

Meeting Minutes from the vestry meeting on Sunday, December 13, 2009

Present: Jim Arthur, Erika Bianchi, Eric Crane, Rev. Thea Keith-Lucas, Jane Maihos, Claire Jordan, Henry Witham, Dick Healy, Gail Arnold, Paul French, John Gettings, Bill Hooper, and Sally Symmes.

Absent: Carol Pechinsky

Clerk of the vestry's report:

Motion: Accept the minutes from the November vestry meeting as submitted.

Result: Approved, unanimously

Report from Survey Committee:

The committee's mission is to build membership and increase the visibility of the church, Gail Arnold told the vestry. We hope these questions target that end, she said.

According to the committee, respondents have a few options for turning in the survey. Respondents can mail in, drop off their surveys, or emailing them. Also, respondents can decide whether to sign their surveys or submit them anonymously. There will be a lockbox in the narthex for those who wish to leave the survey at the church. Instructions will appear at the top of the survey. The survey deadline will be Jan. 18, 2010. It will mailed and made available at the church after January 1.

It's important that everyone on the vestry advocate for it—following up with parishioners to make sure they've handed-in their surveys. The committee hopes that everyone in the family will submit a separate survey.

Motion: Approve the survey as written and submitted to the vestry.

Result: Approved, unanimously

Treasurer's report:

Bill Hooper presented the parish's monthly financial report, which was reviewed by the finance committee at their meeting earlier this week.

Eva Wright made a memorial gift of \$15,000 to Calvary Church.

Stokes Loan update: As of 9/30/09 our balance was \$38,541.96. No interest is currently accruing while our payments are on hold. We will continue payments again in January 2010.

Oil update: We have a \$6,300 credit. We just sent in our December check for approx. \$1,200.

The monthly summary financial data shows net operating income for the month of November was \$2,581 behind budget, contributing to a \$22,770 budget deficit YTD.

DIT update: As of 9/30/09, the church's unrestricted DIT funds totaled \$141,206. Subtract from that the \$15,000 that was moved out in October, and the total stands at \$126,106.

Because the vestry anticipates using the funds in the DIT over the next five years, the vestry discussed moving a majority of its investments out of stocks and into bonds. (Please refer to motion at the end of meeting minutes.)

The vestry also discussed changing the way in which donations are reported in the financial statements. The challenge is that when donations are made to the church they are applied to operating revenue, which then skews the church's financial picture. Also, those funds have certain restrictions and can't be used in the same ways operating income can. Bill said he would discuss this with the finance committee to, perhaps, come up with a way to remove them from the church's bottom line going forward.

Budget line items 49400 (income) and 69950 (expense) were discussed. The lines represent accounts where money that is to be given to other organizations and funds received by the church but designated for other organizations are held. There was a request for more details about this account because according to the financials there was inequity in the money received and paid out. Bill was going to provide a detailed report of the activities of the accounts to the vestry.

Motion: Accept the treasurer's report.

Result: Approved, unanimously

Draft of the 2010 budget:

Bill admitted that this has been an unusually amorphous process to date and the deficit figure that appeared in the original proposed budget, presented to the finance committee, of around \$40,000 has changed several times since then.

The finance committee decided at its December 9 meeting that it could not approve Calvary's 2010 proposed budget with a deficit that size. Since then, a change to our payments to our Internet provider and a change to the payments associated with our copier maintenance contract have cut \$2,000 from that proposed deficit. In addition, the finance committee also recommended the following:

- Transfer \$9,000 from DIT Capital Trust Fund to pay for the Stokes Loan (which would result in a 50% decrease in the fund by year's end).
- Elimination of the assistant sexton #1 position, a savings of \$4,000

Two additional events have changed the deficit figure provided to the finance committee: The church signed a rental contract for just over \$900, and the Stepping Stones Board of Directors said it would be making a transfer to the church's operating budget that is \$2,000 less than what was expected in 2010.

If the vestry was to accept the finance committee's recommendations, this would put the 2010 budget deficit figure at approximately \$27,000, as of this vestry meeting.

The vestry then discussed further cost-cutting ideas. Rather than take a band-aid approach, the vestry discussed how it could make recommendations that were going to translate to actual dollars saved. Because the majority of the budget is for four salaried positions at the church, the vestry discussed the idea of reducing the church staff to half-time or reducing their salaries. The vestry projected that it would result in approximately \$20,000 savings.

In light of all the information presented at the meeting and the information still to come, the vestry decided to schedule a special meeting on Jan. 3 to go over the information that is to be gathered, and come up with some recommendations for revising the proposed 2010 budget and a strategic financial plan for beyond.

Rather than go to the annual meeting with its recommendations, the vestry decided it will go to the annual meeting and ask parishioners to share ownership in this crisis, asking them to make additional recommendations for reducing the 2010 budget deficit.

The vestry also approved the following motions:

Motion: The wardens are directed by the vestry to discuss with the rector the following: a.) Would you be willing to reduce your hours to 1/2 time in 2010; b.) If so, what would that mean? Which activities would the church lose?

The rector should then ask the church employees the same. The rector is to report back to the wardens, and the wardens are to report back to the vestry at a special vestry meeting on January 3 after the 10 a.m. service.

Result: Approved, with one abstention (Rev. Thea excused herself for discussion/vote.)

Motion: The vestry directs the treasurer to contact the administrator of the church's DIT funds, and ask it to redistribute our *unrestricted* DIT funds into no more than 20% stocks and 80% bonds.

Result: Approved, unanimously

Motion: The vestry directs the treasurer to contact the administrator of the church's DIT funds, and ask it to redistribute our *restricted* DIT funds into no more than 40% stocks and 60% bonds.

Result: Approved, unanimously

Respectfully submitted,



John Paul W. Gettings, clerk of the vestry