



The Chapel of the Cross - 304 East Franklin St. Chapel Hill, NC 27514 919-929-2193

VM-091217

December 17, 2009 - Vestry Minutes

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## SUMMARY

At its meeting on December 17, the Vestry:

- Approved the recommendation of the Finance Committee to continue to pay staff salaries at 2009 levels until a 2010 pay plan is adopted
- Approved the recommendations of the Outreach Ministry Committee to disburse funds in the amounts of \$250 to El Centro Latino (in lieu of the \$1000 approved in November) and \$750 to the Inter-Faith Council for Social Services
- Discussed various issues that will be under consideration in the 2010 budget, which is scheduled to be adopted on January 28, 2010, including a guiding principle of retaining a minimum of 5% of the operating budget in the Program Fund, budget priorities, and mandatory increases in the budget in the areas of support of Episcopal seminaries, staff obligations, and the physical plant
- Learned that the contract for a Special Use Permit has been negotiated with the help of Alan Rimer and Syd Alexander
- Received the encouraging news that the number of pledging units has increased significantly for 2010.

## FOCUS SESSION

no focus session this month

## OPENING

The December meeting of the Vestry was held in the parish library on Thursday, December 17, 2009, following a holiday potluck supper. Vestry members present were David Dill (Sr. Warden), Ele Ross (Jr. Warden), Jimmy Satterwhite, Ann Craver, Harriet Gaillard, Doug Kelly, Bill Stockard, Valerie Bateman, Hodding Carter, Linda Rimer, and Ford Worthy. Also present were Stephen Elkins-Williams (Rector), Bill Joyner (Archdeacon), Kris Dahlberg (Director of Stewardship and Development), Mary Anne Handy (Parish Administrator), Gary Monroe (Treasurer), and Nancy Kelly (Clerk).

The Rector presided and opened the business meeting at 7:00 p.m.

## BibleStudy

Mr. Worthy led the Bible study for the evening. The Gospel reading appointed for the day was Matthew 25: 1-13. He concluded the Bible study with a prayer.

## **Timekeeper**

Ms Bateman agreed to serve as timekeeper.

## **PARISH CONCERNS**

Ms Bateman relayed to the Vestry the desire of Loaves and Fishes to have a speaker installed in the kitchen to enable them to hear the church service. Mr. Kelly said that the Buildings and Grounds Committee will follow up on this request, and he asked that such requests be forwarded directly to the Buildings and Grounds Committee as they arise. Ms Bateman will e-mail this request to Mr. Kelly.

Ms Bateman asked also that the Personnel Committee study the discrepancies between staff and clergy benefits that were mentioned at the November meeting of the Vestry.

## **APPROVAL OF MINUTES**

No corrections were made to the minutes of the focus session of November 19.

The following corrections were made to the minutes of the Vestry meeting of November 19:

p. 1, first paragraph under those present at the meeting, insert "Bill Joyner (Archdeacon)," between "Stephen Elkins-Williams (Rector)" and "Kris Dahlberg (Director of Stewardship and Development)"

p. 7, second paragraph under Master Plan Steering Committee, change "to present the report and request" to "to present the report and the request"

p. 7, fourth line in third paragraph under Master Plan Steering Committee, insert "[later changed to \$118,000]" after "estimated to be about \$132,000"

Ms Bateman, referring to Alan Rimer's assurance that a written guarantee would be secured (see second paragraph), asked how this will be followed up. Mr. Stockard said that he will follow up on this matter.

**It was moved by Mr. Dill, seconded by Mrs. Rimer, and passed unanimously, that the Vestry approve the minutes of the focus session of November 19 and that it approve the minutes of the Vestry meeting of November 1 as amended.**

## **ROLLING ACTIONS**

The tasks of Mrs. Craver (credit of \$1500 to Outreach Ministry Committee), Mr. Kelly (Vestry responsibility for providing refreshments for hospitality hour), and Mrs. Handy (addition of minutes of October 15, 2009, focus hour to Vestry notebook) have been completed and are to be removed from the list. The remaining tasks are to remain on the addendum, pending completion.

Mr. Joyner asked about an action item that had previously been on the list but is no longer listed, that of the need for having someone available at each service to troubleshoot problems with the sound system. Mr. Elkins-Williams said that Rob Sullivan and David Brown are those individuals with expertise on the system. Mr. Kelly said that more individuals could be trained but that what is needed is a small group of highly trained and motivated people. Mr. Dill suggested that the pool of trained individuals be expanded slightly to reduce vulnerability when problems arise. Ms Bateman suggested that someone is needed at every service and event to deal with any problems that arise. Mr. Kelly responded by stating that most things work well most of the time and that having a complicated structure and procedures to address all potential problems might require significant resources and not be worth the investment. Mr. Elkins-Williams suggested that an article be placed in the Sunday Crossings to ask for volunteers who are willing to be trained on the sound system.

## **CONSENT AGENDA**

The following items were placed on the Consent Agenda:

-motion of the Finance Committee to approve paying January staff salaries at 2009 levels since a 2010 pay plan will not be adopted by the Vestry until January 28th.

-recommendation of the Outreach Ministry Committee to disburse from the Discretionary Outreach line item funds in the amount of \$250 to El Centro Latino (in lieu of the \$1000 approved in November) and \$750 to the Inter-Faith Council for Social Services

Mr. Carter asked what led to the failure of El Centro Latino. He understands that funds are needed in the interim as the organizations struggle to reorganize. He suggested that this matter needs to be studied and resolved before the organization re-opens and requests additional funds.

**It was moved by Mr. Dill, seconded by Mr. Kelly, and passed unanimously, that the Vestry approve the Consent Agenda.**

## **CLERGY REPORTS**

### **Rector**

The Rector's report is attached. Also attached is a letter from Johnson Intern Program chair Watty Bowes, on the issue of exploration of the feasibility of building a structure for housing the interns.

Mr. Elkins-Williams added to his report by informing the Vestry that, following consultation with Parish Chancellor Bill Daniell, the contract for a Special Use Permit has been negotiated in final details by Syd Alexander.

Referring to item 3 of the report, the work of the Cross Roads board, Mr. Carter asked how this meshes with the coming retirement of Vivian Varner, and he suggested that there needs to be honest integration and coordination of efforts in the area of communications. Mr. Elkins-Williams agreed, and he stated that the newly created technology committee, chaired by Alan Rimer, is looking at the technical hardware and software needed to promote good communication. He added that the work of the Cross Roads committee doesn't conflict with the Personnel Committee job description for the position of Communications Coordinator and that the Cross Roads committee will adjust its work to the eventual job description.

### **Archdeacon**

Mr. Joyner reported that he continues with his ongoing activities.

## **VESTRY OFFICERS & PARISH**

### **ADMINISTRATOR REPORTS**

#### **Senior Warden**

The report of the Sr. Warden is attached.

#### **Junior Warden**

The report of the Jr. Warden is attached.

#### **Parish Administrator**

The report of the Parish Administrator is attached.

Reporting on the successful volunteer luncheon, Mrs. Handy said that the song, set to the tune of Jingle Bells, with lyrics by Mr. Elkins-Williams, was a hit and is available on You-Tube.

### **Treasurer**

Attached are the Treasurer's Report and the Combined Balance Sheets as of November 30, 2009.

The financial picture continues to be good.

Mr. Monroe reported that some pledge payments that usually come in during December were paid this year in November. As a result, December figures might not be as high as in previous years.

Ms Bateman asked about the Program Fund reserves that were budgeted to balance the 2009 budget. Mr. Monroe replied that of the \$130,000 budgeted, perhaps only up to \$50,000 will actually be needed to balance the budget.

Mr. Monroe also commented that several budget scenarios for 2010 have been prepared.

Mr. Carter commended the wonderful financial report.

### **COMMITTEE REPORTS**

#### **Finance Committee**

The report of the Finance Committee is attached.

Mr. Dill reminded the Vestry that the 2010 budget and pay plan are to be approved by the Vestry on January 28, 2010. In preparation for adoption of the budget, three scenarios have been prepared for consideration, depending on pledges received: a best case scenario, the probable scenario, and a contingency scenario. He observed that even the contingency scenario shows an increase over the 2009 budget. As in past years, the budget will be based on 97.5% of pledges.

Mr. Dill continued by addressing the decisions that were made during the 2009 budget process to close a \$170,000 gap. These decisions include using unspent income in selected endowment funds to support the corresponding line item in the budget, budgeting \$130,000 from the Program Fund to balance the budget, and freezing the budget and the pay plan at 2008 levels.

Mr. Dill communicated the good news for the 2009 budget that expenditures this year have been kept under control and a gift to the Program Fund from the Schofield estate will be received in 2010. There is further good news in that the number of new pledge units has grown significantly for 2010.

The Finance Committee recommends adoption of the guiding principle of retaining a minimum of 5% of the operating budget in the Program Fund. This would amount to \$80,000 in 2010. The Finance Committee also recommends a plan for modest and selective increases in the budget to be funded from the Program Fund.

Mr. Dill then addressed the matter of some \$19,000 in mandatory increases in the 2010 budget. These include the contribution to Episcopal seminaries, staff obligations, and the physical plant.

Budget priorities established for 2010 include an increase of \$10,896 in the Diocesan Share, an increase of \$10,000 for caring for those in need (in support of the Community Outreach line item, the Discretionary Outreach line item, the Inter-Faith Council for Social Services, Habitat, and Boy Scouts), an increase of

\$48,023 to support clergy and staff (a 2% increase in salary and benefits and the goal of funding 20% of the salary of the Director of Stewardship and Development in the operating budget), and an increase of \$12,821 for sustaining worship programs (to make up for the decrease in diocesan support for the Campus Ministry program).

Mr. Satterwhite, speaking about the Global Mission Committee, reminded the Vestry of its commitment of 0.7% of the budget to the Millennium Development Goals.

In response to Ms Bateman's wish to comment on the budget discussion, Mr. Carter suggested that she and others send their concerns to the Finance Committee via e-mail. Mr. Worthy said that the Finance Committee would particularly welcome comments on the idea of the recommended guideline to maintain 5% of the budget in the Program Fund. Mr. Kelly asked about the impact of not maintaining a minimum level in the Program Fund, to which Mr. Worthy said that the most obvious impact would be that if the funds are spent without maintaining a minimum level, the funds would not be available in future years. Mr. Monroe referred to this as a rainy day fund, and Mr. Kelly observed that it is a matter of budgeting a reserve fund.

Ms Bateman asked how the Finance Committee can justify the recommendation to fund 20% of the salary of the Director of Stewardship and Development from the operating budget when the Annual Giving Campaign spent \$30,000 in carrying out the campaign. Mr. Elkins-Williams explained that in calculating the cost of the Annual Giving Campaign, staff time, rather than additional funds from the budget, was a major factor in the total cost. Mr. Dill explained that the Director of Stewardship and Development is responsible for the Annual Giving Campaign as well as for the Capital Campaign. He recalled that the Vestry unanimously approved the job description for this position, as well as the goal of funding the salary partially from the operating budget. Mrs. Craver added that the Vestry recognized from the beginning that the Capital Campaign shouldn't have to shoulder all of the costs of salary for this position. Mr. Dill added that the position of Director of Stewardship and Development is strengthening the financial position of the church, even in these difficult financial times, and that this should be recognized in how this position is funded.

### **Outreach Ministry Committee**

The report of the Outreach Ministry Committee is attached.

Mr. Satterwhite said that the Sharing and Caring alternative gifts project will conclude on Sunday, December 20.

### **Global Mission Committee**

The report of the Global Mission Committee is attached. Also attached is a memo on the Millennium Development Goals.

Mrs. Craver highlighted the two adult education programs that will be sponsored by the Global Mission Committee in January.

### **Buildings and Grounds Committee**

The report of the Buildings and Grounds Committee is attached.

Mr. Elkins-Williams asked when the work to widen the Franklin Street driveways will be completed. Mr. Kelly replied that, given the several interim steps that need to be completed, it will likely be at least a few months before the work is done.

Ms Bateman said that an individual has approached her to volunteer to donate a wire for the speaker in the

kitchen. Mr. Kelly asked if this is the same matter that she raised in the Parish Concerns section of the meeting. She acknowledged that it is, and Mr. Kelly asked her to e-mail this information to him along with the original request from Loaves and Fishes.

Ms Bateman, referring to item 1 of the report, suggested that a notice be put in the bulletin asking for donations to fund the purchase of the chairs. Mr. Kelly said that this might conflict with other fund-raising efforts in the parish, and he said that he would not solicit donations without consulting first with the Director of Stewardship and Development.

### **Children and Family Ministry Committee**

The report of the Children and Family Ministry Committee is attached.

### **OTHER REPORTS**

#### **Director of Stewardship and Development**

The report of the Director of Stewardship and Development is attached. Also attached is a pledge history for the period 2003 to 2009.

Mrs. Dahlberg said that she is pleased with the pledges so far. There are still more than 100 pledging units that have pledged in the past but have not yet submitted a pledge for 2010, and she asked Vestry members for help in following up with these individuals via e-mail. In order to avoid duplications of efforts and to ensure that all names are contacted, the Vestry agreed on a system to determine who will be responsible for which names on the list.

Mr. Carter asked if there are any patterns among new pledge units. Mrs. Dahlberg said that about 50% are over age 40 and 50% under age 40.

Mr. Satterwhite asked about parishioners who are members but who don't pledge. Mrs. Dahlberg said that this is something that she wants to work on. Mrs. Craver asked if not wanting to make a commitment might be a generational issue.

Mr. Worthy informed the Vestry that the Stewardship Committee plans to track pledges by age.

Mr. Worthy suggested that it would make more sense to have the report of the Director of Stewardship and Development immediately following the report of the Finance Committee. Mrs. Handy will make this change to the agenda.

### **CONCLUSION**

The Rector offered a prayer and the meeting adjourned at 8:45 p.m.

Respectfully submitted,

Nancy F. Kelly  
Clerk of the Vestry

### **LIST OF ATTACHMENTS**

- - - Consent Agenda
- - - Treasurer's Report
- - - Combined Balance Sheets as of November 30, 2009
- - - Finance Committee Report

- - - Sr. Warden's Report
- - - Jr. Warden's Report
- - - Rector's Report
- - - Report of Johnson Intern Program RE: Housing of Johnson Interns
- - - Outreach Ministry Committee Report
- - - Global Mission Committee Report
- - - Memo: Millennium Development Goals
- - - Buildings and Grounds Committee Report
- - - Report of Director of Stewardship and Development
- - - Memo RE: Pledge History for the Period 2003 to 2009
- - - Parish Administrator's Report
- - - A Song in Appreciation of Our Volunteers, with Original Lyrics by the Rector
- - - Children and Family Ministry Committee Report

## **ADDENDUM**

**Mr. Joyner and Mr. Satterwhite** - Work with Social Ministry Committee and Treasurer to clarify where tithes from bequests are to be placed prior to the decision to expend the money for work outside the parish.

**Mr. Elkins-Williams** - Ask Van Quinn for lists of choir members to be published in Sunday bulletin from time to time.

**Treasurer and Finance Committee** - Study issue of whether allocations of Global Mission Committee need to be approved by Vestry.

**Ms Bateman** - Communicate request of Loaves and Fishes to Buildings and Grounds Committee.

**Mr. Kelly** - Look into possibility of expanding number of individuals trained on sound system.

**Personnel Committee** - Study discrepancies between staff and clergy benefits.

**Mr. Stockard** - Follow up with J. B. Culpepper for written guarantee that plan will be honored even if building is staged.

**Mrs. Handy** - Change agenda to place report of Director of Stewardship and Development immediately after report of Finance Committee.