

## Vestry Meeting Minutes (approved)

R.E. Lee Memorial Episcopal Church

December 14, 2015

The regular meeting of the Vestry of R.E. Lee Memorial Church was held on Monday, December 14, 2015 at 5:00 p.m. in the Parish Hall of the church.

**In Attendance:** George Brooke, John Burseson (Junior Warden), Susan Cross, Tom Crittenden (Rector), Doug Cumming, Carole Elmore, Jim Farrar (Senior Warden), Julia Grossman, Diana Kenney, Holt Merchant, Grigg Mullen, Don Whittington; Anna Crockett (Clerk). **Absent:** Elizabeth Knapp, Frank Settle, Daniel Wubah; **Vestry-Elect Members Present:** Keith Gibson, Susan Lawrence and Woody Sadler (via computer link) **Guests:** Dave Hansen and Tom Gosse, (Space Planning Committee) and Elizabeth Oliver. (Chair, Finance Committee).

**Opening:** Tom opened the meeting noting current prayer concerns.

**Approval of November Minutes:** Minutes of the November meeting were accepted as published.

George suggested that information about the availability of approved Vestry minutes on the website and in the church Narthex should be explicitly communicated to the parish. He explained that the suggestion was based on concerns parishioners have expressed about Vestry transparency. Vestry members concurred that this information would now be emailed and announced at the Sunday services.

### **Renovations/Organ and Capital Campaign:**

Dave Hansen, chair of the Space Planning Committee, presented updated drawings of proposed renovations to the Undercroft and third floor of the Parish House. In addition, he distributed documents describing 1) the phased renovations and funding; and 2) timeline for the capital campaign.

Dave reported the following:

- 1) **Designs and construction:** The architects have worked through the summer and fall to create conceptual design drawings that encapsulate all the components that constituents have identified as important through multiple design iterations. After interviewing several contractors, the committee selected two finalists who had presented detailed proposals - the Nielsen and Lantz companies. Based on prior experience and local reputation, the committee concluded that Nielsen is the right choice. In terms of the construction process, the target date for completion is Labor Day, assuming full funding for the projects. The pivotal next piece is a breakdown of firm construction costs in order to prepare design-ready documents. The anticipated cost is \$15,000 for the next four months, to begin when the Vestry gives the green light.
- 2) **Funding:** The four pieces of funding for the campaign will be one-time gifts, contributions to the campaign, Gadsden Trust funds, and historic tax credits. A core campaign group needs to be formed to plan activities, coordinate with the architects, and start the silent phase. The Finance Committee will be asked for recommendations on viable funding to provide a comfort level that sufficient funds can be raised so work on the design projects can begin.

Tom added the contractor's recommendation to give careful thought to the timing of renovating the Undercroft and replacing the elevator, which will require building a new shaft. Cab construction for

the elevator is projected at twenty weeks, and cannot begin until exits and entrances are decided. Creating a detailed design for the elevator company, including an increase in shaft height, is projected for January-March, 2016, allowing construction to be completed before Sunday School classes resume in the fall. Since there will be an overlap between construction of the elevator and renovation of third floor of the Parish House, the contractor has pointed out that there would be considerable costs savings by working on both projects at the same time.

Concluding his report, Dave pointed out three high-level issues to be addressed in January: 1) engaging pre-construction work; 2) asking the Finance Committee to develop and recommend an overall funding plan and 3) appointing a campaign planning committee.

Jim expressed his thanks to Dave and the Space Planning Committee, adding that these are exciting and potentially transformative projects for the church environment.

Noting the immediate need for a new elevator, and anticipating that the current mechanical problems will get worse, Tom asked Vestry members for their views on wrapping the elevator and Third Floor renovation projects, using a \$300,000 bequest that will likely be available in the next month or two. Vestry member comments noted that the elevator fits into identified parish priorities in terms of accessibility and a welcoming environment, and would be a visible project for parishioners to support. However, Dave expressed concern that all the planned projects may not be completed if they are not bundled. He suggested that the Vestry consider creative funding options during its retreat in January.

Doug observed that funding needs to be coordinated with the Finance Committee and the Campaign Planning Committee, meaning that the latter should be appointed prior to making a decision about use of the bequest. Jim added that it is critical for the Campaign Planning Committee and Space Planning Committee to work on parallel tracks, since fundraising findings would help with decisions on bundling or unbundling projects in the construction schedule. Tom stated that he will work on forming the Campaign Committee and solicit related information from the Finance Committee and Space Planning Committee. Schedule decisions will be made subsequently. Vestry members were asked to send Tom names of potential members for the Campaign Planning Committee.

### **Committee Reports:**

Finance Committee: Elizabeth Oliver, Finance Committee chair, distributed copies of her committee's proposed budget. The original draft budget was based on projected total income of \$415,000, which has now been reduced to under \$390,000, since pledges are currently \$17,000 below last year. Despite budget reductions in several areas (e.g. office supplies, music, programs, depreciation, outreach, staff bonuses and less frequent publication of the Cross and Crown), the bottom line of current proposed budget shows a deficit of \$3000. The endowment draw remains at 4.75% to protect the endowment principal.

Preliminary research on potential savings by increasing staff health insurance and property insurance deductibles showed that the savings would be minimal. But the committee will continue researching this in more detail next year. Elizabeth cautioned against reductions in funding for depreciation (i.e. savings for future repairs and maintenance) since this is an area of important fiduciary responsibility.

Commenting on concerns regarding decisions about budget cuts and how these reflect our value system, Elizabeth pointed out the personnel expenses constitute seventy-one percent of our operating budget. She questioned whether this is sustainable if we want to support other areas. If additional pledges are made, the Finance Committee recommends increasing budgeted amounts for bonuses, depreciation, and outreach,

in that order. Doug noted that it will be difficult to raise additional funds for the operating budget concurrently with a capital campaign, and stressed the importance of a serious conversation about sustainability. John added that the parish should know about the trade-offs that had to be made to create even a deficit budget. This may be a wake-up call for parishioners who are not aware of the financial issues.

Elizabeth pointed out the need to have an approved budget in January to avoid a delay in staff paychecks. The budget can be amended later, if circumstances change. **The proposed 2016 budget was approved unanimously.**

Don added to the Finance Committee report that Anita Ramp will follow up with parishioners who have not completed their pledges for this year, but there are no serious concerns since December is historically the strongest month for receipt of pledges.

#### Property

John reported that John Milford and John Dickerson had tightened the steeple bolts, as required annually. While up in the steeple, the men discovered an inscription on the bell that read: "In memory of Sarah Henderson, 1884; O come let us worship."

#### **Old Business**

Following up on the Vestry's action last month to table Ted's request for use of the Organ Fund to purchase the Continue Organ, Tom reported that a donor has contributed the full amounts needed for this purchase.

#### Gadsden Request for Capital Funds:

As approved by the Vestry at its meeting in October, a request will be sent this month to the Trustees for Gadsden funds to support capital projects in 2015 and 2016. Gadsden Trust guidelines stipulate that, when approved by the Vestry and Trustees, one quarter of annual Gadsden income may be used to support parish capital projects in one year, conditional on matching funds raised by the parish.

**New Business:** None

**Suggestion Box:** Julia reported that the only suggestion was not to waste money on a new sign.

**Program Director:** Sharon reported that the Youth Breakfast continues at 7:00 a.m. on Thursdays, concluding this week. She invited Vestry members to attend. In addition, nine youth participated in the recent Progressive Dinner, the Christmas Pageant will take place at 5:00 on December 24, and all Angel Tree requests have been met. Twelve members of the ACTS program attended the recent appreciation Tea, and a new set of teams will be starting on December 30. Sharon invited Vestry members to participate. Four hundred twenty requests have been met this year. Teams rotate and serve every five weeks, with members choosing how they wish to respond, e.g. cards, visits, and meals.

**Comments by the Wardens:** None

#### **Comments by the Rector:**

Nominating Committee for Vestry Officers: As provided in the Bylaws, Tom will appoint a Vestry Nominating Committee, to include three members of the Vestry appointed by the outgoing wardens. Serving on the Nominating Committee will not disqualify a member from being a nominee for Vestry officer.

Vestry Retreat: Tom asked for volunteers to help organize the Vestry Retreat, to be held at The Belfry on January 15-16, 2016.

Refugee Working Group: Tom described the Refugee Working Group that currently has ninety members, with R.E. Lee, Lexington Presbyterian, St. Patrick's Catholic, and Trinity Methodist as the lead congregations. The group is laying the groundwork for bringing Syrian refugees to our community, but this will take some time, since the vetting and relocation process is a lengthy one. Tom will invite Anne Hansen, the R.E. Lee representative in the group's leadership, to provide a report to the Vestry at its February meeting.

Church Healing and Reconciliation: Tom distributed materials describing the Congregational Consulting Process at Easter Mennonite University, considered the "Cadillac" in church mediation programs. A letter recently received, signed by several members of our parish who have young children, cited concerns about the future of our church and deep issues within our church community that surfaced in the months of discussion about the proposed church name change. The signators recommended an outside facilitator to help us address these. As described in detail in the handout Tom provided, EMU's Congregational Consulting Process works closely with the Reference Team composed of parish members, and recommends steps to address issues. It can also be part of implementing these steps. The estimated cost, including implementation, would be approximately \$12,000. A preliminary option is to invite two program consultants to attend the Vestry Retreat in January, at a cost of \$600. This would be a discernment opportunity for both the consultants and the Vestry to determine whether the program would be appropriate for our parish.

Tom further reported on an alternate to the EMU program offered by the Bishop in their two-hour phone conversation. The Diocesan Pastoral Response Team is composed of volunteers of professionals in an array of disciplines, with the cost limited to travel expenses. Although it generally works with parishes faced with conflicts related to issues of parish or clergy misconduct, the Bishop believes that this team could bring in the skills that would be useful in our situation. The Bishop will also research other potential resources in the national church.

Tom stated that he would like to an established program with a proven track record represented at the retreat, with facilitators who understand what the issues are and how to proceed with addressing these. Several Vestry members commented that an outside mediation program, or at least facilitators for an initial discussion at the retreat might be valuable, since many parishioners on both sides of the name change issue are unhappy. No suggestions on funding sources for the EMU program were offered at the meeting. Woody suggested considering inviting both the EMU and Diocesan representatives to the retreat to help determine whether the latter would be able to accomplish what the EMU representatives propose. **Susan seconded Grigg's motion to invite the EMU representatives to the retreat. The motion passed unanimously.**

**Closing Prayer:** Grigg offered the closing prayer.

**Adjournment:** The meeting adjourned at 7:10

**Next Vestry Meeting::** Retreat at The Belfry, 15-16 January, 2016

Respectfully submitted,  
Anna Crockett, Clerk