

**Christ Church Episcopal
Vestry Meeting Minutes
May 19, 2010**

Approved 6/7/10

Vestry Members in Attendance: Joe Gallagher, Sr. Warden; Bill Beattie, Jr. Warden; Elaine Champion; Rick Elliott; Amy Goodman; Mike Richards; John Daylor; Elizabeth Franklin; Melinda Hancock; Jim Wheeler; Barry Hayes; Louanna Heuhsen; Will Watkins

Staff in Attendance: Paul Johnson, Rector; Hillary West, Assistant Rector

Others in Attendance: Jeff Conklin, Treasurer

Special Guest – Mark Hansell (via written report): Mark was unable to attend the meeting, but he provided a written update from the Building Steering Committee.

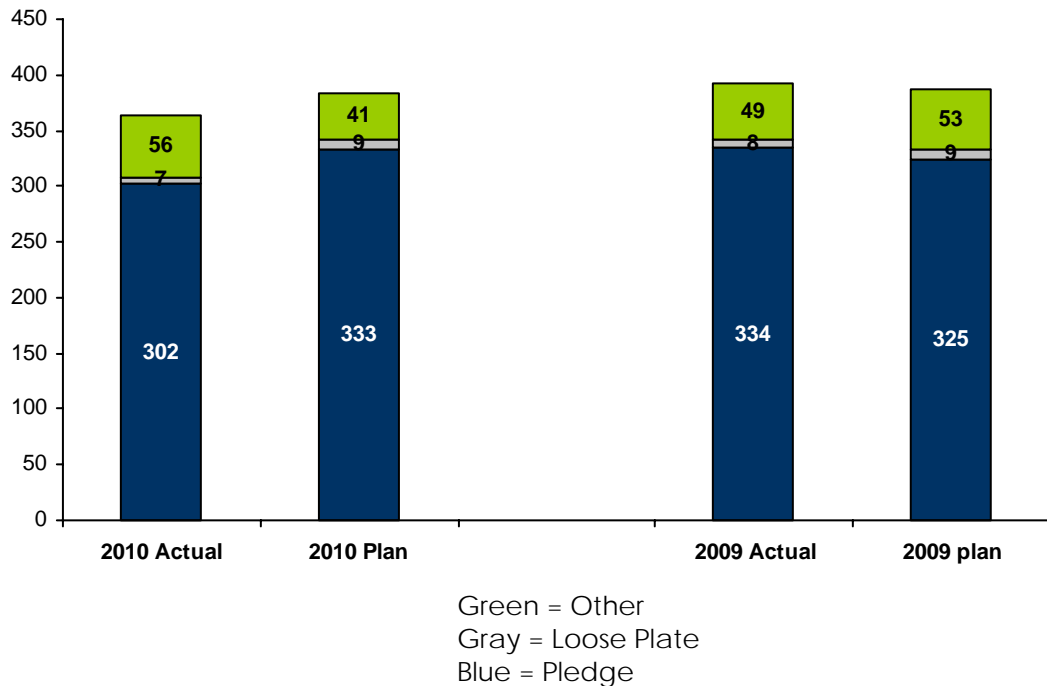
- Progress Report:
 - The POD for the Youth Building is in its final signatory stage with the County.
 - The building permit for the Youth Building has been submitted and is being reviewed by the County simultaneously.
 - The construction contract is being reviewed currently by the contractor.
 - The building pad has been staked out by THS Construction.
- Building Update:
 - \$693,000 was approved by the Vestry at the April Vestry meeting for the Youth Building.
 - The Building Steering Committee has identified a list of needs and wants to complete all projects with the help of Bill Beattie, Keith Tan and Tom Balgie. This is a work in progress as the Building Steering Committee meets with the Youth Ministry Team to finalize the needs and wants for the Youth Building.
- Upcoming Schedule Milestones:
 - Patch/repair Sanctuary sidewalk during June.
 - Receive release by the County to start work on Youth Building pad in approximately two weeks.
 - Receive building permit for the Youth Building in approximately three weeks.
 - Start construction on the Youth Building in approximately three weeks.

Financial Report – Jeff Conklin

Jeff presented a financial update, specifically a look at where we are a third of the way through the year.

- Revenue:
 - Revenue through April is 5% or (\$19.3K) below plan: \$364K vs. \$383K with pledge income lower by 9% or (\$31K), offset by other revenue items.
 - April Revenue was \$108K, with expected seasonality delivering 19% higher revenue than we saw in March.
 - In 2009, April Revenues were \$82K with March coming in very strong at \$134K vs. 2010's figure of \$91K.
 - 2010 Revenues are 7% below 2009 levels at this point in the year, and at the time actuals exceeded forecast by \$5K, or 1.4%.

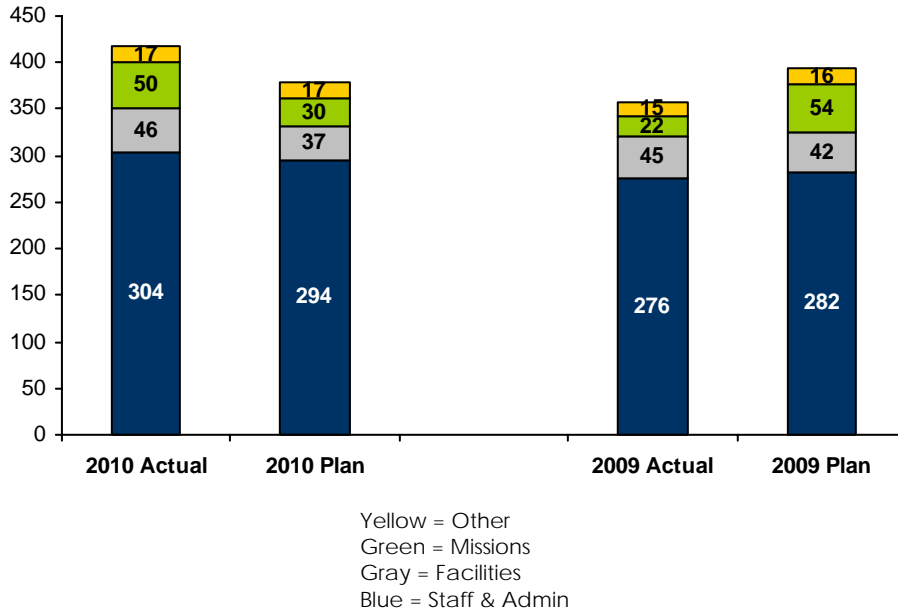
YTD Revenue by Source (\$000's)



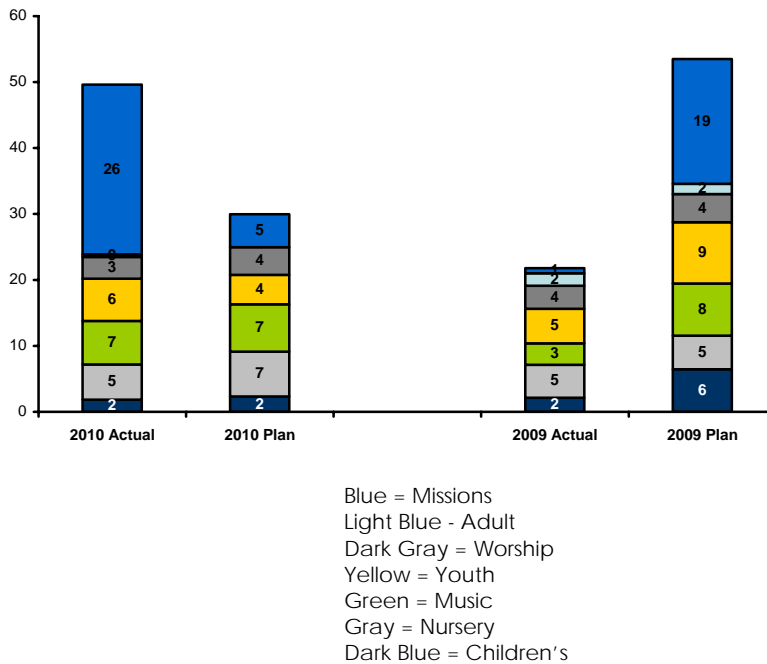
- Expenses:
 - Expenses through April are 10% or (\$38.6K) higher than plan: \$417K vs. \$378K, driven by higher spend across categories, i.e. Missions spend ahead by (\$20K), Facilities spend ahead by (\$9K), and Staff & Admin ahead by (\$10K).

- April Expenses were \$112K vs. a budget of \$93K, driven by higher Facilities (\$9.6K), Staff & Admin (\$4.0K), and Diocesan Support (timing-related ~\$4.6K).
- In 2009, April Expenses overall were \$94K and slightly favorable to budget.
- Relative to the same period in 2009, Expenses are 17% or (\$59K) higher, led by Missions spend.
 - But even if Missions spend was flat, we would still be \$20K higher than plan.

YTD Expenses by Type (\$000's)

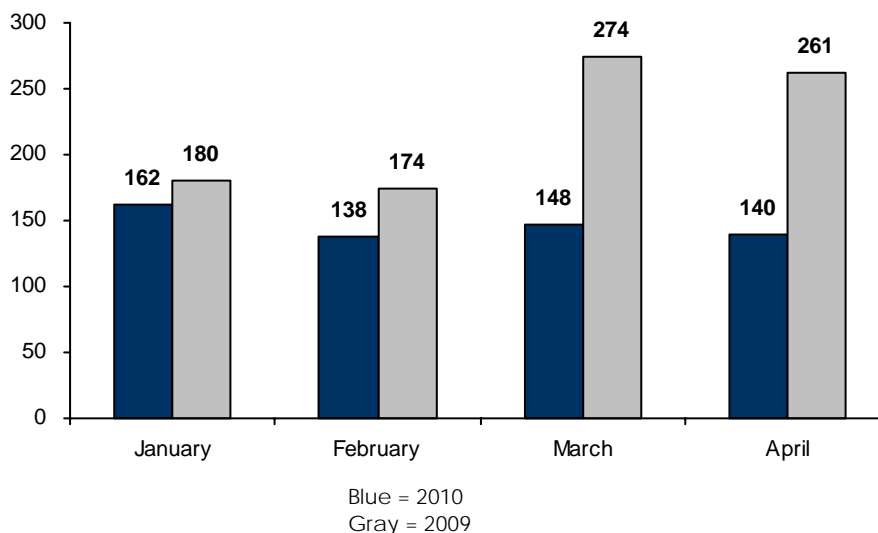


- Missions spend through April is (\$19.6K) or 66% above plan, driven by the timing of our Haiti response.
 - Missions spend was pulled forward relative to 2009 given our response to the Haiti disaster, driving the variance to plan which at this point is largely timing-related.
- To date we have consumed 28% of the annual budget for 2010 vs. 2009 where spend was heavily back-weighted.



- Contribution:
 - Net Contribution YTD is a (\$53K) deficit vs. a planned contribution of \$5K.
 - 2009's YTD contribution was a surplus of \$34K vs. a planned deficit of (\$7K).
- Cash Position:
 - April's unrestricted cash balance is \$139.7K, slightly below March, and well below last year's figures.
 - Our average unrestricted cash balance over the first four months of 2010 is \$147K, well below 2009's average balance of \$222K.
 - In March 2009 \$40K of Vestry-designated Cash was moved from Restricted to General Funds, the high-water mark for Unrestricted Cash between 2009 and 2010 thus far.
 - Restricted Cash balance at the end of April was \$382K, spread across >50 accounts.
 - Restricted Cash is \$78K below March's balance of \$460K, largely driven by construction spend.
 - The bottom line is that we are not sitting on a lot of capacity in terms of our cash position.
 - We will need to get through the traditionally slow summer income months.
 - Our YTD cash "burn" rate is between \$80k and \$100k depending on a number of issues including the number of payrolls in a month.

Unrestricted Cash (\$000's)



- Other (Controls, People, Systems, etc...)
 - The Audit is complete. The auditor will address the Vestry as part of July's meeting.
- We discussed making the congregation aware of the need to catch up on pledges if folks have fallen behind.
 - Jeff will draft a communication to that effect, that will also encourage participation in the direct deposit program, as well as remind people to make their pledges if they haven't yet.

RESOLVED, that the Vestry of Christ Church Episcopal approves the financials for the months of February, March and April 2010. This motion was seconded and carried.

Haiti Mission Trip – Elizabeth Franklin

Elizabeth provided a report on the Haiti mission trip that took place from May 10-17, 2010. The team consisted of Susan Bruce, Hillary West, Elizabeth Franklin, Matt Brengman, Robert Clarkson, Blayre Elliott, Lauren Elliott, Doug Elliott and Bob Meier. The things the team did included:

- Visited a potential partnership Episcopal church and school in Montrouis, Haiti – St. Paul's Episcopal. The team toured the rectory and compound, and shared lunch with Pere Jean-Jacques and three of his Vestry members. They discussed the needs of the church and school, and what has been done and not done by Episcopal Relief & Development and the Diocese of Haiti.
- The team also visited another church, St. Simeon, with Pere Fritz Valdema who oversees six Episcopal churches, three of which were totally destroyed in the earthquake.
 - The team learned a lot about the damage, the people today, the immediate needs, future visions, possibilities and challenges.
- The team had discussions in great length about CCE's Haiti mission vision. A partnership presentation is being prepared and will be presented very soon.
- In terms of activities, the team:
 - Painted many areas of the Touch Ministries School.
 - Helped students on a one-on-one basis with school work.
 - Gave out the supplies and clothes the team brought to various groups – the school children, 18 Haitian staff members of Touch Ministries, orphanage children, and Touch Ministries personnel to give to Haitian families that need assistance.
 - Took orphanage children to the beach one afternoon.

- Gave out goodie bags to the school children that were made by third, fourth and fifth grade students at Short Pump Elementary.
- Hillary preached at St. Paul's Episcopal Church on Sunday. She gave the sermon and Pere Jean Jacques translated it into Kreyol. Hillary also assisted in giving communion. The team mingled with the congregation after the 1.5 hour service.
- Dr. Matt Brengman performed basic check-ups on many of the school children, diagnosing various medical issues. He also saw several staff members, giving advice to them.
- The mission team laid the foundation for a successful Episcopal Partnership discerning appropriate choices for CCE.
- The Vestry expressed thanks to the Haiti Mission Team for doing such fine work and representing CCE so well in this endeavor.

Officer's Report – Joe Gallagher

Update On Various Issues Related to the Gayton Road Extension

- Joe noted that we are still waiting on the County's offer. We are looking at about four acres of our property being taken. We will also have to give some easements.
- We are still waiting on the County's offer for compensation regarding moving our shed.
- To follow up on a matter mentioned in the April meeting, Joe reported that our deed has been re-signed, delivered and recorded.

Voting Rights for Treasurer

- We feel it appropriate to give our Treasurer, who is not currently an elected Vestry member (although Treasurers have been elected Vestry members at various times in the past) a vote.
- We discussed the fact that the Vestry is elected while the Treasurer is appointed.
- We need to look into the By-laws to verify that we can give the Treasurer a vote.

RESOLVED, that the Vestry of Christ Church Episcopal approves that if our Treasurer is not a member of the Vestry, that the Treasurer be given voting rights on all matters equal to other Vestry members, subject to appropriate documentation. This motion was seconded and carried.

Pre-School Request on Playground Extension

- Will Watkins reported that Buildings and Grounds approached the Pre-School concerning the walk way through the playground to the Music Building. The intent was to build a concrete path. It would be necessary to install a gate and to add a fence in the open area between the

playground and the music building. It was thought that if the playground was ever going to be expanded, the proposed fence would be an expenditure that would be wasted. Therefore, Cheri Erk, Mark Hansell, Tom Balgie, Keith Tan and Rebecca Guzman looked at expanding the playground to incorporate the open space between the current playground and the music building. The cost of removing the old fence and replacing it with a new, metal fence, and the additional mulch is estimated at \$6,500. The opinion of the Pre-School Board is that this should occur.

- The Pre-School Board has been informed by Buildings and Grounds that the playground is not going to move in the near future. In light of this new information, the Pre-School Board believes this presents an opportunity to finally address ongoing safety concerns by installing a much stronger and higher fence around the playground.
 - The new fence will be 5 feet high rather than the current 3.5 feet.
 - All of the existing fence will be replaced.
- The Pre-School Board has agreed to pay for this improvement out of its operating funds.
- All of those affected by this proposal have agreed to it, including Building and Grounds, the Children's Ministry and CARITAS.
- The proposal and diagram of the fenced area is attached to these Minutes as Addendum 1.

RESOLVED, that the Vestry of Christ Church Episcopal approves the Christ Church Episcopal Pre-School plan to expand the playground per its request as presented by Will Watkins. This motion was seconded and carried.

IRS Form 5578

- Will reported that the IRS requires all private schools that are exempt from Federal Income Tax to file a non-discrimination statement and certify to the IRS. This requires that the By-laws of the Pre-School be amended to include a non-discrimination policy. The Pre-School Board approved language that must now be approved by the Vestry.

RESOLVED, that the Vestry of Christ Church Episcopal approves that the Christ Church Episcopal Pre-School By-Laws be amended to include the following language:

Christ Church Non-Discrimination Policy

Christ Church Episcopal Pre-School does not discriminate on the basis of race, color, national and ethnic origin in administration of its educational policies, admissions policies, scholarship and loan

programs and athletic and other school administered programs.

This motion was seconded and carried.

Pre-School Financial Reporting

- Will reported that the Pre-School is seeking direction on how the Vestry wants the Pre-School Board to communicate the financial statements of the Pre-School.
- The Pre-School produces monthly financial documents including a balance sheet, a Month to Date Income Statement, and a School Year Income Statement. In the past, these documents were provided to the Vestry on a monthly basis. At Vestry requests, it was decided that a monthly submission was not necessary. All financial documents are always available to the Vestry and/or the finance committee. The question is how much of the Pre-School's financial information does the Vestry want and how often?
- The Vestry agreed that quarterly reporting to the Vestry was sufficient.
- The Vestry also recognized that the Pre-School has been very generous to CCE, and the Vestry is very appreciative of that.

Discussion of Needs and Wants for the Buildings

- Bill Beattie discussed the Needs and Wants for our buildings.
- At the last Vestry meeting there was a request for a more extensive list of the capital purchases requested by the various constituencies within the parish.
- Bill has compiled information on items requested over the past year, primarily from Buildings and Grounds, the Music Ministry and the Building Steering and/or Sanctuary committees.
- The items have been separated into "needs" and "wants" with the wants being prioritized. Some of the numbers are the result of specific quotes and others are estimates. Several items have been approved by previous Vestries and for which there are funds designated. Most of those are related to the Sanctuary or the Music Building.
 - Simply for information purposes at this time:

	<u>Needs</u>	<u>Wants</u>	<u>Total</u>
Sanctuary	\$5,000	\$107,800	\$112,800
Music Space	\$5,000	\$139,300	\$144,300
Youth Building	(FF&E for this area is still under discussion)		
Additional Campus Items	\$ 0	\$140,500	\$140,500
Total	\$10,000	\$387,600	\$397,600

- At this time there is not a final proposal for fixtures, furnishings and equipment for the Youth Building. Mac Thayer compiled and submitted an initial list for consideration. It was decided to revisit the potential uses of the main room by groups other than the youth, and then finalize the FF&E budget. This activity will not delay the construction process.
- We also discussed the subject of fundraising as a means of funding the items.
 - Although our general fundraising procedures are appropriate to address general fundraising needs, we feel we need to establish a structure for fundraising relative to building needs.
- Melinda Hancock agreed to lead a working group that will look at fundraising and how to fund the building needs.
 - The group will develop a "theology of fundraising."
 - We need to have a purposeful conversation about how we raise money.
 - We must execute against a list of needs and wants.
 - We should develop a rhythm or calendar of fundraisers. They cannot compete with one another or the annual campaign.

- o The group will also look at restricted funds to see if those funds can be released for specific purposes.

Rector's Report – Paul Johnson

Update on Senior Youth Minister Search Process

- One candidate visited CCE from May 8 to 10, and a second candidate is visiting from May 21 to 23.
- The search team is compiling comments and impressions on the candidates. Anyone who has the opportunity to meet the candidates and would like to share their thoughts can direct them to Joe Jagdmann whose email address is jjagdmann@verizon.net.
- A feedback session for youth will be held on Wednesday, May 26 at 6:30 p.m.
- In terms of the Youth Ministry generally, the Youth Ministry Team is in the process of reflection, rededication and identifying new members. Specifically, we are inviting new members, especially parents of mid highs and rising mid highs, to become members of the Youth Ministry team. The Youth Ministry Team will also be selecting two co-chairs. The team hopes to be organized to take on new roles by the time the new Senior Youth Minister arrives or shortly thereafter.

Bible Teaching

- Paul mentioned that discussions have just started with the staff about the possibility of teaching one book of the Bible over the course of a year. This would allow us to study it in depth.
- The Adult Ministry Team is enthusiastic about this.
- The Bible study would feed into all of our small groups -- Emmaus groups, Bible study groups, and so forth. Everyone in the congregation would be studying and talking about the same thing. We would all be able to dwell richly in one book of Scriptures. It would add to our common life.
- The logistics would need to be worked out, and significant staff coordination will be needed.
- Among other things, we will need to consider creating study questions and putting together an outline so that the readings are teachable.
- Much more thought and work will be devoted to this.

Recap of Retreat and Where We Go From Here

- We discussed the Vestry retreat that took place on April 30 and May 1.
- The consensus was that the retreat was meaningful, enjoyable and very positive. It provided time for self-reflection, and it allowed us to spend significant time in the Word. As a Vestry we have many issues to discuss, but we thought it most important that we spend our time doing in depth Bible study, especially spending time with Acts.

- We found it valuable to hear how we each connected to CCE. It brought us back to the fundamentals. It also allowed us to learn of the experiences and talents each member brings to the group.
- Although it was interesting to relate our stories to those of the early Church as described in Acts, it was good to also seek an understanding of what was said at the time of the birth of Christianity without worrying about parallels to the present time.
- We agreed to come together for a second study session, outside of a regular Vestry meeting.

The Idea of Being a “Missional” Church

- Paul talked about the concept of a “missional” church.
- It is not a style of being a church or a program or a denomination. It is a kind of understanding that a church has about itself. Specifically, it has to do with the connection that a church sees and creates between itself and its community.
- An example of one aspect of being missional is having the Sanctuary open all the time. The walkway between the Short Pump community and CCE is always open. The people of the community, whether they are members of CCE or not, have a place that they can go at any time if they need to pray or reflect.
- The purpose is to be a presence in the neighborhood, not necessarily to attract more parishioners.
- We discussed things like what is in the “center of the plate” for CCE.
- We discussed forming a smaller group of the Vestry (perhaps four to six people) to embark on an in depth study of this missional concept. This would entail reading, studying and exploring the language and literature on this topic.
 - The idea would be to get a group of people together who would be invited into a conversation with other folks who are doing a lot of talking and writing about this concept. The group would embark on a pilgrimage that could lead in many directions, including a view of what the church in the 21st century looks like.
- It is possible that this will lead to us arriving at a vision of ourselves as going beyond Inviting, Growing and Living.
- We agreed to give this a try.

Update of Adult Ministries and the Future

- We continued our discussion from April about our Adult Ministry program, and the prospectus for the creation of a new staff position of Minister of New Member Incorporation and Adult Formation.

- The main discussion centered on what effect creating such a position at this time would have on our budget. We are already facing budgetary constraints.
- Several CCE ministries have endorsed this position. It is very high on our list of Needs and Wants.
- The consensus of the Vestry is that we are in favor of the position in concept, but there are financial issues that need to be addressed.
- We agreed to table the motion pertaining to the creation of the position at this time.

Update on Stewardship Approach

- We considered a proposal on changing the annual giving calendar. The proposal is being put forward to the Vestry with the endorsement of the Stewardship Team.
- The proposal is that the public portion of the Annual Giving Ministry (the Pledge Campaign) be moved from October to February, with Commitment Weekend moved from the last weekend in October to the last weekend in February.
- In the past we have spent three or four Sundays in October asking people to consider their pledge for the following year. This has culminated in “Commitment Weekend” held the final weekend of October. The proposal is to change the giving year from January 1-December 31 to March 1-February 28, with pledges made during February.
- The Stewardship Team believes some very good things would come from this change:
 - By putting annual giving in an extraordinary—even unexpected—place in the year it may lead the people of CCE to be more thoughtful, prayerful, and intentional in their commitments. We want the people of CCE to pay attention to their pledges. The sense right now is that for many, it is a matter of course, with little conversation or discernment. Doing the process at a different time of the year may change that.
 - Taking the Annual Giving Campaign out of October frees up almost two full months of high value teaching time—from the beginning of September all the way to Thanksgiving.
 - It also takes the Annual Giving Campaign out of an exceptionally busy time, which includes getting back into the school year, and preparing for the holiday, and it places it in a time of the year when possibly people are open to giving it more attention.
- In terms of implications:
 - The proposal is that, for the time being, the accounting/budget year remain January 1 through December 31.
 - This would mean that for January and February of 2011 we would have a spending plan, but no pledges. We would have to trust that the people of this congregation would continue to support our common work.
 - There are accounting and reporting issues that would need to be addressed to make this transition work effectively.
 - For this change to be effective, it would need to be communicated early and often, with the reasoning for the change.
- There are a number of questions to consider. This includes analyzing any

implications of offsetting the budget year from the fiscal year. Also, even if a change is made, is there a time other than February that would be better?

- We agreed that the giving year should be set up so it is most effective.
- The consensus was that there is broad enough generic support of the Vestry to investigate this proposal further.

Following a wrap up, the meeting was adjourned at 9:40 p.m.

Following the meeting, on May 25, 2010, the Vestry considered a motion at the request of the Pre-School. Specifically, the Pre-School desires to hire a new teacher. The motion was considered and voted on by email.

RESOLVED, that the Vestry of Christ Church Episcopal approves that the Christ Church Episcopal Pre-School hire a new teacher, specifically Sally Raderer as a lead three year old teacher, upon the approval and recommendation of Cheri Erk and the Pre-School Board of Directors. This motion was seconded and carried, provided that all applicable background checks and proper hiring practices are followed by the Pre-School per its By-Laws and the requirements of the Diocese of Virginia and Christ Church Episcopal.

Respectfully Submitted,

Jim Wheeler
Registrar

Addendum 1



12152 Washington Hwy., Ashland, VA 2
804.752-0098 • 804.752-6754
www.minorsfences.com

DATE 3/10/10

PROPOSAL SUBMITTED TO:
NAME Christ Episcopal Church
ADDRESS 5000 Pouncey Tract Rd
Green Allen Va 23059
PHONE (H) _____ (W) _____
(F) 288-4147 (C) 366-1246

WORK TO BE PERFORMED AT:
M&G/TKT # _____
ADDRESS _____
SUBDIVISION Christ Episcopal Church
CROSS STREET _____
ATTENTION Mark Howell

We hereby propose to furnish the materials and perform the labor necessary for the completion of:

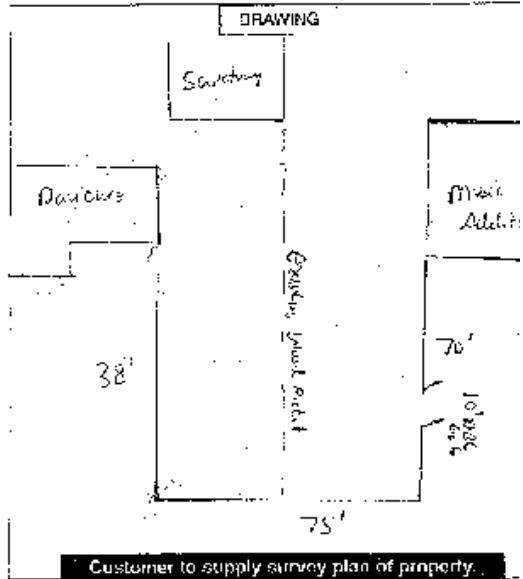
183' 4' Sentinel Black Aluminum Fence Silver Leds
OR WHITE

Walk Gate: _____ Corner Posts: 2"
Drive Gate: 1-10' Line Posts: 2"
Gate Posts: 2" Horizontal: 3
End Posts: 2"

Comments:

Remove existing wood
Picket & Haul in charge.

See Fence at
www.minorsfences.com



Estimated Start Date _____ Estimated Completion Date _____

Respectfully submitted by Minor Hairfield Total Cost 46,500.00
For Minor's Fences, Inc. Proposal Good for 30 Days 40% Deposit Due at Acceptance

Accepted At Completion Balance Due _____

ACCEPTANCE OF PROPOSAL

Property owners have read both pages of contract and accepted all terms and conditions and agrees to make payments as listed.

Print _____ Signature _____ Date _____

Print _____ Signature _____ Date _____