

Approved – April 21, 2009

**Christ Church Episcopal  
Vestry Meeting  
March 18, 2009**

**Vestry Members in Attendance:** Bill Beattie, Elaine Champion, John Daylor, Elizabeth Franklin, Joe Gallagher, Junior Warden, Amy Goodman, Marc Halbritter, Senior Warden, Shelley Putney, Registrar, Mike Richards, Dave Soule, Ted Susac, Dave Wasik, Treasurer,

**Staff in Attendance:** Hillary West, Assistant Rector, Paul Johnson, Rector, Sarah Fogler, Director of Parish Operations

**Guests in Attendance:**

Mac Thayer – Youth/Building Team,  
Mark Hansell, Building Steering Committee

**Youth Center Team – Mac Thayer**

- ♦ The space could be 7,000 sq ft with 5,000 square feet of multi-purpose ‘activity space’ with plenty of room for youth activity;
- ♦ The team has done a SWOT analysis (strength, weakness, opportunities and threats) for the proposed space.
- ♦ The team is constantly considering and being reminded of program needs; and is determining how to best fill these needs;
- ♦ Three sites were considered. The team is recommending a location on the south side of the parking lot, at the end closest to where the trailers used to be.
- ♦ Todd Borden prepared a preliminary site prep budget, which estimated costs at between \$60K and \$105K.
- ♦ The team has prepared a preliminary pen and ink floor plan.
- ♦ Schedule milestones:
  - Review floor plan sketches in detail – March 26<sup>th</sup>;
  - Identify ‘design-build’ contractors review;
  - Identify and budget critical cost items – e.g. HVAC and technology;
  - Build project timeline.
- ♦ Total currently budgeted: \$588K
- ♦ Site Prep: \$105K and Construction: \$483K
- ♦ Roof height is a critical factor for the structure. Although the height will be such that occupants can play volleyball and basketball, the facility will not look like a court. Nor will it be a gymnasium.
- ♦ The team is considering the merits of a number of efficient structures including the following: (1) metal building, (2) pre-fabricated panels, which would be erected on site, and (3) insulated concrete forms/ tilt up concrete.
- ♦ The team believes that goals are realistic under the given budget.

- ♦ Construction timeline for a modular or pre fabricated structure is four or five months. A September or October construction start is a realistic goal.
- ♦ Grateful Heart will direct parishioners with questions to contact Mac.

### **Financial Report – Dave Wasik, Treasurer**

- ♦ **There was a motion to accept January and February, 2009 financials. The motion was seconded and carried.**
- ♦ Financial actions needed by Vestry:
  1. Approve the ‘Procedure for Non-Offertory Money collected as a part of a fund-raiser or other function at CCE’ (i.e. pancake supper, consignment sale);
  2. Review the Procedure for Handling the Offertory (VPOD responsibilities);
  3. Approval of auditor;
- ♦ When Vestry approved CCE 2009 Budget, we agreed that we would re-forecast revenues and expenses on a quarterly basis.
- ♦ Revenues - January revenue was below budget, \$77.3K vs. \$90.9K. February revenue slightly exceeded budget with actual revenues of \$97.3K vs. budget of \$90.9K.
- ♦ YTD revenue is \$6K below budget, \$176K vs. budget of \$182K, but running ahead of the first two months of 2008, \$176K vs. \$160.5K.
- ♦ Expenses - February expenses were \$5K favorable, \$91.4K vs. a budget of \$96.2K. YTD Expenses running \$15.5K favorable to budget with YTD expenses of \$183K vs. budget of \$198K. Variance was driven primarily by favorable variances in music, youth and children’s ministries. Additional expense reductions still must be identified.
- ♦ Contributions - YTD contributions (revenues minus expenses) are running \$9K ahead of budget. This results in a \$7K deficit vs. a \$16K budgeted deficit. Our annual 2009 outlook currently projects a deficit of \$40K to \$75K. Additional actions must be taken to balance the budget.
- ♦ Cash Position - Our cash position is solid. Our ‘Unrestricted Cash’ balance is \$174K.
- ♦ Infrastructure and Other Financial -
- ♦ A new procedure has been proposed for handling **non**-offertory cash (see below).
- ♦ Last year Vestry approved a procedure for handling and safeguarding the offertory. Cash handling procedures were reiterated to vestry. Staff will also be reminded of the procedure.
- ♦ In late 2007, CCE was robbed - \$700 in cash was taken from offertory. A number of steps were taken in response: We installed new safes and created new ‘Offertory Handling Procedure’. By and large, the results have been very positive. There was a review for Vestry of the procedures and responsibilities of VPOD as they relate to the handling of funds.
- ♦ **There was a request to approve the ‘Procedure for Handling Non-Offertory Money collected as a part of fundraiser or other function at CCE’. A motion was made, seconded and carried.**

- ♦ A re-forecast of 2009 revenues and expenses will be done in time for the April Vestry Meeting.
- ♦ We are running in line with a budget that assumed a moderate deficit. We are currently ahead of last year, which is good news. Even though Jan & Feb have been economically tough months, numbers still came in ahead of budget.
- ♦ The Finance Team, led by Roy Goodman, has recommended that we engage the firm of Barcalow & Hart to perform a full audit. The bid for the audit by this firm is \$1,500 under the amount that we have budgeted.
- ♦ **There was a motion to obtain a full audit and to enlist Barcalow & Hart as our auditor. The motion was seconded and carried.**

#### 4. Growing with the Generations – Monthly Update

Total pledges stand at \$1,608K, down from \$1,678K at year end. A primary reason for reductions is the general decline in the stock market. Total cash received in Feb was \$119K, which results in a total for the cap campaign of \$373K, and which is consistent with our expectations thus far.

- ♦ We are in the process of working with SunTrust to secure our construction line of credit.
- ♦ Capital Campaign Leadership will also lead the effort to collect campaign pledges. Leadership is talking to Sue Fornabai of ECF. The Newcomer Ministry Team is also involved to insure that new members will have an opportunity to contribute during the next three years.

### **Warden's Report – Marc Halbritter**

#### **Building Related Actions**

- ♦ There was a recommendation to adopt the following process for payment of and changes to vestry-approved building and architectural contracts related to the building plans given congregational assent in February 2009:
  - Invoices received must be approved by the chair of the Building Steering Committee and by Kathy Nunn before being paid. Checks to pay the invoices will be signed pursuant to the normal process requiring two signatures.
  - Change orders to a building or architectural contract valued at less than \$5,000 that can be covered out of available contingency funds may be authorized without vestry approval so long as the change is approved by two officers, one of which must be a warden. The vestry will be notified of any approved change orders at the next regularly scheduled vestry meeting. Between meeting changes may not exceed \$10,000.
- ♦ Authorize the Building Steering Committee (BSC) to seek a building permit from Henrico County once BCWH completes the Sanctuary plans and after they have gone through a quality check by the BSC.
- ♦ Adopt the recommendation of the Building Steering Committee (BSC) to leave the music space in the location originally designed.
- ♦ Adopt the recommendation of the Youth Building Committee to locate the new youth space at the southwest corner of the parking lot.

**There was a motion to accept all of the above building actions as written and proposed. The motion was seconded and carried.**

- ♦ Mark Hansell reported that our building permit will remain ‘active’ for six months after issuance. At end of six months, if construction is not under way, the permit will become void. If needed, we would be able to get one extension at the end of six months. In summary, we have a six month window to begin construction, once our permit is granted.
- ♦ Prior to start of construction, Vestry will review the status of the Capital Campaign and the construction budget. Mark Hansell is working to obtain final numbers from a standpoint of construction cost. Vestry will give BSC the go ahead to move forward once final bids have been received and approved.
- ♦ A committee of Joe Gallagher, Bill Beattie, Melinda Hancock, Marc Halbritter and Shelley Putney will compile and review financial implications of the building project based on current options and financial information. The committee will review the following options and will return to Vestry with its recommendation of the best option based on cash flows, benefits and risks related to each option:
  1. Option One: Renovate Sanctuary, build music space and build multi-purpose building all at once.
  2. Option Two: Build only as cash become available from collections of Capital Campaign
  3. Option Three: Build in phases.
- ♦ The general contractor, Century Construction, is putting the project out to sub contractors for bid. Four or five subs are bidding on each project item, except for General Conditions & Fees.
- ♦ Vestry will need to make an informed decision at the April Vestry Meeting. Final bids will be in at the end of April.

**Warden - Other**

- ♦ ‘Vestry Member Declaration’ must be signed by all Vestry members. Any Vestry member not yet received into the Episcopal Church should take necessary steps to be received.
- ♦ All new Vestry members and Mentors will meet at Joe’s house on Tuesday March 24<sup>th</sup> at 6:00.
- ♦ Elaine – Lay Worship Leader Training will be held soon.

**Lay Pastoral Care Team – Elizabeth Franklin**

- ♦ **A Motion was made to establish an emergency discretionary fund for individuals in financial need. Funding will come from discrete donations from parishioners and from ‘Unrestricted Memorial Account’ seed funds (\$10K). Donations in the form of checks should be made payable to**

**‘Lydia’s Purse’. Use of ‘Unrestricted Memorial Account’ is subject to proper approval. Paul will clear this. The motion was seconded and carried.**

- ♦ Vestry is very supportive of this initiative, which will be called ‘Lydia’s Purse’.
- ♦ There may also be some discretionary funds that can be used as seed funds. Congregation can make specific donations to the fund.
- ♦ Elizabeth reported that CCE representatives are in conversation with Mt. Vernon Baptist and St. Michael’s Catholic churches. Our response to the current financial stresses that our congregants are facing may be better faced as a community effort. CCE was asked to serve as the pastoral link in this triangle. St. Michael’s will lead the financial/ counseling portion. Mt. Vernon will lead the ‘job opportunities’ segment.
- ♦ CCE has scheduled four Wednesdays in Easter Season for pastoral care. The series will run April 15, 22, 29 and May 6. The course offering will be called ‘Marriage Enrichment in Turbulent Times’ and will be led by Leslie McManus. Leslie is a licensed social worker and trained imago therapist. Hillary is currently in conversation with VCU regarding grief counseling specific to this crisis. VCU will come to the CCE campus to train clergy. Information regarding these offerings will be circulated between the three churches – and within each church.
- ♦ The CCE Men’s Group has been circulating resumes and networking. There is discussion about holding this group meeting between services, so that members of who work with companies that are currently hiring may attend the meetings.

**Staff Report – Sarah Fogler**

- ♦ Direct Giving (ACH) Update: Starting in May, those who pledge (or offer direct gifts) to CCE will have the ability to make payments to fulfill their pledge or gift via automatic withdrawal from their checking account (ACH/ electronic payment).
- ♦ Program Staff Chart - Sarah asked that if any major requests are targeted to administrative staff that she, as DPO, be kept in the loop (email requests etc). This will allow Sarah to prioritize work.
- ♦ Building & Grounds Ministry Team needs: CCE has lost all or part of two A/C units. The unit in the sanctuary has been repaired at a cost of \$1,900. Another unit outside of the church house has recently been damaged. We need a new unit, which will cost approximately \$4,500, and which will have a five year warranty. There is a possibility that we may have an insurance claim on the damaged unit. We will have depleted 75% of ‘repair’ line item on the B&G budget. B&G Ministry Team reports that we need a ‘zone unit’ in the Church House at a cost of \$5,000. This has been well researched by B&G. Return on Investment is 2 1/2 years. Sarah recommended that we add ‘Deferred Maintenance’ or ‘Capital Expenditures’ as a line item in the 2010 budget. Sarah will have ROI next month.

### **Rector's Report – Paul Johnson**

- ♦ Paul distributed reading material which addressed changes in the religious landscape. There was discussion about the contents of the article and of the thesis of a book by Phyllis Tickle, whom Paul heard speak in North Carolina. Phyllis is the author of The Great Emergence. Her thesis is that every 500 years the church has giant 'rummage sale' resulting in major change in the Church.
- ♦ The Leadership Council will convene on April 25<sup>at</sup> 8:00 am. This will allow ministry teams to connect and to ask what we need from one another in order to better serve in our ministries, both separately and together. This will allow us to hear what's going on and to make connections. Two of leadership's primary responsibilities are 'listening and including'. Sarah will communicate with ministry heads.

The meeting was adjourned with prayer at 9:45.

Respectfully Submitted,  
Shelley Putney  
Registrar