens to come up with something that seems a little more organic and productive.

- **Sabbatical**

Harrison emailed a copy of a sabbatical plan to the Vestry prior to the meeting. He plans to be away the last week of May, and the months of June and July and the Wardens are supportive of this. He has been at Christ Church for 13 years and has not taken a sabbatical. He noted that clergy schedules must be convenient for parishioners, often requiring availability in the evenings and weekends. This does not allow clergy the opportunity to step back with regularity. Harrison said a sabbatical provides the opportunity to step back and take a breath and deepen his own spiritual well. He is working with the wardens to set a schedule for a weekly or bi-weekly discussion. In his absence, Dena Benedict, as Senior Warden, will oversee canonical issues (governing, contracts, etc.) He said Kellie will be the glue that holds the day-to-day operations together. She is attending Wardens and Vestry meetings in preparation. There are diocesan guidelines for the sabbatical and information included in his agreement letter. Over many years this parish has recognized that the health of clergy is a priority and he is thankful that Christ Church has the resources for it.

{Dena said that she and Nelson both strongly support the sabbatical, noting that Episcopalian clergy generally gets a sabbatical after three or seven years. She said Harrison will leave the church “in really good shape,” and invited Vestry members to ask questions going forward.}

- **Staffing:**

Harrison said there are currently nine staff positions open. He is close to making a hire for the Resource Development position and has several attractive priest candidates for family ministry. One of the candidates will be preaching on May 9 at Redeemer and he is actively discerning with him.

- Hannah Flack is going back to school to Duke to get a Master of Divinity degree. Harrison said it is a very courageous move on her part as she is following a dream she has had for a long time. He said Hannah has done an incredible job for Christ Church; the average tenure for a youth

minister is two years but Hannah has been here for four years. She will leave at the end of the summer. There are several good candidates being interviewed now.

- The rest of the openings include receptionist, facilities, grounds, communications, and nursery coordinator. He said there are qualified, attractive candidates for those critical positions.
- Russ Miller said that he is disappointed that staff is not a higher priority in the Vestry priorities list. He said he hopes the church can be proactive to keep the staff here and he is convinced that it can do a better job. He noted that it took years to fill Hannah's position and that the nursery is crucial to the church, saying that he thinks the "ball was dropped. If we have gaps for these ministries, what we work so hard to build will die overnight if we're not proactive. I worry about the youth program. We are thriving. It is my hope that it would be a priority for the church and the Vestry for the future."
- Harrison responded that he hopes the church has an environment where people feel they can come and thrive and even follow a career path. "If I look at those who are departing or have left, I don't know what we would have done differently to get them to stay," he said, noting that Lauren is following her passion and that Hannah gets teary when she talks about leaving.
- Harrison noted that Addie Tapp was hired knowing she would only be at Christ Church temporarily and that Lillian will be leaving at the end of the summer to join her husband as he goes to seminary. "One of the things he has learned," he said, "is that church life is full of transition. I want us to create a place where [employees] feel they can thrive and even create a career path." He said that the youth program, even with those who gave of themselves very graciously in the transition, is very hard to keep going without someone like Hannah, noting that it's very difficult to build a program if people leave every two years.
- Kellie noted that Faith Development and Human Resources are very actively working a plan that Hannah and Lillian have drafted to fill the position, noting that there are interviews set with promising candidates for both of those positions.

{Dena asked the Vestry to notify her, Harrison, or Bill Hardaway if they hear of the staff struggling so they can stay on top of the issue.}

- **Other Information:**
- Confirmation will take place with the Bishop at both morning services on May 9. There is a backlog of confirmands because of COVID. 50-60 folks will be confirmed. There will be a 5 pm service with no confirmation.
- Harrison said the staff will most likely return to working in the office in the fall, stating that the building was never closed to the staff and they can come in as they feel comfortable. Depending on what the HR consultants tell him, he would love to be able to gather the staff back together. He said he does not have concerns about productivity, but he does have concerns about community, especially for the newer employees who came to work in the pandemic.
- Kellie stated that staff feels that this is the best staff we've had in a long time. She said this staff is very dedicated and committed and that what is going on right now is positive. Human resource trends show an average of 20-25% staff turnover after the pandemic.

Warden's Report: none

Junior Warden's Report:

Nelson said that he is particularly interested in getting Vestry members more involved in the budget process. He said that the past year has made Christ Church take a closer look at the whole budgeting process. Years ago, the budget committee was put together to get people involved in the church, but currently information suggests it is not the best way to put together a budget. He suspects it will probably take the rest of the year to figure out the process. Harrison has formed a committee to review the process which will likely change the way the budget is put together.

Treasurer's Report:

- Chris presented the February report because the Business Office is still lagging by a month. A temporary employee has been hired to help fill in the gap, so they expect to catch up by the June meeting.
- Chris and Dan have seen a preliminary report and revenues are holding up strong, including pledges which are over budget by 9%. He said they do not really know what the budget is because they are still using a 2019 budget. He said it is too early and there is too little data and uncertainty with COVID to know how we will finish the year.
- Chris offered thanks to Kim and Suzanne who found the opportunity to get \$50,000 in government funds to help with Karen and Joyce's salaries.
- Chris said they are changing the accounting method. The Business Office currently uses a cash basis for day-to-day business but needs to convert to an accrual basis for the end of the year audit. They are changing to a modified cash basis which will require less work by the business office to prepare for audit, and less work for the auditors. The modified cash basis keeps major assets on accrual basis. The auditors have agreed with the change. Kim and Suzanne came up with the suggestion.
- Chris presented the Second Quarter distributions endowment draw request, noting it as the normal quarterly request.

Motion: Milton Bates made a motion to authorize the quarterly distributions in the amount of \$134,369, noting that the biggest piece is for ministry and other services. Nelson Arrington seconded the motion. There was no discussion. All were in favor. The motion carried.

March Minutes:

Nancy Kennedy noted that corrections need to be made in two places, changing "the Choral Street Academy" to "the Church Street Choral Academy."

Jordan Earle made the motion to approve the March minutes with the noted corrections. Cindy Poe seconded the motion. There was no discussion. All were in favor. The motion carried.

New Business:

Delegates: Email will come. Need 100% participations.

1. **Lease agreement:** Dena shared the history of the Christ Church and the CCES relationship, saying that the church and the school were the same until the 1990s. Because Christ Church owns the land that the school sits on, there is a lease agreement between the two. with school. As the school was evaluating its liability insurance, it learned that the carrier would no longer insure the property. As a result, Chancellor Cecil Nelson created an amendment to the lease

stating that the school will carry a separate insurance policy for the property and the church will still insure the property as well.

Motion: Dena Benedict made a motion to accept a Vestry resolution confirming an Amendment to the Lease Agreement between Christ Episcopal Church and Christ Church Episcopal School as provided. Bill Hardaway seconded the motion. There was no discussion. All were in favor. The motion carried.

Committees:

1. Faith Development: Nancy Kennedy reported that Vacation Bible School will look a little different this year as it will involve parents and children in a camp-style program on June 25-26. Faith Development needs volunteers who are not parents of Bible School age children to help run the different stations involved.
2. Cindy Poe said she was very impressed with how hard Lisa & Randy Hunt worked on the Blood Drive.
3. Nelson Arrington thanked all Vestry members who came to Discovery Weekend. He said it was more fun because the sprinkler system went off at 7 pm.
4. Dena Benedict received a lot of comments from people who received phone calls from Emily Davis inviting them to Discovery Weekend.
5. Kellie Wilson said staff pushed for folks to sign up for confirmation and three quarters or more have already started the process for membership.

The meeting adjourned at 7:07 pm.

Updates to minutes:

Consultant Agreement: a motion was made by Dena Benedict to accept the contract submitted by Sinclair Townes to act as the consultants for a fall/winter capital campaign. The motion was seconded by Nelson Arrington. There was no further discussion. Vestry members voted with 100% participation in an email vote on May 5, 2021. Reid Sherard abstained. All others voted in favor.

Nominating Committee:

The following have been proposed as the nominating committee and have been accepted. The motion was made by Dena Benedict and seconded by Nelson Arrington. There was no further discussion. Vestry members voted with 100% participation in an email vote on May 5, 2021. All voted in favor.

Ben Horne, Former Sr. Warden
Ashley Reynolds, Former Jr. Warden
Bill Hardaway, Vestry Continuing
Penn Williams, Vestry Retiring
Wes Pollack, Rector Nominee
Jane Goeldner, Sr. Warden Nominee
Manning Culbertson, Jr. Warden Nominee

Diocesan Convention Delegates:

The following have been proposed as the convention delegates and alternates and have been accepted. The motion was made by Dena Benedict and seconded by Nelson Arrington. There was no further

discussion. Vestry members voted with 100% participation in an email vote on May 5, 2021. All voted in favor. C & D below are the only two provisions requiring Vestry approval. (A & B are accepted by the parish at the Annual Meeting and are provided for information only.)

A. Four Elected by the parish to serve 4-year term:

Milton Bates (2018-2021)
Tom France (2019-2022)
Bill Hardaway (2020-2023)
Betsy Baumgardner (2021-2024)

B. Two Warden Serving 2-year term:

Dena Benedict (2021-2023)
Nelson Arrington (2021-2023)

C. Two Elected by the Vestry as "At Large" serving 4-year term:

Norma Givens (2021-2024)
Wayne McDonald (2021-2024)

D. Four Alternate Delegates (Individuals who receive second highest votes) 4-year term:

Susie White (2018-2021)
Elizabeth Fletcher to serve Norma's unexpired term (2019-2022)
Ashley Reynolds to serve Betsy B. unexpired term (2020-2023)
Ben Horn to serve Wayne's unexpired term (2021-2024)