

GRACE EPISCOPAL CHURCH

Windsor, Connecticut

March 18, 2018

Call to Order

Attendance

Present: Fr. Chip, Ian Rickard, Larry Young, Deacon Denise, Connie Hegarty, Marcia Hinckley, Max Kuziak, Fred McLeod, Deb Hutchinson, Allison Kelly, Karen Tiemann, Scott Sanislo, Ken Roach and JoAnne McLeod.

Absent: Chuck Drake, Jan Lawlor and Jane Cimbak.

1. **Opening Prayers**

The March 18, 2018 Vestry Meeting was called to order at 11:30 a.m. by The Reverend Harry (Chip) Elliott with an Opening Prayer.

2. **Additions/Deletions to Agenda**

Connie Hegarty requested the addition of a Stewardship report to the agenda. The revised agenda will be: 5. Committee Reports as Needed

b. Stewardship

3. **Approval of Minutes**

A motion was made to accept the February 27, 2018 vestry minutes as written and it passed unanimously.

4. **Wardens' Reports**

Senior Warden Ian Rickard stated that he would like to propose that the costs associated with the cleaning of the Tuttle House be covered by Chrysalis. Ian also reported that the activities of Cool Kids Clothes have come to end. A donation of \$350 will be made to Grace Church from Cool Kids Clothes for the development of children's Christian education. The vestry thanked Ian and Linda for the generous donation.

Junior Warden Fred McLeod stated he would report later in the meeting.

5. **Committee Reports as Needed**

a. **Building and Grounds**

Fred McLeod stated that he would report under Old Business.

b. **Stewardship**

Stewardship Chairwoman Connie Hegarty reported that she had been informed that she would be able to send individual financial statements to parishioners via email. However, a trial statement that she sent did not perform as expected. The company apologized to Connie; that aspect of the program is not working properly. Once the problem is corrected, quarterly

statements will be emailed to all pledging members who have an email account; the balance will be mailed.

6. Financial Reports

Treasurer Larry Young first discussed his Transaction Summary and Cash Balance Allocation by Fund – February 2018 report. He explained that the net income at this point of the year is lower than anticipated due to revenue streams and higher salaries. Larry stated that he anticipated these numbers to level out. Larry explained that the balances in our other funds are relatively unchanged. The Veteran Housing Fund for the Tuttle House expenditures currently contains approximately \$9500.

Larry then focused his report on the 2018 proposed budget. Larry stated that the 2018 revenue and expenditure assumptions are generally based on 2017 results. He constructed the budget with all new revenue and expense changes that had been requested. That is particularly important in respect to personnel expenses. The budget includes all anticipated revenue and expense for the General Fund, The Rector's Discretionary Fund and the Veteran Housing Fund. He also included the Capital Improvement Fund or the Tuttle Unrestricted Fund.

Larry stated that parishioner contributions include all anticipated monies received against 2018 pledged amounts. Our 2018 pledge total is \$190,500 and about \$4000 expected from non-pledging members. Since a calculated percentage of pledges are usually not fulfilled, Larry has adjusted the budgeted income to \$185,000. Larry stated that the 2018 budget currently shows an operating deficit of approximately \$12,000.

The current plan is for the Tuttle House to remain vacant from March through June at which point a new family will move in. The budget is based on this plan going forward.

Larry discussed several aspects of the budget. The Outreach Fund is discretionary. Its funds do not come from the General Fund. Fund raisers to help raise money for the Fund were listed under Revenue. The budget noted for the Outreach fund is \$2000. The Rental Income was overestimated in the 2017 budget primarily because the CT Ballet had overestimated how many classes it would hold at Grace.

Larry discussed the Expense side of the budget. Several changes were made in salary. There were several changes in 2017 for the sexton position which resulted in a fluctuation in salaries. There was also a \$2.50 per hour raise on January 1st for the sexton position and a 1.95% increase for the Director of Music Ministry and the Parish Administrator. These raises were based on Diocesan guidelines. A question was asked regarding the evaluations of personnel. Larry stated that he and Max Kuziak were planning to revive the personnel committee. Max also interjected that the finance committee should be consulted if nonbudgeted money over a certain amount needs to be spent. Larry stated that those suggestions will be investigated, and the by-laws will be consulted. The receptionist position was funded by the Department of Rehabilitative Services and that funding has ceased. The hours for that position have been reduced to 12 hours per week with no work during July and August.

A question was asked regarding voting on the budget and whether sections of the budget could be approved or rejected. Aspects of the budget can be voted on and rejected.

Larry discussed the Housing Allowance portion of the budget. Part of the compensation package to Father Chip and to all priests is the housing allowance. Since Father Chip owns his own home, he receives a compensation allowance. Previously, Father Chip was receiving disability payments from the Diocese and the maximum he could receive from Grace Church was \$10,000. Once Father Chip turns 65 this year, that figure goes up to \$37,000. Since he is losing the compensation from the Episcopal Church, Father Chip is asking Grace Church to replace it. That would amount to an increase of \$11,250 this year and \$27,000 next year. This money will be paid into Father Chip's Housing Allowance. A discussion took place regarding Father Chip's compensation.

Larry stated that the Pension expense of the budget will go down approximately \$200 because our current sexton is not contributing to the matching pension plan offered. Larry also stated that he budgeted for a supply priest for 3 Sundays during the summer months. A discussion took place regarding having a supply priest versus having lay ministers conducting prayer services. Max Kuziak made a motion to pay the supply priest for 6 Sundays. A discussion took place regarding the positive impact of having a supply priest for 6 Sundays. The motion was voted on and it passed unanimously. Larry stated that he would make the amount budgeted \$1500.

Several other budget items were discussed. Larry stated that he arrived at the utility costs based on last year's bills, rate increases and the occupancy of both buildings. Insurance costs have gone up. The panic button in the lower parish hall has been eliminated resulting in a savings. There are no major repair or maintenance projects planned for the Church in 2018. The last payment of the Diocesan loan will be made in October. Larry stated that the budgeted numbers are assumptions based on pledges, the Tuttle House rents, and personnel expenses. Based on those assumptions and with the supply priest extra days added, the projected deficit for 2018 will be \$12,844.

A question was asked regarding how to make this a balanced budget. Larry responded that the only savings that could be found would be in personnel: the housing expense for Father Chip and the receptionist position.

Max Kuziak stated that we needed to increase membership. He made a motion to add \$600 to the budget for advertising. In a discussion that followed, Max stated that there are many older members of Grace Church; younger members are needed. He said that other churches actively advertise for new members. He suggested that we need a committee to examine promoting Grace Church. Marcia Hinckley stated that she felt we need to revisit our strategic plan and form a committee to look at these issues. Father Chip stated that he feels that yoking with another church is the only way for a church of our size to continue to survive. A discussion took place regarding yoking, merging or regionalizing churches. Marcia reiterated that a committee needs to investigate these possibilities and look at the whole picture of the church's life. Deacon Denise mentioned the Alpha program which has been successful in Tariffville and the DOC program. Ken Roach stated that while these ideas were worth looking into, the discussion had strayed from the original motion. The motion was voted on and it was defeated.

The explanation and discussion of the budget had ended. The vestry sincerely thanked Larry for his continued dedication, expertise and hard work.

7. Old Business

a. Doors

Building and Grounds Chairman Fred McLeod stated that the door project for the Church consists of four steps: installing the door jamb and astragal, replacing the hinges, installing a panic-bar door latching system, and installing a power opener on the right-hand door to get into the Church. Vendors will be starting the project soon. Fred reported that there seemed to be a positive reaction from the parishioners concerning the door changes.

b. Chrysalis, Tuttle House Status

The tenants have moved out of the Tuttle House. Father Chip reported that the actual physical damage to the house is not great. The largest expense will be the sanitary cleaning. There is a clause in our lease with Chrysalis stating that we can withhold the security deposit to pay for damages. However, we need to send a letter to Chrysalis stating that we will be withholding the security deposit. Larry Young made a motion that a letter be sent to Chrysalis informing them that we will be keeping the security deposit for damages. There was no discussion and the motion carried.

Father Chip stated that he would explore the wording for a forfeiture of security deposit letter. A suggestion was made to include invoices for repairs with the letter. A discussion took place regarding the merits of including the invoices. This discussion also included the wording of the lease, that it is the responsibility of Chrysalis to pay for cleaning above and beyond normal conditions, and whether we should ask for that reimbursement. Another suggestion was made about splitting the costs for the sanitary cleaning. Concerns were raised about keeping a good relationship with Chrysalis. Marcia Hinckley and Deb Hutchinson have a scheduled meeting with Chrysalis on March 19th. It was decided to table the discussion until after the meeting so that Marcia and Deb can provide feedback from Chrysalis.

c. Tuttle House Roof discussion – continued

Because of the length of the meeting, the Tuttle House roof discussion will take place next month.

i. Security & Safety

Fred McLeod distributed a listing of many of the safety features and equipment available at Grace church.

1. Smoke/CO2

Fred stated that now that there are Wi-Fi hotspots in the church it is possible to monitor for fire and CO2 issues using smart phones; the two wardens and Father Chip can monitor any problems. A key box can be installed so that the police and fire departments can have access to the Church. A question was raised concerning the cost of the key box. The cost will be investigated and discussed at the next meeting. Fred suggested that all members investigate the NEST smoke and CO2 alarm system for a discussion next meeting.

2. Additional In-house Wi-Fi Cameras?

This item was not discussed during the meeting.

d. Vestry Meeting Day

The third Tuesday of the month is not a good meeting day for some vestry members. The meeting day was changed during the February meeting to help Larry Young prepare financial reports. Larry stated that keeping the meeting date on the second Tuesday would work for him. A motion was made to have the vestry meetings take place on the second Tuesday of the month. There was no discussion and the motion carried.

8. New Business

a. Personnel

A motion was made for the vestry to go into Executive Session to discuss personnel issues. There was no discussion and the motion carried.

A motion was made for the vestry to come out of Executive Session. There was no discussion and the motion carried.

b. Vote on the Budget

Larry Young made a motion to accept the 2018 budget as presented with the modification of the additional \$1000 for the supply priest. There was no discussion and the motion carried.

9. Questions and/or Comments

- Father Chip reminded everyone that Sunday was Palm Sunday.
- A reminder was made that the next vestry meeting would be on the second Tuesday in April.
- The Tuttle House roof plan will be discussed next month.
- Committees will be established to explore the strategic plan for Grace Church
- Max Kuziak stated that the Jeopardy Team from Grace Church generously donated their monetary prize winnings to the Church.

10. Closing Prayer and Adjournment

With no further business before the vestry, Father Chip made a motion to adjourn the meeting at 1:40 p.m. The motion was seconded and carried, and Father Chip led the vestry saying the closing prayer.

JoAnne McLeod, Clerk

Attachments: Transaction Summary and Cash Balance Allocation by Fund – Feb. 2018, 2018 Operating Budget with Comparisons, 2018 Operating Budget by Fund, 2018 Operating Budget – Notes and Assumptions, Safety Features and Equipment Available at Grace Church (3/12/18)