

## **Vestry Meeting Minutes April 23, 2009**

**Present:** Wilson Anthony, Steve Brodt, Sandy Durgin, Brandon Elliott, Betsy Field, Andy Johnston, Bruce Kallos, Ruth Kirk, Martha Lankford, Tilly Maassen, Judy Sargent, Gina Pike

**Absent:** Bitsy Robbins, Ann Wick

**Also present:** None

The meeting was called to order at 7:01 PM by The Rev. Ruth Lawson Kirk.

The opening prayer was offered by Ruth Kirk.

Minutes from March 12, 2009 were reviewed and accepted.

Steve Brodt acted as Clerk for this meeting.

### **Cluster Reports**

#### **Stewardship:**

See documents distributed before the meeting (JacksonChanges1 and 2009 Revised Budget) along with Budget Issues (Attachment A). Comment on "Budget Issues" – actual 2009 pledges are now \$37,000 above the 2009 budget, which is \$12,000 more than it was just a week ago.

Discussion ensued about whether the 2009 budget should be modified to reflect changes to income through increased pledging and the Ulmer gift. Final decision was that while the outlook might change, the budget has been adopted formally and represents our commitment. The Vestry agreed that the 2009 budget will not be changed.

The financial reports show that the additional Curate can be funded in 2009 without affecting the 2009 budget. In addition, there is significant carry-over of funds from 2008 that could be used to offset costs in 2010 if it turns out to be needed. The proposal is to start with a two-year contract, with the possibility to extend it. If this is adopted, we would not rehire Carl Kunz in 2009.

Bruce Kallos moved that we hire a Curate. Motion was seconded by Wilson Anthony. Motion carried unanimously. Judy moved, and Bruce seconded, that we move the entire Ulmer gift to the pension fund. Motion was approved unanimously.

Andy moved, and Wilson and Judy seconded, that, given the current financial climate, the excess funds from 2008 be put into Contingency Reserve. A question arose about whether there were policy limitations regarding where the funds can be put. It was determined that, while there has been past practice, there are no policy restrictions. Motion was approved unanimously.

#### **Spirit Life:**

Wilson Anthony presented the cluster report (Attachment B). Vestry members are encouraged to attend the Newcomers' Reception at 10:10 AM on May 3. Bruce Kallos asked whether any progress had been made updating the Parishioners database. Wilson Anthony

will follow up. Russ Bohner noted that more people attended the chapel than was reported, which brings the attendance at the 9:00 AM service to about 650 (versus 627 reported).

Ruth said we shall ask Hagley Museum if the church can use their parking next year for Easter Sunday.

Lenten program attendance averaged 70 people over the five nights. Soup/supper, served just before the program, averaged 40 people.

Ran Barton is the new Chair of Adult Christian Enrichment. New members are Dutch Miller and Mark Patterson.

June 7 – teacher recognition and celebration

Urban Promise – visit July 26 – dinner and worship with CCCH youth.

### **Service to Others:**

Brandon reviewed the Outreach Committee documents that were distributed before the meeting. Criteria have been changed from focus of supporting families to programs that address poverty.

Bruce moved and Brandon seconded that the proposed allocations budget be approved. Vote to accept was unanimous.

Brandon reported that the Outreach Committee has not yet decided which agency should be targeted for the next Jessie Ball du Pont grant submission. Ruth suggested that the Episcopal churches in the Wilmington area who are eligible to receive JB du Pont grants work together.

Andis Santana and Carolina Roberts – surgery for Andis went well. Thanks to the many people who worked to get their visa, pay for their airfare, provide a place to stay. Article of their story may appear in the *News Journal* this coming Saturday. Both Andis and Carolina are so appreciative of all that has been done for them.

### **Rector's Report**

See Attachment C.

The Personnel Committee met last night. With loss of two members from the committee, they will invite another person to join, but an invitation has not been extended yet. Position descriptions will be ready by the end of May. Performance reviews are scheduled to be complete by July 4.

The Vestry and clergy deeply appreciate the dedication Chuck Durgin and Rufus Miller showed in leading the preparations for Christ Church to host the diocesan convention.

## **Other Matters and Final Thoughts**

Judy suggested we advertise Christ Church in the *News Journal*. Ruth reported that Vida Ruppe is working on this. For example, Andis Santana will be featured. However, cost of advertising is high.

Russ noted that Newcomers' Committee will be exploring opportunities for evangelizing. He also said that the committee would welcome additional members.

Nominating Committee for new class of Vestry members – Steve Brodt, as Junior Warden will lead. One Vestry member from each year will serve on this committee. Invitations to Vestry members will go out shortly.

Expected timeline for hiring Curate – Ruth would like Curate to start in June, to allow time to begin training before Ruth leaves in July.

Closing prayer provided by Gina Pike.

The meeting was adjourned at 8:43 PM.

Respectfully submitted,

Steve Brodt, Clerk-Designee

# **ATTACHMENT A**

## **BUDGET ISSUES**

As a result of Carl's departure and the possibility of adding a full time third clergy as discussed at the last Vestry meeting, the Finance Committee reviewed the near final results of the 2008 budget, the 2009 budget as approved, and the projected 2010 and 2011 budgets to determine the feasibility of funding a third clergy position. At the same time as this review began, issues regarding the funding of our pension plan arose, and the Finance Committee examined those as well. Finally, CCCH received an unanticipated bequest, and the handling of that bequest figured into the analysis.

### PENSION

CCCH has a pension plan that is the source of payment for the obligations CCCH has to its employees and their spouses when the employee retires. For many years, these obligations have been funded through a combination of yearly cash contributions paid out of the annual budget and income and appreciation from the pension fund's investments. The annual cash contributions are based on a report that CCCH receives from an actuary. The annual cash contributions have remained fairly stable over the past several years due in large part to the appreciation of the stock market.

With the precipitous drop in the stock market over the last 12-15 months, the actuary's most recent report has recommended that CCCH's annual contribution to the pension fund be increased from about \$40,000 per year to \$95,000. (This is the result without implementing #2 below).

### BEQUEST

Late last year, Keith received notice that CCCH had received a bequest from the estate of a deceased parishioner. Initially, Keith believed that the bequest would be in the \$10,000 range. As he received reports from the estate in 2009, he learned that the bequest would be in the neighborhood of \$107,000.

Under CCCH's current policy, bequests of this magnitude would be divided equally between the endowment and the contingency reserve. After consulting with the Senior Warden, Keith did not allocate the bequest in this way pending discussions with the Vestry.

### THIRD CLERGY

The Finance Committee met at the end of March to review the up-to-date results for 2008, the 2009 budget as approved by the Vestry, and the projected budgets for 2010 and 2011. The focus of the discussion was the funding of a 3<sup>rd</sup> clergy position, but other priorities were discussed as well including the funding of the pension, the capital projects budget, and the contribution to the Diocese. The Finance Committee appointed a subcommittee composed of Bryan Keenan, Bruce Kallos, and Ned Jackson to review the issues in detail and to explore funding options. Ned met in early April with Ruth and Keith to review in detail the up-to-date results from 2008, the 2009 budget as approved by the Vestry, and the projected budgets for 2010 and 2011 and develop some funding alternatives to facilitate a discussion at a subcommittee meeting held on April 6.

At the April 6 meeting, which was attended by Ruth, Keith, Bruce, and the Wardens, the subcommittee refined the alternatives. The key elements discussed of the recommendation were:

1. Hire the third clergy candidate that Ruth has her eye on. The incremental cost for the hire is \$0 in 2009, \$26,500 in 2010, and \$27,500 in 2011.
2. Apply the full amount of the bequest to the pension fund to address in part the shortfall.
3. Increase the amount contributed from the annual budget to the pension fund by \$13,600 in 2010 and \$12,151 in 2011.
4. Increase the amount contributed from the annual budget to the capital projects budget by \$5,000 in each of 2009, 2010, and 2011.
5. No change to the contribution to the Diocese.

The important elements for the payment of these additional expenses are:

- The near final figures for 2008 show a surplus of \$94,000. That amount would be brought forward and kept in contingency reserve to help pay for the additional items.
- Applying \$13,000 left over from the Peace Grant to pay for expenses that can be appropriately tied to the underlying purpose of the Peace Grant. In all cases, these expenses have already been paid out of operating funds, so we are in effect reimbursing ourselves for these expenditures and adding them to the contingency reserve.
- The Diocese has agreed to pay \$15,000 over 3 years toward the cost of employing the 3<sup>rd</sup> clergy and has offered the Carriage House at Bishopstead for housing, which could also reduce the projected costs.
- Actual pledging in 2009 is \$25,000 more than was in the 2009 budget as approved. In addition, some parishioners have historically “over given” on their pledges. When preparing the budget, we have typically not included that amount as budgeted income. However, if we examine the historical trends, we can project overgiving of \$35,000 in 2009, \$36,050 in 2010, and \$31,132 in 2011.
- We would have a projected annual surplus of \$56,000 in 2009 assuming we draw the additional 1% (or a total of 6%) from the endowment. If we didn’t draw the additional 1%, we would have a deficit in 2009 of \$19,500. We would have an annual deficit in 2010 and 2011 of \$56,000 and \$61,500 respectively.

A couple of notes are important. First, this option does not have us drawing additional funds from the endowment above the usual 5% in 2010 or 2011. Second, the contingency fund balance at the start of this process would be about \$153,000. The projected balance of the contingency fund at the end of 2011 would be \$123,353 if we do not draw an additional 1% from the endowment for fiscal year 2009 (and \$199,101 if we do). This suggests that there is a significant cushion for unanticipated events.

This approach is set out in the 2 attachments to this memo. The first presents the changes in the budgets in the format you are used to seeing with tabbed commentary. The second is a one-sheet summary of the changes that also tracks the cumulative costs and changes to the contingency reserve under two scenarios – one in which we draw an additional 1% from the endowment (for a total of 6%) in 2009 and the other in which we draw 5% .

The Wardens and the members of the Vestry who are on the Finance Committee will be prepared to discuss all of this with you on Thursday night. If you have questions before the meeting, feel free to call me.

Andy

## **ATTACHMENT B**

### **Spirit Life Cluster Report; Christ Church Vestry Meeting, April 23, 2009**

**From: Wilson Anthony, Betsy Field, Martha Lankford, Bitsy Robbins**

#### **Worship**

1. A Lenten Quiet Day was held in the Chapel on March 21, from 9:00 AM to 12:30 PM.
2. Holy week began with the observance of Palm Sunday on April 5. The Christ Church Choir performed John Rutter's Requiem at 5:00 PM on Palm Sunday in place of Evensong.
3. A number of Christ Church members attended a forum and service with Presiding Bishop Katharine Jefferts-Schori on Holy Tuesday, April 7. Clergy in the Diocese renewed their ordination vows at the service.
4. Maundy Thursday and Good Friday services were held on April 9 and 10.
5. Five services were conducted on Easter Sunday, with a total of 1087 persons attending. 627 attended the 9:00 AM services held in both the main church and chapel.
6. A Worship Committee meeting is scheduled for April 28 at 7:00 PM.
7. The Bishop will visit Christ Church on May 10 and will conduct Confirmation, Reception, and Baptisms.

#### **Spiritual Formation**

1. Confirmation classes continue, including a three-hour retreat on April 18. Confirmation is scheduled for May 10 when the Bishop will visit.
2. A J2A group continues the process of discerning where they should travel for Pilgrimage. A meeting is scheduled for April 26, and the group hopes to choose a destination at that time.
3. Sunday Adult Enrichment is currently discussing Christian Vocation. Russ and Ruth will share leadership.
4. The Wednesday Evening Lenten program was a success, with attendance roughly four times what it was in 2008.
5. The Wednesday night Lenten Senior High Small Group has decided to continue meeting weekly on Wednesdays from 7-8 PM. There are 5 regular senior high attendees. Lynne Turner and John Crossan are the facilitators. The group explores the deeper spiritual questions and shares where God is in their daily lives.

#### **Fellowship**

1. Diocesan Convention was held at Christ Church March 27-28. Many compliments were received concerning the hospitality extended by our parish.
2. The Parish Life Committee hosted a breakfast and two egg hunts on Easter Morning.
3. Packing of bags for youth "aging out" of foster care (collected food stuffs and toiletries) will be held at Christ Church on May 3.
4. A Newcomers' Reception will be held at 10:00 AM on May 3.
5. A reception for new confirmands will be held May 10.

## **ATTACHMENT C: Rector's Report – April 23, 2009**

**Personal:** It was wonderful to have some of my family here for Easter. I took two days off in Easter week to begin some college exploration with my son, Matt. It is a new stage for us, but a familiar path for others. When our children return from their mission trips (Sarah to Indianapolis with the younger youth and Matt to the DR with the older youth), our family will be spending a few days in California for the wedding of my eldest nephew. Other summer vacation plans are still to be made.

I am glad to announce that the new rector of St. Peter's Glenside has been called to begin her ministry. The Rev. Emily Richards is currently serving in as an assistant in a congregation in Connecticut and will begin her ministry as the 6<sup>th</sup> rector (and my successor) in late June.

**Pastoral:** I have been taking most of my pastoral time preparing candidates for baptism. Add to the Spirit Life report an adult Inquirer's class that I am leading on Wednesday evenings, preparing two adults for baptism and confirmation and 11 or 12 others who will be received or confirmed when the bishop visits in May. In the youth confirmation class there are about 30 candidates for confirmation. There are nine candidates for baptism (two adults, three older children, and four infants and young children) for the 9 AM service and another four candidates already for the baptisms on May 31 at Pentecost. Three were baptized at the Easter vigil. I have also visited with newcomers and am looking forward to the reception on May 3. There are several who are ill, or recovering from surgery, which, with the help of Tilly Maassen and the Pastoral Ministries Team, are receiving care. I am also aware that another round of layoffs has been announced for mid-May at Du Pont. Several members are living in anxious times; we need to frame a response for that.

**Staff:** I am grateful to work with such a dedicated and talented team. Each contributed to the effort of a meaningful Holy Week and a glorious Easter celebration. Bill Owen will be away in England for 12 days. A part of that time he will be leading a conference or workshop on choral music in Cornwall with Sir David Willcocks. In the next two months the staff will be working with the Personnel Committee to craft new position descriptions and engage in performance reviews.

As the clergy strive to serve the needs of the parish, I am hopeful the Vestry will discern God's will for the funding of a third clergy position. This remains the greatest issue for the staff at the moment.

**Parish:** We were pleased to host the **Rite-13 class** and parents for a dinner at the rectory last week. There are eight candidates for the ritual on April 26, including my 13-year-old. I'm also pleased that Lynne Turner and John Crossan have continued a small group for **older youth**, meeting on Wednesday nights. There are five who regularly attend. The **preschool** has its spring social and silent auction on May 7, and I hope that the Vestry can be present to show their support. We are also scheduled for a **Board of Directors meeting** on Monday, May 18, 2009 at 7:30 p.m. If you are not able to attend, please inform me as soon as possible.

**Diocese:** I have received two letters from Bishop Wright since the last Vestry meeting. He wrote to thank us for hosting diocesan convention and praised our hospitality and our worship. In his other letter, Bishop Wright announced the deposition of a priest of the Diocese.

I will be attending the Provincial Synod from Sunday afternoon through Tuesday evening, April 26-28. This is in preparation for General Convention, which will be held in Anaheim, California, July 6-17. I serve the diocese as first clergy alternate deputy.