R. E. Lee memorial Episcopal Church 123 W. Washington Street

Lexington, Virginia

Special Meeting Of The Vestry March 7, 2017 <u>MINUTES</u> (DRAFT)

<u>In Attendance</u>: Woody Sadler (Senior Warden), Don Whittington (Junior Warden), Merce Brooke, Susan Cross, Doug Cumming, Lynn Dent, Anne Hansen, Catherine Harcus, Susan Lawrence, Buster Lewis, and Grigg Mullen. <u>Absent</u>: Keith Gibson and Daniel Wubah

Officers: Joe Simcoe (Treasurer) and Mo Littlefield (Clerk)

<u>Staff:</u> Tom Crittenden (Rector) and Sharon Massie (Program Director)

Guests: Steve shultis, Ann Nay, Cindy Mullen, Greg Lemmer

<u>Calling the Meeting To Order and Opening Prayer:</u> The Senior Warden called the special meeting to order at 5:01 p.m., welcomed all present and opened the meeting with The Prayer for Renewal.

<u>Purpose Of The Special Meeting</u>: At the outset, the Senior Warden announced that the singular purpose of this special meeting was to discuss the latest proposal from the Consultants in their work with the Discovery and Discernment Committee and to reach a decision by the Vestry on whether to accept the recently supplemental proposal for an additional cost and an extension of the timing of the final report on recommendations of implementation. He then turned to the Rector for comments.

Comments by the Rector: Tom applauded the Discovery and Discernment Committee in the work of reconciliation and healing, reflecting on the presence of God in the process and how we each receive God's word in this work. He invited open and free comments from the Vestry and others in attendance in reference to this work, noting further how encouraged and hopeful he was in the listening process that was taking place. Gregg Lemmer, a member of the D & D Committee, commented on how overwhelmed he was with the candidness, openness, truthfulness and trusting the focus group were in working with the consultants and in the honest sharing among the Committee members. Buster commented that initially he was not going to participate in the focus group process, but was convinced by a fellow member of the parish that he needed to be heard and also needed to really listen to the views of others, concluding with the spiritual realization that God was at work here with clear respectfulness and loving care that was happening all during this process. He urged that we get on with the process. Tom concluded with his pointing how we need to be clearly confident that God's work is at hand.

<u>Comments by the Senior Warden</u>: Woody pointed out that a year ago, the Vestry came to grips with a sense of considerable disharmony within the parish and, at the advice of the Bishop, chose to contract with consultants from the Eastern Mennonite Church who were experienced in working with churches facing such issues. The result was that the Vestry put gather a Discernment and Discovery Committee from our own parish to work with the consultants and to address the recommended outcomes in

following up with the parish. The Warden pointed to the fact that the Committee has put in an enormous amount of time meeting regularly with the consultants ever since and in organizing, and participating in focus group meetings with groups of parishioners. He noted that the D & D Committee have gathered an enormous amount of information from their many meetings with small groups of parish members, resulting in feedback from no less than one hundred parishioners over the past several months. He further noted that the financial piece of this undertaking included an original contract from the consultants totaling \$12,000, with a time projection of March for presentation of final recommendations following the completion of the discernment and discovery phase. He announced further that funds to pay for the consultants came from an operating budget surplus that occurred at the end of 2015 totaling a little over \$16,000at the time. The Warden then pointed out that, as a result of having requested more time from the consultants, who willingly made additional trips to meet with the D & D Committee in addition to meetings with the Vestry, the Rector and the parish at large, the consultants' participation exceeded the amount of involvement specified in the original contract. Therefore, to fully complete the process for which the consultants were initially employed, a secondary contract was submitted to the church for an additional \$6,000, including an extension of time for the presentation of the consultants' final recommendation to be presented in May of 2017 rather than in March. He noted also that neither the Vestry nor the D & D Committee realized that the extra involvement requested of the consultants had exceeded the original contractual commitments. The Warden then pointed out that two Vestry members, Keith Gibson and Ann Hansen who also are members of the D & D Committee, were asked to negotiate with the consultants for a lessor additional fee and a much shorter timeframe to wrap up any further consulting work, noting further that those negotiations were successful in reducing the additional contract amount from \$6,000 down to \$4,000 with a shorter time for the presentation of the consultants' final recommendations from May to an April 6 deadline. With this background, the Warden announced that this special meeting of the Vestry is to carefully review the recent request from the consultants for additional funds and for an extension of time to complete the consultant's work, whereupon he opened the floor for discussion by the Vestry.

<u>Comments From the Treasurer</u>: Joe Simcoe, newly elected Treasurer, offered a brief review of the financial history of the surplus funds, citing that at the end of 2016 from having combined several previous end-of- fiscal year surpluses, the church had actually accumulated a reserve as "a rainy day" fund totaling \$60,000, of which \$10,000 had been approved to make up the projected budget shortfall for fiscal 2017. With this information, the Warden pointed out that the additional funds for the consultants was available without negatively impacting the operating budget for the current year.

Comments From Vestry Members:

Woody asked for an explanation of the cause of the overrun, and Anne Hansen reported that the process has taken longer than the Consultants originally expected partly because the D & D Committee has pushed them to reevaluate their process at every step. Also because the Vestry has requested that the Consultants make trips here (e.g. to be present at the recent Vestry Retreat) that were not factored in to the original plan.

Catherine asked about the timing of the recent request of the consultants? The Rector reported that the additional proposal from the consultants arrived at the time of the previous vestry meeting. Catherine further pointed out the importance of prudent control over church funds, and while it was of

value to have the consultant's report at the retreat, were they really needed as much and as many times? She concluded that the Vestry and the parish needs to know that the concluding recommendations will be taken and acted upon.

Anne responded that the D & D Committee had not been made aware that the budget for the Consultants had already been exceeded until after the Vestry learned of it. At the last meeting, Anne and Keith had offered to go back to the Committee and the Consultants to try to work out a schedule that would be less expensive and less lengthy. She acknowledged that a 50% overrun in projected cost is not a good outcome, and that the current proposal is meant to address that in a way that still gets the job done. She passed out a four-page summary outlining the expenses of the Consultants and the proposed work schedule for completion. The summary concluded with the recommendations by the D & D Committee that the Vestry approve the negotiated financial amount and reduced time frame for the Consultants to complete the work with the D & D Committee. In response to a question, she noted that the Committee could, on its own, produce a final report, but that the report would have greater legitimacy if the process were carried to its completion with the Consultants.

Merce asked, while suggesting that it was important for the process to be completed, how does the Vestry plan to pay for the additional cost?

Susan Lawrence commented that for the Vestry to have a solid grip on church finances, it was important to have an up- to-date report in detail of the condition of the budget at each Vestry meeting.

The Treasure inquired if the original memo of understanding specified that \$12,000 would be the final charge or did they leave the option open for possibility of providing additional time and charges. He also pointed out that it was incumbent upon the Consultants to keep the D & D Committee better informed.

Grigg suggested that because of the additional involvement requested of the consultants, this latest proposal should be viewed as a "change order," and that the Vestry should move forward and support the D & D Committee to the finish line. He further pointed out that the Vestry at its last meeting not only quickly approved the expenditure for removing the rust in the external stone on the Parish House, but did so with a contingent fund of an extra \$4,000 if needed beyond the projected cost from the contractor, suggesting that the church needs the same contingent provision to see this D & D process through to completion. Pointing to his background in building construction, he reminded the Vestry, "that you get what you pay for," further stating that we need to honor the good work of the consultants and the D & D Committee. He concluded that not to do so, and still ask for more work from them, only dishonors their great work to date.

Cindy Mullen, a parishioner guest, commented that she would be appalled if, after all the hard work, time and funds expended to date, the Vestry chose not to complete this process

Lynn recommended that the Vestry needs to explain in detail to the parish the justification for the additional increase in cost and also the budget management process.

Susan L. noted that it was weak of the consultants not to have kept the Committee better informed and that, in the future, we need to know just who should be aware of potential overruns by having someone specifically appointed to monitor such matters so the Vestry will know when a project is approaching a possible overrun.

Steve Shultis, a member of the D & D Committee, announced to the Vestry that this is an "honor process," and the value is not the \$4,000 additional funds being requested, but in our ability to take the recommendations from the consultants and look hard at ourselves by holding up a mirror, as the Bishop said in his Christmas address. "What are the consequence of not completing this process," he asked? "How do we apportion things within our church? How do we really do business?" He asked further that we focus not on the cost of this process financially, "but on the cost of our not doing this!" He concluded by pointing out that the benefit of letting the process complete itself is that the forces that caused the problem in the first place requires that the Committee does it work correctly.

Ann Nay, member of the D & D Committee, agreed that the church really needs to have a finality to this process and that the funds expended is a good investment in the church's future.

Doug suggested that it is important for the Vestry to fully support the process and to be able to explain why it is essential for the remaining work of the consultants to be completed and, by the ultimate work of the D & D Committee, to see that the recommendations are followed up on with the parishioners.

Susan L. added that it is important the parish knows that the Vestry is fully behind the completion of the process and that each vestry member is in agreement.

Merce pointed out that it is necessary for the D & D Committee to meet with the congregation to explain fully the entire process from beginning to end.

Anne Hansen proposes that the Vestry should take the lead in addressing the congregation.

Buster noted that the parish feels considerable stress and the longer it takes to complete this process the more stress will occur, and that the parish should be notified verbally by the Warden, presumably, of the status of the D & D Committee's work with the consultants in order to remain transparent.

Doug reported that he would add the update to the Church blog.

The Warden announced that to move forward with this project, the Vestry would need to approve the recent Memorandum Of Understanding submitted by the Consultants, as negotiated by Keith and Ann, as to the additional cost and timing for the completion of the consultants work, whereupon Doug made the motion to approve the Memorandum of Understanding with the negotiated cost and timing of the recommendations phase, as described by Ann Hansen, with second to the motion by Grigg, whereupon the Vestry approved the motion unanimously with the understanding that up to a maximum of \$4000 additional will be provided and that the consultants will complete their final recommendations by the deadline of April 6.

Anne Hansen concluded that the D & D Committee will meet with a canon of the diocese and will provide all documents relative to the phases of the process and that James will meet and discuss the matter with the Bishop.

Tom announced that the church's Chair of the Finance Committee, Megan Hess had sent recommendations concerning the D & D process, asking that it be shared at this special meeting. However, he reported that he would send her proposal; to those in attendance by e-mail the next day, and that he recommended her comments be giving special attention.

<u>Closing Of Meeting</u>: With the agenda topic of this meeting having been concluded, the Warden closed the meeting at 5:50 p.m., with the Rector offering the closing prayer.

Faithfully submitted –Mo Littlefield (Clerk)