

# St. Stephen's Episcopal Church

## Vestry Meeting

November 15, 2011

The Vestry of St. Stephen's met on Tuesday, November 15, 2011. Those present were the following: Becky Boyers, Mary Anne Burke, Hank Chambers, Beese Craigie, Keith Dull, Bill Goodwin, Mark Krudys, Alice Meadows, Benita Miller, Cotes Pinckney, John Sherman, David Shuford, Karen Wise, and Robert Allen, Treasurer.

Clergy and Staff attending: David Anderson, Weezie Blanchard, Matt Johnson, Janet Allen, Steve Simon

Also present: Bev Bates, Lowndes Burke, Carol Dickinson, LH Ginn, Eppa Hunton, Lynn Ivey

In Gary Jones' absence, Weezie Blanchard called the meeting to order. Cotes Pinckney gave the opening prayer.

The minutes of the October meeting were approved.

Capital Campaign Discernment Process – Lowndes Burke, Carol Dickinson, LH Ginn, and Lynn Ivey

Carol Dickinson updated the Vestry on the activities of the Capital Campaign Committee. Since the decision was made in September to scale back the projects, Carol, Lowndes, and others have been reviewing the proposed projects. They have engaged more parishioners in the process. Carol believes it is time to move forward and take care of St. Stephen's needs.

LH Ginn, Co-Chairman of the Building Committee, presented the "Design Development Estimate" prepared by the contractor, Taylor & Parrish. (Please refer to document for specifics)

LH and Lynn Ivey walked the Vestry through the report and made the following comments:

- HVAC – estimate is higher than original figure as it now includes demolition work that was previously included elsewhere; estimate includes radiant heat which should be more efficient and a "green" alternative
- Accessibility Upgrades – this is a high priority, includes making Church entrances easily accessible using ramps (no steps) and automatic door openers, a Chancel wheelchair lift, and an elevator at the parking lot entrance; other smaller issues that the committee will continue to study include the uneven flagstones

- Memorial Garden, Meditative Garden, Labyrinth, and Parking Lot – estimates are based on drawings/plans by Water Street Studio/3 North; proposes using one lane of permeable pavers along Somerset side of parking lot; Memorial Garden Committee will study the proposed plans and determine whether to make changes now or wait and do in the future
- Sacristy – minor changes and improvements only as the Altar Guild ladies do not want to use the lower level; improvements will include new AC/heat and lighting
- Nave Refurbishment

Currently, the total cost for the proposed projects is \$7,253,730 which includes construction costs, design fees (10%) excluding Terry Eason's, and owner contingency (7.5%). LH noted that there are a lot of question marks and he emphasized that this is the first pass at this.

The following individuals have been asked (or are to be asked) to be on the following committees to review and monitor the various aspects of the projects:

HVAC – John (JF) Dunlap, Charlie Ayers

Sacristy – Bev Bates, Fern Newsom

Nave – Thomas Parrish, Mike Locher

Accessibility – Kate Roy Christian, Dixon Christian

Memorial Garden – Richard Clary, Kay Clary, Sara Hargrove, Alice Meadows

Parking Lot – Douglas Wallace

Chancel – Doug Carleton, Ben Emerson

Green Team – Peter Pastore, Tim Hamnett, Lynn Ivey

Next steps include the architect putting together the Plan of Development for City Hall (this can take a while), preparing construction drawings, and then obtaining a building permit from the City. The various in-house committees will continue to review plans and be “hands on” as situations are evolving.

In the discussion that followed, there was a variety of comments and questions:

- There are differences in costs from what was initially included in the capital campaign brochure. Most are due to changes made following the discernment process.
- The Capital Campaign Committee wants each proposed project to be fully vetted researched and investigated.
- Outreach was not included in the \$7 million figure as that was totally construction related. Based on discussions from the discernment meetings, Outreach should be 10% of our capital campaign.

- The next steps for Carol and Lowndes' teams would be to develop a plan for presenting this to the congregation and to continue to involve parish representatives based on expertise, knowledge, and interest.
- It was suggested that we study further the radiant heat proposal to fully understand the operating costs/benefits, installation costs, and repair/replacement guarantees before committing.
- It was noted that the figures presented by LH is a working document and at this time, a sensitive one and not one for public distribution.
- A comment was made that at some point, the Vestry needs to spend time (at least a half day) studying the proposed projects and become fully informed. As a result, a request was made to Carol and Lowndes to develop a time line and include what comprises each step (for example, feasibility, survey, etc.)
- Questions and comments about the survey included a clearer definition is needed and how it is going to be crafted.
- Another request was a description of the proposed projects and the reason for urgency.

David Anderson, attending his last St. Stephen's Vestry meeting before moving to St. James the Less in Ashland, VA to become the Priest-in-Charge, reflected on his nine years at St. Stephen's.

### Standing Committee Reports

#### A. Finance Committee – Robert Allen

Robert presented the attached financial reports as of October 31, 2011. He commended the staff for their unbelievable job of controlling expenses. Robert noted that as the year comes to a close we are again depending upon parishioners to pay their pledges and consider additional gifts to the Church. The Finance Committee met earlier in the day and began discussion on the 2012 budget.

The Vestry will discuss the 2012 budget at its next meeting – Tuesday, December 20<sup>th</sup>  
PLEASE NOTE that the meeting will begin at 5:00 pm

#### B. Buildings and Grounds – David Shuford

1. As reported at the last Vestry Meeting, the B&G Committee has identified a list of projects that need to be addressed in 2012. David met with LH Ginn to review the list and determine if any of the projects could be rolled into those planned for the capital campaign. A number can be covered including projects such as plaster

- work and roof inspection/repair. Others (computer server needs, parish hall floor refinishing, for example) cannot and will need to be included in the 2012 budget.
2. Debbie Gibbs has been engaged by the Church to sell the Livy House. Debbie notified David that she has asked Jim Ransone to co-offer it with her and that they are donating their services to St. Stephen's. She feels this is a good time to sell the house. Several parties have expressed an interest in the house to the Bank of America Representative. Bob Livy left the house, most of the furnishings (which were recently sold at an estate sale, we have not received an accounting yet), and a bequest to St. Stephen's in his will.

### Project Team Reports

- A. Vestry Nominating Committee – David Shuford reported that the committee met twice and selected a strong slate. Calls have been made and they are waiting to hear back from one individual.
- B. Wonderful Wednesday Community Thanksgiving – The staff came up with the idea of having a “community” Thanksgiving meal at the November 23, 2011 Wonderful Wednesday dinner. The Monday Food Ministry participants have been invited as our guests. Donations to cover the dinner will be accepted prior to and after the event but not the night of the dinner.
- C. Holiday Memorial Service – The Holiday Memorial Service will be held at St. Stephen's on Monday, December 12, 2011 at 7:00 pm. This service, for those who have lost children, is a beautiful one that is open to the entire community.

### Senior Warden's Report – Keith Dull

- A. Diocesan Pledge – Our 2012 pledge to the Diocese is due November 30, 2011. For 2011, we used the following formula to determine our Diocesan pledge: reduced the amount of pledges we had received on 11/30/2010 by 5% then calculated 10% of the remainder for St. Stephen's Pledge. It was moved and seconded that we follow the same procedure this year. A letter will accompany the pledge card stating that we may increase our gift. The motion passed.
- B. December Vestry Meeting – The December Vestry Meeting will be held on Tuesday, December 20, 2011 at 5:00 pm. Please note the time change.
- C. Stewardship Committee - The following individuals have agreed to sit on the Stewardship Committee: Allen Goolsby, Chairman; Kathryn Angus, Gussie Bannard, Bill Goodwin, Mark Krudys, Duncan Owen, Cotes Pinckney, and John Sherman. This group will focus on the income of St. Stephen's including determining the best

- practices of how to run the canvass and exploring alternative sources of income. The group's first meeting will be December 19, 2011.
- D. Canvass Report – see attached

Rector's Report – Weezie Blanchard for Gary Jones

- A. Staffing - Weezie thanked all for their support during this challenging time with Gary's illness and David's leaving. She noted that at the staff meeting today, everyone was energized, creative, and willing to keep things going right on track. Regarding clergy staffing, David's last Sunday will be November 20, 2011. Matt is in place, and Bill Sachs and Tom Smith have also jumped in to assist with numerous responsibilities. We are moving ahead with hiring an additional priest. Weezie is aware that there are unknowns but at the moment all is going well. She will remain vigilant in monitoring the situation. She said that Gary is very much in touch with the clergy and staff, and is still running the show!
- B. Organ Console – Dan Moriarty shared some background with the Vestry regarding the organ console. The console was built in 1968 and over time, parts have worn out. In the past, work on the console was deferred. It is not too late, and should be tended to for the organ's well being. Several situations have caused various problems. Sounds were added to the organ when it was installed in 1968, but the 'insides' weren't changed to accommodate the added sounds and this contributed to wear out. Also, for a while, the organ console was running on the wrong amount of DC power which in turn had an impact on the contacts. With increasing regularity the contacts are failing and odd dead notes pop up randomly. It is Dan's recommendation that we do something about the organ console. The options would be to repair the existing console or purchase a new one and both options should be studied. Dan's best guess for estimated costs would be around \$75,000 to repair what we have or \$125,000 for a new console.

The Vestry then went into Executive Session.

Mark Krudys closed the meeting with a prayer.

St Stephen's Episcopal Church  
 Summary R & E Report as of October 31, 2011  
 Centennial Capital Fund:

	2010 Actual	2011 Actual	Total
<b>Revenues</b>			
<b>Centennial Fund Revenue</b>			
47-000 - Centennial Fund Pledge Income	\$0	\$509,421	\$509,421
47-002 - Interest Income	\$0	\$2,087	\$2,087
47-003 - Centennial Celebration Income	\$59,533	\$46,625	\$106,158
<b>Total Centennial Fund Revenue</b>	<b>\$59,533</b>	<b>\$558,133</b>	<b>\$617,666</b>
<b>Expenses</b>			
<b>Centennial Fund Consultant Expense</b>			
57-000 - Centennial Fund Consultant (ECF)	\$3,260	\$16,907	\$20,167
57-001 - Centennial Fund Consultant (SS)	\$35,535	\$50,436	\$85,971
57-002 - Centennial Fund Supplies	\$361	\$261	\$622
57-003 - Centennial Fund Equipment	\$0	\$2,626	\$2,626
<b>Total Centennial Fund Consult Expense</b>	<b>\$39,156</b>	<b>\$70,230</b>	<b>\$109,386</b>
<b>Centennial Fund Celebration Expense</b>			
57-004 - Speaker/Preacher Series	\$27,801	\$47,715	\$75,516
57-006 - Worship/Music Events	\$50,325	\$30,937	\$81,262
57-007 - Other Centennial Events	\$16,028	\$4,159	\$20,187
<b>Total Centennial Fund Celebration Expense</b>	<b>\$94,154</b>	<b>\$82,811</b>	<b>\$176,965</b>
<b>Centennial Fund Church Bldg Expense</b>			
57-008 - Architect Fees	\$40,566	\$128,040	\$168,606
<b>Total Centennial Fund Church Bldg Expense</b>	<b>\$40,566</b>	<b>\$128,040</b>	<b>\$168,606</b>
<b>Centennial Fund Church Grounds Expense</b>			
57-008 - Architect Fees	\$5,000	\$0	\$5,000
<b>Total Centennial Fund Church Grounds Expense</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$5,000</b>
<b>Centennial Fund Admin Expense</b>			
57-015 - Stock Fees/Commissions	\$0	\$5,186	\$5,186
57-016 - SunTrust LOC & Bank Fees	\$0	\$648	\$648
<b>Total Centennial Fund Admin Expense</b>	<b>\$0</b>	<b>\$5,835</b>	<b>\$5,835</b>
<b>Total Expenses</b>	<b>\$178,876</b>	<b>\$286,915</b>	<b>\$465,791</b>
<b>Total Revenue over (Under) Expenses</b>	<b>(\$119,343)</b>	<b>\$271,218</b>	<b>\$151,875</b>

**St. Stephen's Episcopal Church**  
**Summary R & E Report as of October 31, 2011**

**Operating Fund:**

	MTD Actual (This Year)	MTD Actual (Last Year)	YTD Actual (This Year)	YTD Actual (Last Year)	Budget Approved 1/18/11 (This Year)	YTD Budget	Forecast (Budget Updated June, 2011)	YTD Forecast (Budget Updated June, 2011)
<b>Revenues</b>								
<b>Pledges and Gifts</b>								
Current Year Pledge Pmts.	\$156,641	\$169,205	\$1,328,349	\$1,376,740	\$1,859,406	\$1,549,443	\$1,836,700	\$1,530,583
Current Year Pledges from Bequests	\$0	\$0	\$60,856	\$0	\$60,856	\$50,711	\$60,856	\$50,713
Prepaid Pledges	\$0	\$0	\$288,119	\$313,673	\$288,119	\$240,090	\$288,119	\$240,099
Close the Gap Fund	\$0	\$3,435	\$0	\$51,878	\$0	\$0	\$0	\$0
<b>Total Pledges and Gifts</b>	<b>\$156,641</b>	<b>\$172,640</b>	<b>\$1,677,324</b>	<b>\$1,742,291</b>	<b>\$2,208,381</b>	<b>\$1,840,244</b>	<b>\$2,185,675</b>	<b>\$1,821,396</b>
<b>Other Unrestricted Gifts</b>								
Prior Year Pledge Pmts.	\$0	\$0	\$22,469	\$44,267	\$23,244	\$19,369	\$23,244	\$19,370
Extra Gifts	\$32,022	\$20,726	\$111,996	\$114,176	\$152,000	\$126,662	\$152,000	\$126,667
<b>Total Other Unrestricted Gifts</b>	<b>\$32,022</b>	<b>\$20,726</b>	<b>\$134,466</b>	<b>\$158,443</b>	<b>\$175,244</b>	<b>\$146,031</b>	<b>\$175,244</b>	<b>\$146,037</b>
<b>Total Cash Offerings</b>	<b>\$3,107</b>	<b>\$5,111</b>	<b>\$43,205</b>	<b>\$39,624</b>	<b>\$51,000</b>	<b>\$42,498</b>	<b>\$51,000</b>	<b>\$42,500</b>
<b>Total Pledges, Gifts, &amp; Cash Offerings</b>	<b>\$191,769</b>	<b>\$198,477</b>	<b>\$1,854,995</b>	<b>\$1,940,358</b>	<b>\$2,434,625</b>	<b>\$2,028,773</b>	<b>\$2,411,919</b>	<b>\$2,009,933</b>
<b>Total Other Income</b>	<b>\$8,469</b>	<b>\$49,529</b>	<b>\$163,396</b>	<b>\$170,407</b>	<b>\$192,828</b>	<b>\$160,684</b>	<b>\$178,100</b>	<b>\$148,417</b>
<b>Total Revenues</b>	<b>\$200,238</b>	<b>\$248,006</b>	<b>\$2,018,391</b>	<b>\$2,110,765</b>	<b>\$2,627,453</b>	<b>\$2,189,457</b>	<b>\$2,590,019</b>	<b>\$2,158,349</b>
<b>Expenses</b>								
<b>Outreach</b>								
Diocesan/Seminary/Monastic Giving	\$17,312	\$18,092	\$173,123	\$180,916	\$207,748	\$173,123	\$207,748	\$173,123
Grants to In-House Programs	\$0	\$1,023	\$15,791	\$1,725	\$17,550	\$14,625	\$17,550	\$14,625
Grants to Ministries Outside Parish	\$11,500	\$22,605	\$77,950	\$83,500	\$107,200	\$89,333	\$107,200	\$89,333
<b>Total Outreach</b>	<b>\$28,812</b>	<b>\$41,719</b>	<b>\$266,864</b>	<b>\$266,141</b>	<b>\$332,498</b>	<b>\$277,081</b>	<b>\$332,498</b>	<b>\$277,081</b>
<b>Staff</b>								
Total Clergy Staff Expenses	\$62,063	\$33,235	\$415,742	\$438,104	\$450,200	\$375,152	\$475,979	\$396,649
Total Lay Staff Expenses	\$103,143	\$91,700	\$923,161	\$929,635	\$1,130,845	\$942,333	\$1,109,377	\$924,481
<b>Total Staff</b>	<b>\$165,207</b>	<b>\$124,936</b>	<b>\$1,338,903</b>	<b>\$1,367,739</b>	<b>\$1,581,045</b>	<b>\$1,317,485</b>	<b>\$1,585,356</b>	<b>\$1,321,130</b>
<b>Music &amp; Worship</b>								
Christian Ed & Formation	\$7,843	\$6,085	\$47,247	\$38,439	\$74,350	\$61,959	\$74,350	\$61,959
Parish Life & Fellowship	\$2,828	\$8,353	\$23,139	\$29,181	\$29,500	\$24,582	\$28,500	\$23,750
Administration	\$5,419	\$4,232	\$59,875	\$77,575	\$85,245	\$71,035	\$80,500	\$67,083
Communications	\$7,030	\$1,738	\$29,493	\$24,589	\$33,250	\$27,707	\$32,250	\$26,875
Buildings & Grounds	\$28,428	\$53,885	\$322,791	\$353,384	\$411,615	\$342,999	\$376,615	\$313,846
<b>Total Expenses</b>	<b>\$247,454</b>	<b>\$252,263</b>	<b>\$2,143,290</b>	<b>\$2,226,929</b>	<b>\$2,627,453</b>	<b>\$2,189,457</b>	<b>\$2,590,019</b>	<b>\$2,158,263</b>
<b>Total Rev Over (Under) Exp:</b>	<b>(\$47,216)</b>	<b>(\$4,257)</b>	<b>(\$124,899)</b>	<b>(\$116,164)</b>	<b>\$0</b>		<b>\$0</b>	
<b>Operating Fund Bank Balance as of 10/31/2011:</b>	\$101,253							
<b>Operating Fund LOC Balance as of 10/31/2011:</b>	\$150,000							

# St. Stephen's Episcopal Church

## Summary R & E Report as of October 31, 2011

### Reserve Fund:

YTD As of October,  
2011

#### Revenues

Investment Income \$0

**Total Revenues \$0**

#### Expenses

Reimbursement to Operating - Admin Exp \$0

Reimbursement to Operating - Chiller Exp \$0

Retired Lay Employees Pension Payments \$16,355

Unrealized Loss (Gain) \$16,562

**Total Expenses \$32,917**

**Total Rev Over (Under) Exp: (\$32,917)**

**St. Stephen's Episcopal Church**  
**Balance Sheet - October, 2011**  
**Reserve Fund**

<b>Assets</b>		
<b>Cash</b>		
SunTrust Reserve Fund Account	\$70,300	
B of A Pension Account	\$5,871	
<b>Total Cash</b>		<b>\$76,171</b>
<b>Investments</b>		
Investments - TOTF (Diocese)	\$620,436 *	
<b>Total Investments</b>		<b>\$620,436</b>
<b>Total Assets</b>		<b>\$696,607</b>

<b>Liabilities, Fund Principal, &amp; Restricted Funds</b>		
<b>Liabilities</b>		
<b>Equity Balances</b>		
Reserve Fund	\$729,524	
<b>Total Equity Balances</b>		<b>\$729,524</b>
<b>Total Liabilities</b>		
Excess Cash Received	(\$32,917)	
<b>Total Fund Principal and Excess Cash Received</b>		<b>(\$32,917)</b>
<b>Total Liabilities, Fund Principal, &amp; Restricted Funds</b>		<b>\$696,607</b>

\* As of September 30, 2011

**St. Stephen's Episcopal Church**  
**Balance Sheet - October, 2011**  
**Operating Fund:**

Assets		
<b>Cash</b>		
10-002 - Petty Cash Account	\$200	
10-004 - Sun Trust - Operating Account	\$101,253	
<b>Total Cash</b>		<b>\$101,453</b>
<b>Accounts Receivable</b>		
12-001 - Advance - Preschool PY	(\$9,570)	
12-002 - Advance - MFH Employee	\$517	
12-024 - Advance to CIR	\$2,652	
12-025 - Advance to ECBF	\$375	
12-301 - Miscellaneous Receivables	\$5,509	
16-001 - Due (To)From SS Market Fund	\$1,936	
17-004 - Due To/From Centennial Fund	\$88	
<b>Total Accounts Receivable</b>		<b>\$990</b>
<b>Property</b>		
13-300 - Buildings	\$6,143,688	
13-301 - Furniture & Fixtures	\$174,679	
13-302 - Playground	\$32,265	
13-303 - Kitchen Equipment	\$96,872	
13-304 - Autos	\$42,591	
13-305 - Computer Hardware	\$51,925	
13-307 - Computer Software	\$2,076	
13-308 - Reserve Depr - Bldgs/Equip	(\$2,109,756)	
13-309 - Reserve Depr - Auto	(\$42,591)	
<b>Total Property</b>		<b>\$4,391,748</b>
<b>Total Assets</b>		<b>\$4,494,191</b>
Liabilities, Fund Principal, & Restricted Funds		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
21-001 - Deferred Income	\$113,517	
21-017 - Security Deposit Held	\$2,775	
21-025 - Advance - Operating LOC	\$150,000	
<b>Total Current Liabilities</b>		<b>\$266,292</b>
<b>Payroll Taxes Payable</b>		
21-100 - FICA Withheld	\$21	
21-101 - Medicare Withheld	\$5	
21-200 - Federal Withholding	\$130	
21-300 - State Withholding	\$21	
<b>Total Payroll Taxes Payable</b>		<b>\$178</b>
<b>Equity Balances</b>		
2Z-001 - GENERAL OPERATING FUND	\$4,289,123	
<b>Total Equity Balances</b>		<b>\$4,289,123</b>
<b>Total Liabilities</b>		<b>\$4,555,593</b>
Excess Cash Received	(\$124,899)	
<b>Total Fund Principal and Excess Cash Received</b>		<b>(\$124,899)</b>
<b>Restricted Funds</b>		
Total Temporarily Restricted	\$63,498	
<b>Total Restricted Funds</b>		<b>\$63,498</b>
<b>Total Liabilities, Fund Principal, &amp; Restricted Funds</b>		<b>\$4,494,191</b>