

St. Andrew's Episcopal Church
Vestry Meeting – September 20, 2006

Present: Rector Constance Delzell, Deacon Sally Brown, Senior Warden Rick Larson
Junior Warden Cyn Croasdaile, Jennifer Barker, Jonathan Coldren, Roger
Kilgore, Mike Kornelsen, Greg Geissler and MaryAnn O'Brien

Absent: Mary Buck, Nicola Donaven, and Christy Cisneros,

Attending: Treasurer Kathy Fleming, and Clerk Cheak Yee

Jennifer offered the opening prayer. The Agenda for this Vestry Meeting was adopted as distributed. Three corrections were noted and effected on the draft Minutes of the August 16, 2006 Meeting of the Vestry; the corrected Minutes were moved, seconded, and approved.

Report on Sacred Vision/Sacred Space. Task Force Chairman Roger distributed a Scenario Summary comparing three Scenarios for current, for two-parcel land acquisition, and for one-parcel land acquisition on this Project in terms of immediate costs and income; the Summary also indicated how the shifted allocations need not affect the annual long term (20-year) projected financial impact on the Parish budget for this Project. Finally, the Summary specified five discussion questions related to the uncertainties arising from the possibility of acquiring the two parcels adjacent to the Parish. For example, the price per square foot involved is only an estimate. The basic trade off of course is that with more capital invested into land acquisition, less is available for construction; so a basic concern is how this impacts the elements of our intended ministry from this sacred space if construction aspects are reduced/reallocated. It is believed that the direct construction contingency planning/cost would scale down if land is acquired and the timing of the cash flows involved would shift. We presume that land acquisition would be favorably viewed by our lender given our central city site, but ongoing mortgage outlays could be potentially involved, and that would likely demand further membership growth and financial support. It was noted that often, immediately after a construction capital campaign concludes, if a mortgage is involved, a parish community will opt to launch a second capital campaign to retire that mortgage, thus prolonging the duration when parishioner giving and growth must rise from current levels. The SV/SS task force recommends that Ethan Allan be tasked to refine planning aspects given these land-acquisition scenarios.

Roger moved that Ethan Anthony review these land-acquisition scenarios for impact on construction design, scope, cost and schedule, with the estimated \$7500 cost of this review to be covered from Endowment Fund allocation; Jennifer seconded. Discussion ensued, focused on the four priority elements of the Ministry Program being advanced by construction through this capital campaign.

The consensus of the Vestry was that having more sanctuary space to accommodate readily 200 worshippers attending remains the first priority of the desired construction, and that having construction produce flexibility for multiple uses is also vital. Among the scenarios, it is preferred to have Mr. Anthony's analysis focus first on the no-land vs. two-parcel contrast; it may later become clear that (if two-parcel presents substantive difficulties) to review the one-parcel possibility. Roger clarified that design review will link to the usual three phases: producing a schematic, then a fuller design, and finally the construction documents. The

timeframe for Mr. Anthony's review would be to have preliminary assessments ready in October and complete in November. (The capital campaign is scheduled to launch February 20, 2007.) Roger reminded that even the no-land original option was not certain to have fully achieved all four priority elements desired in the Ministry Program. The consensus of the Vestry was to proceed in a flexible manner and let unfolding conditions permit as needed future decisions to shape how far, how fast, we attain these long-term and desirable goals. The motion was adopted unanimously.

Roger then moved and Greg seconded a motion that a non-binding letter of intent to purchase adjacent lot(s) be submitted by the Senior Warden, with the advice of the Sacred Vision/Sacred Space Task Force, to the owner thereof, whose recently re-expressed interest to sell has engendered these considerations. A discussion ensued on the timing, parameters and related aspects for such an issuance. It is uncertain how firm the intent to sell is, whether there is any clear expectation of a price (or range) that is acceptable, and whether the seller would perhaps consider flexible terms and structuring for acquisition by the Parish. The consensus of the Vestry was that, given certainties might emerge with unanticipated rapidity, and choices might need to be made on steps to take, before or between Vestry meetings, this procedure would authorize appropriate action and at least a certain level of prior consultations. The motion passed unanimously.

Appointment of Nominating Committee. It was noted that our Bylaws provide for the retiring members of the Vestry to constitute a committee on nominations to canvass parishioners and to recommend candidacies to fill their seats. The formal appointment of such a Committee as of this Vestry meeting was therefore, and thereby, effected.

Report of Stewardship Committee. Chairman Greg reviewed a number of aspects that he believed ought to guide the Stewardship Campaign this autumn.

- 1) A short, concentrated period of time is important for most effective focus;
- 2) A clear goal to reach with timely reporting on progress towards that goal;
- 3) A committee membership combining persons with experience and new insights;
- 4) A budget clarified to be comprehensive and sustainable as underlying goal;
- 5) Commencing specifically on Sunday October 29 and concluding on Sunday after Thanksgiving, November 26, our Patronal Feast.

The suggestions were made that, as the campaign unrolls this year, we invite not only newcomers to pledge but we also encourage that pledges at the rates promised for 2007 could begin to apply as of the rest of 2006. (This would not be a doubling up of pledge amounts of the two years, but only the early commencement of the new and presumably higher level.) The Vestry agreed by consensus that this approach would be an appropriate aspect this year and possibly beyond for the period when budgets are based on increased giving and growth.

Report on Annual Auction. Coordinator Nicola submitted a written report in her absence, which was summarized by the Senior Warden. Highlights thereof were as follows:

- a) Appropriate software and almost sufficient number of volunteers are on hand;
- b) Rolling closeouts on bidding will be used to heighten excitement and bid amounts;
- c) We are prepared to be collecting and paying city sales taxes as required;
- d) Menu, beverages, and workflow plans are arranged; donations are being received.

e) Providing security by firm or a qualified person(s) will need to be arranged. In discussion, an informal goal of raising \$25,000 was set for this auction event. It was noted that in addition to city taxes, there may be state taxes which apply if the event generates more than \$25,000.

Report on Keeping Faith Initiative. Senior Warden Rick noted that contributions are nearing the \$20,000 mark; on the specific project of organ expansion, one pledge has been received, but funds for this purpose are not yet received. To query if the pace of donations is on track to meet the goals involved, Senior Warden Rick indicated he would assess this in particular and report back.

Mother Connie noted that we are getting close to the \$25,000 needed to match the Vogelzang funds, and we need to consider how these will be spent. She suggested that the Vestry consider two possible purposes:

- 1) up to \$25,000 towards retaining a priest assistant on a part-time (20 hours per week maximum) basis; and,
- 2) up to \$25,000 dedicated to ministry(ies) beyond our walls.

Mother Connie noted that a second priest could enhance our pastoral care for both the young and the elderly, especially the sick and shut-in. Moreover, the needs of youth for our Parish are more than for the very young, and will reach up to age 18 as our children mature.

In discussions, it was noted that a second priest need not be sought specifically for a one year appointment (for which recruitment might be difficult); the funds could be allocated over more than 12 months' time given the part-time rate. There was consensus that the need for additional clergy is evident, and that if this additional resource in pastoral care brings about its anticipated benefits, the Vestry and Parish could then take the steps necessary to budget for it on a longer-term or fuller-time basis, and to engender the additional response in stewardship needed to support its continuation. (Such an assistant priest would not be eligible to be called as Rector when Mother Connie retires.)

With regard to ministry outside our walls, Mother Sally urged that our Outreach and Evangelism Committees coordinate to discern between them the best foci for this activity. She noted that this Parish has richly provided for the whole Church in the candidates it has discerned and recommended for ordination, but that we ought to follow up on this with some formal budget allocation, however small, for the support of our seminarians.

In terms of organ expansion and a heightened profile for music ministry, the sense of the Vestry was that this specialized area of interest and support can and will be addressed in due course by those who have already indicated their particular devotion to it; in the meantime, the question would be to prioritize and publicize our intended uses for the Vogelsang funds.

Mother Connie moved, and Roger seconded, that the Vestry approve \$25,000 to be spent on ministry outside our walls, and \$25,000 to retain an assistant priest on a part-time basis who will focus especially on needs in pastoral care and Christian education.

A concern was expressed that this motion would utilize funds raised for capital needs instead for an item (clerical salaries) which ought to be a regular operational cost. Similarly, the Vestry has recognized a need to regularize and improve our maintenance aspects by hiring a Sexton on some basis. In terms of the contract to be offered to such an assistant priest, it was suggested that the term be defined through December 31, 2007 with the possibility of extension so that there is both a benchmark and flexibility. The sense of the Vestry was that we recognize the need to expand and improve our care for both our people and our plant, and that hiring an

assistant priest (assuming it proves possible) expresses a goal, rather than establishing a fixed commitment on addressing this need alone or above the context of all our concerns going forward. The motion was passed with one dissenting vote.

Report of the Rector. Mother Connie noted that she has been serving as a consultant to the Episcopal Church of the Holy Redeemer, which is designated as a “very imperiled” parish due to its average age, size of membership, state of finances and physical plant. This new Diocesan designation is intended to focus attention on those parishes where additional support is critically needed for redevelopment (to achieve survival and renewal), or for a discernment as to its ultimate disposition. Mother Connie noted that if the option selected is redevelopment, then Holy Redeemer would surely need the involvement and commitment of a younger and active leadership team. This may be an avenue for ministry that many here at St. Andrew’s could undertake with minimal outlay of funds, but through a commitment of talent and time.

Mother Connie also noted that two estates of devotedly loyal parishioners who recently passed to eternal life will be providing significant bequests to our Endowment Fund.

Report of the Deacon. Mother Sally reminded that our in-gathering for the St. Francis Center is upcoming in October and that this was a vital ministry to the homeless as autumn turns to winter.

Mother Sally distributed the recommendations of the Outreach Committee on how to devote the \$4097.00 from the Endowment Fund recently authorized by the Vestry for this purpose. She warmly commended the discernment process used by the Committee as a model for avoiding a laundry-list approach. The recommended seven recipients are agencies or activities which are themselves continuously empowering and generating positive ramifications well beyond their direct impacts. Moreover, these recommendations are consonant with the United Nations Millennium Development Goals. Greg moved, and Mike seconded, the approval of the Outreach Committee recommendations; the motion passed unanimously.

Senior Warden Rick indicated he did not have specific items to report.

Report of Junior Warden. Cyn reported on emerging details and decisions regarding the ongoing restoration projects. Highlights were:

- a) The wood frame on the east tower window needed repair and repainting prior to a protective glazing; in view of the desire that all the wood trim eventually be restored to the original brown color on both church and parish house, she determined that we will begin this process with the east tower window;
- b) The aisle stained glass windows work will also be soon underway; interior ladder installations may cause pews to be shifted during the week, but they will be back in place in time for our Sunday liturgies;
- c) The State Historical Fund has decreed that any original (or later) mortar that didn’t need to be replaced was to be left intact. This significantly changes our original intent to repoint the entire building; it will result in an overall cost savings of about \$12,000, and that in turn will reduce our matching funds by 25%, or about \$3,000.

Cyn noted that after tree removals and pruning, about \$1,000 remains from the Endowment Fund distribution for capital purposes recently approved by the Vestry. Our grant covers 75% of the architectural fees involved, but not the travel costs of Ethan Allan to supervise the masonry work. A previous trip has already been billed for at about \$500 and a further likely equal amount

will be incurred for his October 10 masonry supervision trip (which will also provide an occasion for him to meet with Roger and the Sacred Vision/Sacred Space Task Force). Cyn believed this would be an appropriate capital usage related expenditure; she moved that the remaining Endowment Fund distribution for capital use defray the airfare costs of Ethan Allan incurred to supervise our masonry restoration; Roger seconded, and the motion passed unanimously.

Report of the Treasurer. Kathy distributed several items for information and consideration of the Vestry:

- 1) Unaudited Financial Statements as of August 31;
- 2) August 2006 Financial Status;
- 3) Outline of 2007 Budget; and,
- 4) Information on electronic automatic payments for pledges.

She mentioned that her research into the possibilities and constraints involved in obtaining an unsecured line of credit for the Parish to ameliorate cash flow management has yet to produce much data.

Kathy noted that the process of clarifying and improving the management and accounting for grocery coupon sales continues; similarly, the process of adjusting accounts and entries is also proceeding. The shortfalls persist at levels which continue to pose problems for operations, so it is hoped that with autumn season beginning, our income rate will revive. Overall, we continue to be behind on actual vs. projected budget for 2006 by a significant margin. Hopefully the annual auction will cut into this deficit considerably.

In terms of the 2007 budget, she intends a process both realistic and interactive with each of the leaders or officers of the various budget/cost centers. This will involve a process of gathering and analyzing data with as much care as possible.

The Finance Committee recently met and is reviewing various ideas. It is suggested that on the third or fourth Sunday of each month a report on our Financial Statement figures might be presented to the Parish. A concern was expressed that confusion might set in with parishioners if we report both weekly or recent collections vs. prorated budget needs, plus these figures which often require complex examination and perspective. Also, it was thought that if the focus is only on reporting the level of deficit, this would not be an encouraging process; moreover, a deficit figure likely reflects in an overly negative manner on the one hand those who have passed or moved away, and on the other hand those who are new and are not yet formally pledging regularly.

The consensus of the Vestry is to continue with informal and personal appeals in worship bulletins or by announcements, and to be careful about the nature and frequency of reporting financial figures to the Parish where many will not have the experience or background of understanding budget and specialized reports. This posture can be reassessed after we see how well the auction helps get our finances back on track.

To a query on how soon a final accounting of the former Capital Campaign figure can be reflected in our Financial Statements, Kathy indicated that she will aim to achieve that by the next Vestry meeting, and in any case to have it resolved before our Stewardship Campaign begins in late October.

With regard to the possibility of offering electronic withdrawals for those who pledge, the consensus of the Vestry is that this would certainly be worthwhile exploring given the

widespread use of and familiarity with this technique, and its possible benefits for our cash flow especially during the seasonal doldrums of the summer.

Mother Sally reminded that she will be away from October 9-25.

Mike offered a closing prayer and the meeting adjourned.

Next Vestry Meeting: October 20, 2006

Respectfully submitted,

Cheak Yee, Clerk