

St. Stephen's Episcopal Church

Vestry Meeting

September 8, 2011

The Vestry of St. Stephen's met on Thursday, September 8, 2011. Those present were the following: Becky Boyers, Mary Anne Burke, Keith Dull, Betsy Fauntleroy, Bill Goodwin, Steve Long, Andy Luke, Alice Meadows, Karen Wise, Robert Allen – Treasurer, and Bill Mears – Assistant Treasurer.

Staff attending: Gary Jones, David Anderson, Weezie Blanchard, Matt Johnson, Janet Allen, and Sarah Bartenstein.

Also present: Lowndes Burke, Gail Waechter, and Wesley Wright

The September Vestry meeting was called to order by the Rector, Gary Jones. Karen Wise gave the opening prayer. Gary thanked everyone for agreeing to the change of dates for the September and October Vestry meetings. Given that the Church was returning to its regular schedule on September 11, 2011, Gary felt it was important that the Vestry reconvene prior to that and be brought up to date on the Capital Campaign. He noted that Keith has attempted to speak with each Vestry member who could not attend the meeting and give them an update. Conflict with the fall Diocesan Retreat necessitated the change of the October Vestry meeting from the Tuesday, October 18th to Tuesday, October 11th.

The minutes of the June 21, 2011 meetings were approved.

Standing Committee Reports

- A. Buildings and Grounds – no report
- B. Finance Committee – Robert Allen

Robert reported that the Finance Committee continued to meet over the summer. As a result of discussions at one of those meetings, the Revenue and Expense Report has a slightly different format. Column #5 now shows the budget figures approved by the Vestry. Andy said he found the column helpful and wondered if we could add another column in future reports that would show Year-to-Date budget. Janet said that would be easy to do.

Robert also reported that the Finance Committee met in late August to discuss the Reserve Account as it is prudent to revisit the guidelines periodically. Janet prepared notebooks of current as well as historical data for members of the committee. At the

October Vestry meeting, Robert will report on the Finance Committee's recommendation for how to go forward.

The financial state of the Church is good – total expenses for the first seven months are 59.1% of forecast compared to 58.5% of total forecasted revenues. Robert commended the staff on the excellent job they are doing to control expenses and keep within budget. When questioned about the low percentage of Christian Ed expenditures, Robert noted that certain categories had seasonal fluctuations and that the Christian Ed number will increase as the fall programs get underway. Office Supplies is another area that sees variations as some items are bought in bulk to be used over a certain time period.

Project Teams

No reports

Rector's Report – Gary Jones

Gary introduced and welcomed Matt Johnson, the new Associate Rector of Youth and Young Adults. Matt is off to a terrific start at St. Stephen's.

Gary acknowledged that the main topic for his Rector's report was the Capital Campaign Discernment. He said that neither Carol Dickinson nor LH Ginn could attend the Vestry meeting but each was aware of what Gary was going to discuss.

At the start of the meeting, everyone received a report from Lowndes Burke and Carol Dickinson (attached) that recommended slowing down and extending the discernment process to ensure that each of the proposed projects is fully vetted and that parishioners' thoughts and opinions are being heard and included in the discernment.

Gary noted that several years ago as St. Stephen's was about to celebrate its centennial, he thought it was an appropriate time to take a comprehensive look at the Church and its facilities, knowing that certain things were going to need immediate attention (HVAC and lighting/wiring) while at the same time, exploring projects such as the chancel expansion that had been under consideration in previous years. The discernment process has been good one and gone well. However, some of the proposals have generated anxiety which is not unusual given that those projects were ones impacting worship space. Gary acknowledged that throughout the process, parishioners have raised good questions and that good answers were not always available. Gary said it is important for the Church to understand that as long as questions are being asked without solid answers, the discernment process must continue.

Gary went on to say that the scope of the proposed projects was overwhelming and the components, diverse. Therefore, it was his recommendation to withdraw the chancel renovation and the baptismal font from the proposed capital campaign. He encouraged continued study of these projects - identifying costs and benefits to the parish, thoroughly documenting current findings, and including the work from 1978 and 1988 studies into a report that future groups can use to discern what direction to take down the road. By removing these projects from the planned capital campaign, the parish can focus on pressing capital needs such as the HVAC and lighting/wiring and improvements to the parking lot, sacristy, Memorial Garden, and interior of the Church. One aspect of the discernment process that has gained much interest and enthusiasm is accessibility – with a goal of making the entrances to St. Stephen’s facilities accessible to all – and should be included in this campaign. Gary would like to see each of the committees studying these projects prepare a narrative which would include historical rationale, benefits, and concerns. By having such a document, everyone is on the same page with understanding what is being proposed.

Keith said that he had tried to contact those Vestry members who were unable to attend the meeting to inform them about the proposal to slow the discernment process down. The individuals he spoke with understood why this was happening and while several voiced their disappointment, all were supportive of the direction the process was moving.

Bill Goodwin congratulated Gary on the decision and said that he felt it was the right way to go. He made two suggestions:

- 1.) Concerning the viable projects, take a half step back and look at alternatives and let parishioners get involved
- 2.) Reach out to parishioners who are skilled professionals in these areas, seek their advice and include them on committees

Bill noted that we want the message to be that we are not in a rush, that we want our work to be done right, and done well.

Additional comments and questions recognized the difficulty in making such a decision, timing of any future campaigns, and support for slowing the process down.

Gary, Carol, and Lowndes have been discussing hiring a part-time, on-site individual to coordinate the work of the committees. They feel there is a real need to have a person to handle all the committee documents and narratives, as well as be someone for parishioners to talk to concerning questions and comments they might have. Carol and Lowndes will prepare a proposal for this for the October Vestry meeting.

Bill Goodwin made a motion to slow down the discernment process and exclude the chancel and baptismal font from the proposed capital campaign so as to not be a distraction to the more pressing needs. The motion was seconded.

In the discussion that followed, the question was asked about how this would be communicated to the parish. It was determined that Sarah would prepare a document that would be included in the Quarterly newsletter as well as posted on the website.

Gary asked Lowndes his thoughts on the evening's discussion. Lowndes said that last February when the discernment meetings were taking place there was a feeling of excitement around the Church. However, the tone seemed to be changing over the summer. He said he was in complete support for slowing the process down. He noted that for many people, the recommendations for changes regarding the chancel and font were new discussions and represented a significant change. Lowndes said that he and Carol could use help managing the committees and their work as they lack the experience and time needed to effectively do so. He closed by saying that it was important to slow down and do the campaign the right way.

Betsy Fauntleroy thanked Lowndes and Carol for their tireless devotion.

The motion was voted upon and passed unanimously.

Senior Warden's Report – Keith Dull

A. 2011 Annual Fund

1. Allen Goolsby has agreed to chair the 2011 Annual Fund. A group of former canvas chairs was contacted for their insight into themes for this year's canvas. These individuals will also serve as a support group for Allen throughout the canvas as well as a Stewardship group to plan for the following year's canvas.
2. A brochure has been prepared for the 2011 canvas. The theme of the canvas is "What will I give to support St. Stephen's as a visible sign of Christ's compassionate presence in the world?"

B. Agreement with the Red Cross

- a. See the attached reports
- b. St. Stephen's has met the criteria to become a designated shelter facility. In the case of a local disaster, St. Stephen's would be contacted by the Red Cross to see if the Church was willing to be a shelter site. (The Church can say either yes or no and can designate which of the approved areas can be used.) The large fellowship hall, kitchen, and scout room were all approved for use. The shelter would be manned by Red Cross volunteers and all costs would be reimbursed by the Red Cross. John Bates has reviewed the documents as has the Diocese.
- c. The impetus for exploring the possibility of St. Stephen's becoming a designated shelter site came from the National Outreach Committee, of which many members have been involved with Katrina relief. Fifteen parishioners have been trained to be volunteers at disaster sites.

- d. Regarding our insurance, anyone who uses the Church is covered by our insurance. Our insurance company will be notified if the decision is made for St. Stephen's to participate as a shelter site.
- e. This will be voted on at the October Vestry meeting.

C. Livy House

A tree has fallen in the front yard of the house. The bank will remove the tree without cost to St. Stephen's. At the Executive Committee's September 16th meeting, there will be a discussion of whether to sell or hold on to the house.

There being no other business, Becky Boyer closed the meeting with a prayer.

St. Stephen's Episcopal Church

Summary R & E Report as of July 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)	% of 2011 Budget Used	Forecast (Updated June, 2011)	% of Forecast Used
Revenues								
Pledges and Gifts								
Current Year Pledge Pmts.	\$150,669	\$137,649	\$975,248	\$980,510	\$1,859,406	52.4%	\$1,836,700	53.1%
Current Year Pledges from Bequests	\$0		\$30,428	\$0	\$60,856	50.0%	\$60,856	50.0%
Prepaid Pledges	\$0		\$288,119	\$313,673	\$288,119	100.0%	\$288,119	100.0%
Close the Gap Fund	\$0	\$750	\$0	\$46,373	\$0	0.0%	\$0	0.0%
Total Pledges and Gifts	\$150,669	\$138,399	\$1,293,795	\$1,340,556	\$2,208,381	58.6%	\$2,185,675	59.2%
Other Unrestricted Gifts								
Prior Year Pledge Pmts.	\$660	\$80	\$22,349	\$44,267	\$23,244	96.2%	\$23,244	96.2%
Extra Gifts	\$3,279	\$18,066	\$63,017	\$75,846	\$152,000	41.5%	\$152,000	41.5%
Total Other Unrestricted Gifts	\$3,939	\$18,146	\$85,366	\$120,113	\$175,244	48.7%	\$175,244	48.7%
Total Cash Offerings	\$6,835	\$4,705	\$33,091	\$30,100	\$51,000	50.0%	\$51,000	64.9%
Total Pledges, Gifts, & Cash Offerings	\$161,443	\$161,250	\$1,412,252	\$1,490,769	\$2,434,625	58.0%	\$2,411,919	58.6%
Total Other Income	\$11,224	\$41,363	\$102,150	\$104,775	\$192,828	53.0%	\$178,100	57.4%
Total Revenues	\$172,667	\$202,613	\$1,514,402	\$1,595,544	\$2,627,453	57.6%	\$2,590,019	58.5%

Expenses								
Outreach								
Diocesan/Seminary/Monastic Giving	\$17,312	\$18,092	\$121,186	\$126,641	\$207,748	58.3%	\$207,748	58.3%
Grants to In-House Programs	\$0	\$0	\$15,704	\$534	\$17,550		\$17,550	
Grants to Ministries Outside Parish	\$0	\$7,450	\$66,450	\$58,700	\$107,200	62.0%	\$107,200	62.0%
Total Outreach	\$17,312	\$25,542	\$203,340	\$185,875	\$332,498	61.2%	\$332,498	61.2%
Staff								
Total Clergy Staff Expenses	\$47,266	\$46,792	\$273,165	\$335,219	\$450,200	60.7%	\$475,979	57.4%
Total Lay Staff Expenses	\$77,488	\$104,260	\$661,677	\$656,806	\$1,130,845	58.5%	\$1,109,377	59.6%
Total Staff	\$124,754	\$151,052	\$934,842	\$992,025	\$1,581,045	59.1%	\$1,585,356	59.0%
Music & Worship								
Christian Ed & Formation	\$5,241	(\$82)	\$27,556	\$26,341	\$74,350	37.1%	\$74,350	37.1%
Parish Life & Fellowship	\$2,315	\$2,314	\$18,026	\$18,576	\$29,500	61.1%	\$28,500	63.2%
Administration	\$12,034	\$4,088	\$44,850	\$53,771	\$85,245	52.6%	\$80,500	55.7%
Communications	\$1,550	\$3,236	\$18,333	\$20,690	\$33,250	55.1%	\$32,250	56.8%
Buildings & Grounds	\$31,464	\$50,674	\$241,477	\$240,552	\$411,615	58.7%	\$376,615	64.1%
Total Expenses	\$196,489	\$240,834	\$1,530,727	\$1,586,817	\$2,627,453	58.3%	\$2,590,019	59.1%

Total Rev Over (Under) Exp: (\$23,823) (\$38,221) (\$16,325) \$8,727 \$0 \$0

* % of Budget used should be 58.3% as of 7/31/2011

Operating Fund Bank Balance as of 7/31/2011: \$86,115 Operating Fund LOC Balance as of 7/31/2011: \$100,000

Reserve Fund:

Fund Description:	Market Value as of 6/30/2011	Deposits & Interest/Fees	Withdrawals	Unrealized Gain/(Loss)	Market Value as of 7/31/2011
Trustees of the Funds	\$670,914	\$0.00	\$0	Unknown	\$670,914
Suntrust Money Market	\$60,468	\$4	\$11,250	\$0	\$49,222 *
Total:	\$731,382	\$4	\$0	\$0	\$720,136

*Total cost for transition, training, and placement fee for new employee in Finance Office - \$21,068

St. Stephen's as an Emergency Shelter for the Red Cross of Richmond

The Outreach Committee has explored the parish becoming equipped to respond to local emergency scenarios and disaster relief efforts that are spearheaded by the Red Cross of Richmond. A team of 15 parishioners has completed training and become certified as assisting personnel at a local emergency shelter. In addition, the parish has been visited by a shelter site evaluator, to survey the appropriateness of the use of this facility as a shelter site in the event of a local emergency. St. Stephen's meets all the criteria of the Red Cross site evaluation. The Red Cross would like us to become a designated shelter facility.

This memo is to inform the Executive Committee of these developments. To proceed further with the Red Cross, and actually be approved as a shelter site on file in their office for use in the case of emergency, authorization beyond the Outreach Committee would be needed. We put this before you for such consideration.

Respectfully submitted,

Lynn Ivey, Chair of the Outreach Committee

David T. Anderson, Vicar

Addendum to Proposal for St. Stephen's designation as an Emergency Shelter for the Red Cross of Richmond

September 8, 2011

Issues raised as St. Stephen's leadership has reviewed the agreement proposal:

1. No pages missing; the first page is not numbered.
2. The Diocese agent's concern about the Shelter being close to the St. Stephen's Pre-School. At the time of the Shelter being open, the Red Cross mans the property with an on-site policeman. Any person troubling the site area is removed.
3. An attorney's concern about the Red Cross specifying what parts of the building it would utilize: the areas involved are the large fellowship hall, the kitchen, and the scout room downstairs with access to the shower. Any space made available is done so each time with permission of St. Stephen's Church.
4. St. Stephen's always has the power to say "No" at any given request.
5. There is no permanent storage of any kind at St. Stephen's.
6. All utilization is temporary, and is only during a period of disaster emergency.
7. Parking of vehicles: we tell them at any given time whether or not we will allow, or how many we will allow, Red Cross related vehicles in our parking lot.
8. There are no charges, no fees St. Stephen's will charge the Red Cross.
9. Out-of-pocket costs, including utilities, for the Red Cross being here will be re-imbursed to St. Stephen's by the Red Cross (water, gas, electricity, and waste disposal)

**American Red Cross
Facility Use Agreement**

Facility Name: St. Stephen's Episcopal Church

Parties and Premises

Owner:

Legal name: St. Stephen's Episcopal Church

24-Hour Point of Contact:

Name and title: Steve Simon, Facilities Manager

Work phone: (804) 288-2867 ext 321 Cell phone/pager: (917)215-4136

Address for Legal Notices:

6000 Grove Avenue, Richmond, VA 23226

Red Cross:

Legal name: The American National Red Cross, a corporation under the laws of the United States

24-Hour Point of Contact:

Name and title: Paul Hundley, Director of Disaster Services

Work phone: (804) 780-2271 Cell phone/pager: _____

Address for Legal Notices:

420 East Cary Street, Richmond, VA 23218-0655 or PO Box 655, Richmond, Va 23218-655

with copies to:

The American National Red Cross, Office of the General Counsel,
2025 E Street, NW, Washington DC 20006

and

The American National Red Cross, Disaster Operations,
2025 E Street NW, Washington, DC 20006.

Building Address:

6000 Grove Avenue, Richmond, VA 23226

Description of Premises:

St. Stephen's Episcopal Church has a parish hall next to the church which has facilities to accommodate a shelter. The church Survey is on record with the Greater Richmond Chapter of the American Red Cross.

Terms and Conditions

1. Use of Premises. Owner agrees to allow the Red Cross to use and occupy, on a temporary basis, the Premises described above (the "Premises") in the Building identified above (the "Building") to conduct emergency, disaster-related activities. The Premises may be used for any of the following purposes (both parties must initial all that apply):

	Owner initials	Red Cross initials
Operations center	_____	_____
Client service center	_____	_____
Volunteer intake center	_____	_____
Storage of supplies	_____	_____
Parking of vehicles	_____	_____

No sheltering or lodging of clients or disaster victims is permitted, except as the parties may agree in a separate written agreement. As noted on survey of June 2011

2. Term. The term of this agreement begins on the date of the last signature below and ends 30 days after written notice by either party.

3. Fee. Both parties must initial the applicable statement below:

- a. Owner agrees not to charge any fee in recognition of the services provided by the Red Cross to the community. Owner initials: _____ Red Cross initials: _____
- b. Red Cross agrees to pay \$_____ per day/week/month (circle one) for the right to use and occupy the Premises. Owner initials: _____ Red Cross initials: _____

4. Conduct of the Red Cross. Red Cross agrees to keep the Premises in good condition and promptly repair all damage to the Premises or the Building resulting from the operations of the Red Cross or reimburse Owner for the costs of repairing such damage in accordance with paragraph 6 below. The Red Cross agrees not to disrupt, adversely affect or interfere with other occupants of the Building.

5. Condition of Premises and Building. Owner makes no warranty or representation about the Premises or the Building. The Red Cross accepts the same "AS IS." Owner is under no obligation to prepare or repair the Premises or the Building for the Red Cross. The parties will jointly conduct a pre-occupancy survey of the Premises before it is turned over to the Red Cross. They will use the Facility/Shelter Opening/Closing Form, to record any existing damage or conditions. The Red Cross will exercise reasonable care while using the Premises and will make no modifications to the Premises without the Owner's express written approval.

6. Reimbursement. The Red Cross will reimburse the Owner for the following:

- a. *Damage to the Premises or other property of Owner*, reasonable wear and tear excepted, resulting from the operations of the Red Cross. Reimbursement for damage will be based on replacement at actual cash value. The Red Cross will select from among bids from at least three reputable contractors. The Red Cross is not responsible for storm damage or other damage caused by the disaster.
- b. *Reasonable, actual, out-of-pocket operational costs*, including the costs of the utilities indicated below, to the extent that such costs would not have been incurred but for the Red Cross's use of the Premises (both parties must initial all utilities to be reimbursed by the Red Cross):

	Owner initials	Red Cross initials
Water	_____	_____
Gas	_____	_____
Electricity	_____	_____
Waste Disposal	_____	_____

The Owner will submit any request for reimbursement to the Red Cross within 60 days after the occupancy of the Red Cross ends. Any request for reimbursement must be accompanied by supporting invoices.

7. Insurance. The Red Cross shall carry insurance coverage in the amounts of at least \$1,000,000 per occurrence for Commercial General Liability and Automobile Liability. The Red Cross shall also carry Workers' Compensation coverage with statutory limits for the jurisdiction in which the premises are located and \$1,000,000 in Employers' Liability.

8. Indemnification. Red Cross shall defend, hold harmless, and indemnify Owner against any legal liability, including reasonable attorney fees, in respect to bodily injury, death and property damage arising from the negligence of the Red Cross during the use of the Premises.

9. Owner's Right to Revoke for Cause. Upon reasonable prior written notice to the Red Cross, Owner may revoke the permission represented by this Agreement if Red Cross (a) fails to pay any fee or payment required hereunder or (b) breaches any other obligation hereunder and such breach continues after written notice from Owner describing same. If the permission license is so revoked, Red Cross shall vacate the Premises in a neat and orderly manner. Owner shall have all rights and remedies available to it under applicable law.

10. Casualty or Condemnation Affecting Premises. Notwithstanding anything in this Agreement to the contrary, in the event that damage or casualty to all or a part of the Premises, this Agreement shall terminate and Red Cross shall have no right to restoration of the Premises or to receive any compensation whatsoever.

11. Legal Notice. Notice shall be deemed to have been duly given three (3) business days after having been mailed by certified or registered mail, return receipt requested, to the party's address for Legal Notice set forth at the beginning of the Agreement, or upon receipt if delivered by hand or recognized overnight delivery service. Either party may change its address for the purpose of Legal Notice hereunder by providing the other party with notice of the new address.

12. Governing Law and Binding Effect. This Agreement shall be governed by and construed under the laws of the state in which the Building is located. This Agreement shall be binding on the parties and their respective, successors, transferees and assigns.

St. Stephen's Episcopal Church

THE AMERICAN NATIONAL RED CROSS
(legal name)

Owner (legal name)

(legal name)

By (signature)

By (signature)

Name (printed)

Name (printed)

Title

Title

Date

Date

Centennial Capital Campaign Report
Vestry Meeting, September 8, 2011

Many parishioners have put in long hours and much hard work on a proposed Centennial Capital Campaign that includes essential projects for the operation of the church (such as HVAC), outreach projects, and projects that are responses to long-felt needs of the parish, dating to the 1970's (such as expansion of the chancel). Our discernment process, which included discernment meetings and Rector's Forum presentations during February 2011 has evoked a full range of responses, from tremendous enthusiasm to significant opposition, and it has raised important questions that are continuing to be addressed regarding how our church space could be used to enhance the worship experience of all who come to St. Stephens .

After a summer of continuing work by several committees of parishioners to more fully explore the scope of the projects, we have met with the Rector to discuss next steps. We are in agreement and recommend a slowing down and extending the discernment process, for the purpose of thoroughly vetting all projects and assuring parishioners that their words of enthusiasm, caution, opposition, and questions are all being heard and incorporated in our discernment. We also agree with the Rector's suggestion that the committees charged with investigating each element of the proposed Centennial Campaign produce clear narratives of their recommendations that incorporate all of the feedback we have heard thus far. These narratives can then be used in additional discernment meetings with the parish, as needed, to determine if we are indeed hearing one another clearly and responding to one another respectfully and appropriately. When the vestry determines that this work of discernment has been sufficiently thorough, it can make a decision to authorize a capital campaign of whatever scope it chooses.

In order to accomplish such a thorough and non-anxious extension of our discernment process, we further recommend that we hire a part-time, on-site project manager who will assure that the work of the various committees is done in a timely and coordinated fashion, and who will also be available to answer questions and discuss ideas with parishioners, as needed. This project manager will also ensure that the narratives from the various committees are clear, and he will ensure that ongoing communication with the parish is regular and responsive to concerns as they arise.

In October or November, we intend to present a well-developed plan and timetable for this important work. We intend to solicit the participation of other parishioners and to continue to seek the guidance of the Episcopal Church Foundation. All of this is done to ensure that the discernment process and any future Capital Campaign will be understood, endorsed and ultimately supported by our fellow parishioners.

Respectfully submitted,
Lowndes Burke
and
Carol Dickinson