

**THE NEXT MEETING OF THE VESTRY
OF THE CHAPEL OF THE CROSS
WILL BE ON THURSDAY, JANUARY 16, 2020
IN THE OVERLOOK ROOM
AT THE CHAPEL OF THE CROSS
with the business session to begin at 6:00 p.m.**

**Draft Minutes of the Vestry of the Chapel of the Cross
19 December 2019**

Following a delightful holiday potluck dinner, the December meeting of the Vestry of the Chapel of the Cross was held in the Overlook Room on Thursday, December 19, 2019. Vestry members present were Dick Taylor (Sr. Warden), Nancy McGuffin (Jr. Warden), Leigh Ann Dasher, Molly Dempsey, Carrie Fraipont (Treasurer), Carol Marshall, Charlie McClaskey, Emily Moseley, Sabrina Olsen, Stephanie Perun, Alan Rimer, Lee Wollman, and Allison Worthy. Also present were Elizabeth Marie Melchionna (Rector), Noah Van Niel (Associate Rector), Mary Cat Young (Associate Rector for University Ministry), Damon Williams (Intern), and Faith Turchi (Parish Administrator and Stewardship Manager).

The Rector presided and opened the meeting with a prayer at 6:18 p.m.

Devotional

Ms. Olsen began the Bible study with a prayer.

The Gospel reading appointed for the coming Sunday was Matthew 1: 18-25. Ms. Olsen concluded the Bible study by asking all to join her in saying the Lord's Prayer.

Consent Agenda

The following items were placed on the Consent Agenda (attached):

- Approval of minutes from the November 21, 2019 meeting of the Vestry
- Acceptance of Rector's Report (attached)
- Acceptance of Associate Rector's Report (attached)
- Acceptance of Associate Rector for University Ministry Report (attached)
- Acceptance of Finance Committee October Report (attached)
- Acceptance of Treasurer's November Report (attached)
- Acceptance of November 2019 Financial Reports (attached)
- Acceptance of Capital Campaign Report (attached)
- Acceptance of Buildings and Grounds Report (attached)
- Acceptance of Personnel Committee Report (attached)
- Acceptance of Faith in Action Report (attached)
- Acceptance of Parish Life and Worship Report (attached)
- Acceptance of Christian Formation Report (attached)
- Acceptance of Youth and Family Ministry Report (attached)
- Acceptance of Parish Administrator/2020 Annual Campaign Report (attached)

Emailed reports added to the Consent Agenda (attached):

- Communications Report
- Preschool Report
- Safety Committee Report
- Parish Discernment Committee Report

It was moved by Mr. Rimer, seconded by Mrs. Wollman, and passed unanimously, that the Vestry approve the Consent Agenda.

Rector

Ms. Melchionna read the Parish Discernment application for Weston Morris and thanked the Parish Discernment Committee for their service. She also offered to connect Vestry members with Weston who is in town for the holidays. The Parish Discernment Committee will put forward its recommendation to the Vestry for a vote.

The Rector asked Vestry members to help out at Christmas services given the larger than normal attendance expected. She also commended the work of the signage committee on the new signs in front of the building.

The Vestry nomination period is open and Vestry members were asked to have conversations with people with whom we would like to serve.

John Branson has agreed to step in while the Rector is out on parental leave. His fees will be covered by Ms. Melchionna's short-term disability insurance.

No comments have been received about the change in focus of the Capital Campaign.

The flood in the Preschool during Thanksgiving week was discussed. Staff responded well and everyone now knows where the water main shut off is located.

Buildings and Grounds

Ms. Dempsey, chair of Buildings and Grounds, reported that a lot of remediation needed to be done in the basement due to the flood. Repairs are estimated at \$7,500-8,000. The Preschool was very pleased with the responsiveness and support provided by the church.

Buildings and Grounds is aware of the temperature fluctuations in the Chapel and church and is working on moderating them.

The Safety Sub-Committee of Buildings and Grounds conducted a successful fire drill and Safety Fair on November 24 and evacuated all services to the Morehead Sundial in under 2 minutes.

Personnel

Ms. Dasher reported that the Personnel Committee has revised and revamped the Personnel Manual. The last update was in 2017. The following revisions were made:

- The leave day after Christmas was shifted to Easter so there are now 2 days off after Easter.
- Requests from the news media are now directed to the Senior Warden rather than the clergy.
- Living Wage statement has been added to the manual.
- Additions to compensation for both clergy and lay persons will be adopted when the annual budget is approved by the Vestry. Cost of living adjustments will be effective January 1.
- Termination of any lay employee can be made at any time without cause as an at-will employee. Two weeks' notice for involuntary separation has been eliminated.

Ms. Dasher asked for a motion to approve the proposals put forth by the Personnel Committee. The proposals passed unanimously.

November Financials and Treasurer's Report

The Treasurer's Report and the monthly Financial Reports as of November 30, 2019 are attached.

Ms. Fraipont reported that there is a deficit in the operating account of \$92,000 which is higher than usual. Pledged contributions are coming in slowly. November pledge income was not as high as anticipated however, 97-98% should come in in December which will help us break even. The order for debt repayment of \$400,000 was placed on December 19. As of December 31, 2019, the balance will be \$1.3 million.

2020 Budget

The 2020 Operating Budget is attached.

Ms. Olsen framed the budget discussion with our mission and vision. The 2020 budget is based on total revenues of \$1,913,709 a modest increase of \$27,139 or 1.4% over 2019. Contributions from parishioners account for \$1,705,000 including a budget for pledges of \$1,565,000 (based on expected pledges of \$1,600,000 reduced to reflect the historical collection rate of pledges). Other contributions from parishioners include: plate income, unpledged contributions and prior year pledges. As of December 19, we have received 511 pledges totaling \$1,585,424.

Ms. Olsen led the Vestry through the details of the budget.

The Outreach Diocesan Share, which is established at Convention, was decreased by \$1,000 in the 2020 budget.

ABC Sale income was extraordinary in 2019. 2020 has been budgeted to reflect average sale performance with a formal plan in event the budget is exceeded or falls below the budget. If ABC Sale revenues are strong, 75% of the excess over the \$25,000

budgeted amount will be allocated to Faith in Action and 25% will be retained to shore up possible shortfalls in future years. Ms. Melchionna noted that the Binkley Sale made \$10,000 less this year than in previous years. The proposed plan will create a reserve for Faith in Action should ABC Sale revenues fall short in future years and allow for spending above the annual budget based on actual experience.

The increase in Worship and Music expenses is higher in the 2020 budget due to the increase in the number of choristers and the inclusion of annual maintenance fees for the Dobson organ in the Chapel.

Computer Maintenance in Administrative Expenses is down due to a change in IT vendors.

Annual audit expense will increase by \$2,400 in 2020 as a new contract period will begin and Search and Moving expense of \$3,000 reflects the Reimagined Curacies annual expense. The stewardship and business expenses also include the \$35,000 annual commitment to pay interest on the bank loan and \$11,753 to support our ongoing capital needs.

Salaries and Benefits includes an annual increase ranging from 3-4%, specific adjustments to reflect changes to the scope of work and the decision to outsource the facilities management role to service provider, City Wide. The Vestry acknowledged there is a business risk associated with this new practice.

The \$150,000 undesignated gift that will be received in the next six months will follow the allocation of gifts from bequests plan that was approved by the Vestry in September 2018:

- 40% to the Program Fund
- 30% to the Capital Fund
- 20% for Worship and Program Support Endowment
- 10% to the Social Ministries Fund

Approval was requested to use \$20,000 of the Program Fund allocation from this bequest for redesign and redevelopment of the parish website. This request was included as part of the overall budget approval recommendation.

The Vestry also reviewed the 2020 Capital Plan which proposed \$50,000 of funding for specific projects. There were no disagreements regarding the priorities and spending presented.

The Rector informed the Vestry that a budget information session would be held for those interested a week before the annual meeting.

The Finance Committee proposed that the Vestry adopt the 2020 Annual Operating Budget, the website development budget and the 2020 Capital Plan.

It was moved by Mr. Taylor, seconded by Ms. Moseley, and passed unanimously, that the Vestry approve the 2020 Operating Budget, the website development budget and the 2020 Capital Plan as presented.

Family Time

The Vestry engaged in informal discussion of parishioners who had not been seen at church services recently, with follow-up assigned as needed. Vestry members also shared names of newcomers whom they have recently met. A heartfelt thanks was made to Diocesan intern, Damon Williams.

Adjournment

The meeting was adjourned at 8:59 p.m.

Respectfully submitted,

Allison Worthy