

**Christ Church Episcopal
Vestry Meeting Minutes
June 18, 2008**

Approved July 14, 2008

Members in Attendance

Karen Akens, Sr. Warden, Marc Halbritter, Jr. Warden, Dave Wasik, Treasurer, Elaine Champion, Mary Ann Cooley, Rick Elliott, Joe Gallagher, Amy Goodman, John Napier, Mike Richards, Dave Soule, Ted Susac, Shelley Putney, Registrar

Staff in Attendance

Paul Johnson, Rector, Hillary West, Assistant Rector, Sarah Fogler, Director of Parish Operations

Guests in Attendance

Lilly Andrews and Pete Gallagher, Capital Campaign
Ken Royston and Bill Beattie, Building Steering Committee
Emily Kempson, Young Priest Initiative

May Minutes were approved by vote prior to the meeting.

Capital Campaign Team Update – Lilly Andrews and Pete Gallagher

Lilly and Pete provided an update from the Capital Campaign Team. We discussed the topic of ‘naming opportunities’ associated with the Capital Campaign. Vestry agreed with Pete and Lilly in that this will be discouraged due to our belief that gifts are for the greater good, and not in honor of individuals. These leaders will come back to vestry if necessary. Pete and Lilly left after this discussion to join the Capital Campaign Team meeting, which was being held at the same time.

Building Steering Committee – Bill Beattie and Ken Royston

- Architectural work is moving forward;
- BCWH is engaging both geotechnical and acoustical consultants;
- Henrico County will pay for all of the Pouncey Tract road widening. This will save approximately \$110K out of \$165k budgeted for possible construction expenses in this area;
- We are asking for confirmation from the county that curbs, gutters and sidewalks are included in the widening;
- BSC will meet again with Keith and Missy to discuss development of dedicated space for the Music Ministry;
- Mark Dryer, CCE member who was helping with BSC, needs to step down. He’ll still be available for consultation. However, there is a definite need for a church member, who is an engineer or architect, to help with project management when construction starts.
- Shelley Nicol and the Sanctuary Committee are making good progress;
- We are still hoping to break ground before year end;
- Bill says that there have been no surprises;

- Design development phase will be finished near the end of July. By the end of August, we will have tighter numbers as Century Construction obtains bids from subcontractors;
- Henrico County said that we will need to have a paved road to fire hydrants.
- Kathy Nunn has done a great job in giving us ‘tight’ numbers on where we are on expenses related to pre-construction;
- Kirk Sederstrom and Andy Hagy are the Governmental Contact Team of the BSC.
- We have been in discussion with three potential lenders: SunTrust, BB&T and Bank of the West, all of whom have significant experience as ‘church lenders’. We have received a ‘Term Sheet’ from SunTrust and are awaiting similar information from the other two lenders.

Cell Tower Update – Joe Gallagher and John Napier

NTelos has contacted CCE to discuss to possibility of leasing space on CCE land to situate a cell phone tower. NTelos would require a 40’ x 40’ space with 24/7 access. They offered a five year lease with four five year options for a potential total lease period of 25 years. Lease income would be a minimum of \$10,800 per year with 3% escalations. Additional carriers would add additional lease income for a total income of up to \$28,080 per year plus annual escalations. They offered to construct a bell tower to conceal the cell phone tower. This would be at no cost to CCE. After discussion, a motion was made to reject NTelos’ offer to construct a bell tower and 150’ cell phone tower in front of CCE. The motion was seconded and carried.

Treasurer’s Report - Dave Wasik

Financial Summary for May 2008 is as follows:

- Revenues: May revenue was \$5,600 above budget \$80K vs. budget of \$74K. YTD revenue is \$27K below budget, \$498K vs. budget of \$525K. Shortfall is concentrated in pledge income, YTD \$437K vs. budget of \$464K.
- Expenses: Expenses running \$23K favorable to budget YTD, \$481K vs. budget of \$504K. Variance driven primarily by favorable timing of outreach spending (\$16K) and will be made up later in the year. Utilities costs running ahead of forecast. Staffing costs in line with budget.
- Contribution: YTD contribution (revenues minus expenses) running \$4K below budget. The budget suggested a \$72K deficit, so without taking action, our current outlook is a \$100K deficit for the year. Recommendations for closing this gap are listed below.
- Cash Position remains very strong, but will fall off during summer months. General Fund cash balances o \$367K with \$230K unrestricted.
- Infrastructure: Accounting adjustments for 2007 have been completed. Financial modeling of all aspects of building campaign is in place. Finance ministry staffing situation improving. Tim Hoerner is our new Teller Coordinator. Scott McAuliffe and Patrick Tewell are our Audit Committee members – and are professional auditors.

Recommendations to close 'gap': Stimulate revenue through additional stewardship actions. Defer hiring 3rd clergy member. Reduction of 'controllable' expense categories. Total recommended reductions would total \$55K to \$60K

There was a motion to approve May financials. The motion was seconded and carried.

There was a motion to defer the hiring of a third clergy. The motion was seconded and carried.

Following discussion of the May financials, Dave presented a draft process of long term budgeting and planning. Our current budgeting process is reasonably effective, it is focused on the short term and tactical to the exclusion of the long term and strategic. The draft highlighted 'what currently works well' and 'what could be better'. A planning 'calendar' was presented, which would allow us to have effective short term and long term plans. The calendar is as follows:

February/ March: Vestry retreat with Clergy and DPO. Review performance on prior year's objectives. Update multi-year objectives.

April/ May/ June: Vestry reviews updated objectives with ministry teams. Ask each ministry how they would help achieve these objectives. Vestry synthesizes input, develops plans for each objective.

July/ August: DPO/ Clergy/ Vestry representatives lead a staff planning process. Multi-year Financial Plan created. Stewardship Planning.

September/ October: Communicate Needs and Objectives to Congregation. Annual Report that communicates financials, vision/ mission and priorities. Kick off stewardship campaign.

November/ December: Budgeting process for following year. Ministry and staff goal setting process.

January: Ministry/ staff evaluations.

There was a motion for vestry to commit ourselves to the long term planning process according to the above calendar and to hold ourselves accountable by checking in each month to see how we are doing. This is a fluid 'living' plan that will change as the Holy Spirit moves us. The motion was seconded and carried.

Vestry Meeting Efficiency – Amy Goodman, Joe Gallagher and Mary Ann Cooley

This committee has studied and recommended a prototype vestry meeting agenda, which would serve to improve efficiency of our meetings. In summary, the agenda would include Eucharist, Dinner, Observations and Communications, Action Items, Celebrations and Review (How did we do?). The recommendation of the committee was accepted. No vote was needed.

Vision / Mission Work – Paul Johnson

Paul asked us to consider the question: What is our highest value?

There was not enough time to complete this discussion. It will be continued at the July meeting.

Vestry celebrated the recent vote, which signified 90% approval regarding sanctuary expansion, PLC construction and the capital campaign!

The meeting was adjourned with prayer at 9:25.