

The Vestry was called to order virtually at 7:00 pm, once a quorum (2/3) was present.

Attendance

Nicholas Morris-Kliment (Rector)	X	Dusty Hecker (Warden)	X	Brian Mukherjee (Warden)	X	Vacant (Treasurer)	
Duncan Allen	X	Jim Black	X	Bob Begin	X	David Carnahan (Clerk)	X
John Carr	X	Bob Keener	X	Ingrid Melvin	X	Ginny Yerardi	X
Annie Russell	X	Alyssa Kence	X	Joe Sweeney	X	Christina O'Connell	X
Cecile Leroy	X						

Opening Prayers - Evening Prayer from the Book of Common Prayer was lead by Dusty.

Reporting

1. Rector’s Report:

Nick submitted a report to the Vestry, which is presented in full in Appendix A. Nick highlighted that we are behind in our annual campaign, so he’s looking for estimates of giving from the Vestry and for all. Second, he had a conversation with our stewardship chairs, there are some that have not pledged this year, but in general we are spread too thin. There are 94 confirmed pledges, and last year we had 110. Nick would like to call a few volunteers to call upon five households, three with children at home and two long time members. Nick would provide a script to aid in the conversation. Bob Keener and Ingrid Melvin volunteered to make these calls.

2. Assistant Treasurer’s Statement:

Duncan reviewed the budget for 2022, as originated by the the Finance committee with some subsequent adjustments. The vestry asked clarifying questions about many line items, as the overall budget has a significant deficit (~\$27k). The Vestry intends to start the budgeting process earlier next year, and include more of the parish in the conversation. A draft of the Assistant Treasurer’s statement for the Annual Meeting, including the draft budget, is attached as Appendix B.

Common Life (8.30-8.45)

The Giraffe Award

Candidates will be decided by Vestry using poll maker, to be set up by David C.

Sacred Ground

Bob Keener reported on the Sacred Ground initiative. They are partnered with St Pauls in Natick, and had a few new faces outside of the Racial Justice group. Sacred ground will gather at about 10 meetings in the coming months, so there is excitement around this offering. Anyone interested can email Bob Keener if interested.

Mardi Gras Trivia Night/Epiphany Party

Nick was looking to gauge interest in Mardis Gras events Jan 30 or on Feb 27 for Trivia Night.

Parking Lot/ Other Business (8.45-9.00)

Thank yous

Nick thanked all the outgoing Vestry, Clerk and Duncan, our assistant treasurer for their prayerful service.

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Actions

Motions for New Position

Motion concerning Endowment

Motion to approve Budget for 2022

Audit Actions

A motion was made to accept the 2022 budget as presented by the Assistant Treasurer. Motion passed.

A motion was made to:

“To authorize the creation of a part-time position, Assistant for Family Ministries, reporting to the Rector and working collaboratively with staff and lay leaders primarily to support ministry with households with children still living at home, and as the Rector directs.”

Motion passed

(At this point, the position is budgeted at \$10,000 a year.)

A motion was made to:

“To reconfigure the position of Music Director to combine the responsibilities of the two formerly separate positions of Music Director and Organist.”

Motion passed

(This does not increase payroll. The currently offered compensation is roughly 10K less than the combined salaries of the separate positions.)

A motion was made to:

The Vestry concurs with the Investment Committee’s suggestion to reduce the exposure of our endowment portfolio to equities from about 73% to about 67% by rebalancing our holdings with Pension Wealth Management/Fidelity (PWM) and/or Diocesan Investment Trust (DIT). The Vestry also agrees with the Investment Committee’s intention to gradually shift our allocation toward DIT and away from PWM by depositing future contributions to DIT and taking future withdrawals from PWM.

Motion passed

Parking Lot/ Other Business

Vestry Service Project—in 2022: Please continue thinking of ideas for service projects. The idea is to do something as a Vestry that will allow for bonding and getting to know each other better, while serving the community.

Vestry Transition: Ingrid, Annie, Bob Keener and Bob Begin will be coming off the vestry after the January meeting. Please pray for the church as we search for a warden, clerk and treasurer.

Prayer and Adjourn

Meeting closed at 9:10pm

Dates

Epiphany Church School Event	Sunday January 23 time TBD
Epiphany Party	January 30, 11.15-11.45
Annual Meeting	Sunday, February 6, 2022 11.15am on Zoom
Mardi Gras Sunday	Sunday February 27 Trivia Night at 5pm?
Vestry Retreat	Fri/Sat March 10/11, 2022 Bethany House of Prayer, Arlington or on Zoom, TBD
April and May Vestry Meetings	April 5 and May 10?

Minutes taken by:

David Carnahan



January 18, 2022

Appendices

Rector's Report

Draft Assistant Treasurers' Statement with Draft Budget

Appendix A: Rector's report

Elections: Kathryn Mortimer, Leslie Day, Pete Lyons and Tedi Eaton, have agreed to stand for Vestry. Thanks to our outgoing Vestry members—Bob Begin, Bob Keener, Ingrid Melvin, and Annie Russell— for putting together an excellent slate. Kathryn, Leslie, and Pete are from households with school-aged children. That's an important demographic for us to stay connected to, along with older members with experience. We continue to discern Warden, Clerk, and Treasurer candidates.

Church School: We continue to work with the Reverend Emily Garcia not only on a simple Epiphany party to bring together members of all ages but especially Church School families. She is also working with us to define and design a very part-time staff member who can really help us focus on the ministry needs of household with kids still at home. The people on the task force helping us do this (and plan the party) are Christina O'Connell, Kevin Ruddy, Patty Smith, Diane Gaitley, Alyssa Kence, Emily McConarty, and Virginia Carnahan. As you may know, the Epiphany party has been postponed until what we believe is a safer time. January 30 after the 10am worship with 30 minutes of safe and focused Epiphany-themed fun!

Pastoral care. We've launched Circles of Caring, a systematic calling program that is an extension of Pastoral Response Ministry (PRM) which is our pastoral care team, which meets bi-weekly and consists of Barbara Brailey, Jean McCarthy, Christine Ruddy, and Patty Smith. I hope this will help people feel more connected, both callers and those who receive calls, not just during this in-between time, but an ongoing, post-pandemic (?) part of our common life.

Stewardship: As I write this, Kim Rocco, Stewardship Co-Chair, is writing up our current situation for the Annual Report. Our current numbers are 94 EOG/268K. Duncan's forecast for the campaign is 317K. We have strategized follow up with calls and emails to the 20 or so members who have pledged in years past but from whom we have not yet heard. The team is small but mighty (Jean McCarthy and Kim Rocco as co-chairs, Phil Trussell assisting); nonetheless, it has not been possible to follow up personally to every household that was invited to participate. We will send another communication to the Church School eList. While I believe that the numbers will improve, I do not believe at this point they will come close to last years. Vestry has a role to play here. **First, it would be important that every Vestry member have sent in an Estimate of Giving into Maryann. Second, I will be asking for a volunteer(s) to call 5 households who pledged last year but who we have not yet heard from.** Three of them are households with children still at home, two of which are active in the Church School; and two of them are long time members who would be well known to long time members on the Vestry. You won't know their numbers. All it would be as a friendly call inviting them to join in the mission and ministry of the parish this year. No shaming. I can supply you a script. Do we have a volunteer or two?

Giraffe award: these names should be expunged from my report, and from the record after the vote is taken. Nominees are Patty Smith, Phil Trussell, Donna Vello, Joe Barr. Other nominees can be offered from the floor. The award is for a parishioner who has "stuck their neck out for the parish." They cannot be current members of the Vestry. The winner will be announced at Annual Meeting, as is the custom.

Annual Meeting: February 6, one worship service at 10am, livestreamed from the Main Sanctuary, with online Zoom meeting to follow. People obviously are welcome to come for worship in person, but the Annual Meeting will not be hybrid. Martha Gardner from the Cathedral has agreed to be our Zoom verger again.

Vacation: I plan to take two weeks of vacation, leaving Monday March 14, returning on Monday March 28. Among other things, Jamie and I will be taking Lydia, our younger child, college visiting up and down the eastern seaboard. I will also be making a three-day Lenten, silent retreat at the Trinity, Wall Street retreat house in Cornwall CT. The Rev. Dr. Karen Coleman, who was a curate here when she began ordained ministry, and who has preached here before, will supply on March 27. I am still waiting to hear back for March 20.

I also want to propose 2 motions have to with staff positions. The by-laws state that “the Vestry, in consultation with the Rector, shall authorize staff positions and the terms of employment.” It makes sense therefore to offer two draft motions. They are offered as separate attachments.

Mardi Gras Sunday February 27. In the absence of a traditional pancake supper and our trademark Untalent show, what about having a Trivia night for all ages? Is that something the Vestry could get behind? The same outfit that ran Trivia night last year is currently available that night and has experience with an all – age format.

Thank you to members who are rotating off. We give thanks for the class of ‘22: Bob Begin, Bob Keener, Ingrid Melvin, and Annie Russell. We give thanks for Brian Mukherjee, for his service as Warden, and for Dave Carnahan, for his service as Clerk. Though Duncan remains for one more year as part of the Vestry class of 2023, he has in effect been the treasurer. ***Please have a beverage ready for a toast in your Zoom window!***

Friends, we are at a critical moment in our common life. While there is much to be grateful for, and to look forward, the Giving Campaign gives us a sobering, but not unexpected, landscape to navigate.

Thank you for all you have done so far, and all that you continue to do, to lead this parish to love God and neighbor as Jesus teaches. May the Holy Spirit be our guide as we move through uncharted territory. I look forward to working together with our collective faith, wisdom, courage, respect, and humor, to discover the presence and activity of God’s love in places where we have not yet been, and in people we have not yet met. As Dr. Seuss puts it, “O the places you’ll go!” As the Letter to the Ephesians puts it, “Glory to God whose power working in us can do infinitely more than we can ask or imagine. Glory to God in the Church, and in Christ Jesus for ever and ever.”
(3.20, 21)

Appendix B DRAFT Budget 2022

This discussion draft is intended for consideration at the Vestry’s meeting of January 18, 2021. The Vestry may make changes, and may develop guidance or express intentions which will be included in a final version

This statement presents Christ Church Needham’s 2021 operating results and its operating budget for 2022.

At its meeting on January 18, 2021, the Vestry of Christ Church adopted a budget for 2022 including the revenues shown in Table 1 and the expenses shown in Table 2. These tables show the corresponding budgets for 2021, actuals from 2021, and differences between the 2022 budget and 2021 actuals. The tables use a slightly more complex structure than those from prior years based on changes made to the church’s chart of accounts, including both expenses and revenues associated with special endowment draws.

A table has been added to show adjustments to the total surplus value for 2021 which in the assistant treasurer’s opinion brings it more in line with the amounts in past treasurer’s reports, and makes it comparable to the amount in the budget for 2022.

It should be noted that the budget for 2021 did not include an interpretation of pension requirements which the parish adjusted for in 2021, and that some increase in payroll for cleaning services was more than offset by a reduction in contracted services.

Revenues

Table 1. Revenues	2021 Annual Budget	2021 End of Year	Notional 2022	Notional 2022 - EOY 2021
Offerings				
Pledge Income	\$ 331,565	\$ 343,758	\$ 317,500	\$ (26,258)
Regular Operating Support	\$ 31,625	\$ 29,695	\$ 25,083	\$ (4,613)
Loose Plate	\$ 2,000	\$ 1,487	\$ 2,000	\$ 513
Christmas & Easter Offerings	\$ 4,000	\$ 3,115	\$ 4,000	\$ 885
Donations/Gifts	\$ 15,000	\$ 8,375	\$ 12,000	\$ 3,625
Music Leader Donations	\$ -	\$ 2,000	\$ -	\$ (2,000)
Flowers	\$ -	\$ 3,144	\$ 3,207	\$ 63
Summer Music	\$ -	\$ 1,060	\$ 1,250	\$ 190
Close out Friends of Music (one time)	\$ -	\$ -	\$ 2,600	\$ 2,600
Other (misc & reimbursed processing costs)	\$ -	\$ 919	\$ -	\$ (919)
Investment Income				
Facility Rental Income	\$ 53,000	\$ 72,853	\$ 76,833	\$ 3,980
Endowment Income (Four Points)	\$ 42,409	\$ 53,011	\$ 53,900	\$ 889
Endowment Income (Music-related funds)	\$ -	\$ -	\$ 5,700	\$ 5,700
General Memorial Fund	\$ -	\$ 21,190	\$ 14,400	\$ (6,790)
SUBTOTAL REVENUES	\$ 479,599	\$ 540,607	\$ 518,472	\$ (22,135)

2 Assistant Treasurer’s 2021 Statement Christ Church Needham

The revenues shown in Table 1 include four items which would not have been included in revenues as presented in previous treasurer’s reports:

- \$8,424 in pledge revenue from transfers of stock made in 2020 but not booked until 2021; these should have been shown as pledge revenue for 2020;
- \$10,602 in excess operating draws which will be deducted from planned draws in 2022;
- \$4,520 in endowment draws for the rectory improvement project which were not spend in 2021; and
- A rebate of \$4,375 for the boiler purchased with endowment draw funds.

The adjustments discussed above would re-state the revenues for 2021 as \$521,110. The principal reasons for this number being above the budget forecast of \$479,607 were the special endowment draw for the boiler project and rental income well above the budget forecast.

In the assistant treasurer's opinion. if the revenues for 2020 and 2021 were to be restated to adjust for the above, the recent history of Christ Church's aggregate revenues as reported in previous treasurer's reports would be as follows, with the values in italics being restatements:

Year	2015	2016	2017	2018	2019	2020	2021
Revenues	\$589,482	\$ 567,019	\$ 550,233	\$ 613,366	\$ 619,459	<i>\$572,371</i>	<i>\$521,110</i>

It should be noted that the values immediately above include:

- The results of the special 'We're All In' fundraising campaign in 2018;
 - Significant unrestricted donations in 2019; and
 - A Federal Paycheck Protection Program loan for \$39,613 in 2020, which was forgiven in 2021.
- For the year 2022, the revenues budget includes two 'one time only' entries: the use of the remainder of the 'Friends of Music' fund towards the costs of music section leaders, and \$14,400 in what the Vestry considers 'bridge funding' from the General Memorial Fund of the endowment. Such possible use was foreseen when the Vestry allocated the recent additions to the endowment from the sale of 61 Rosemary Street and the Robert Storer bequest. The ground rule for using 'bridge funding' is that a case can be made that the revenue can be expected in future years. In this specific case, growth estimated at \$14,400 can be expected as the three-year averaging process for endowment spending progresses.

Expenses

	2021 Annual Budget	2021 End of Year	Notional 2022	Notional 2022 - EOY 2021
Table 2. Expenses				
Operations & Education				
Child Care	\$ 400	\$ -	\$ -	\$ -
Family Ministries	\$ 1,050	\$ 174	\$ 640	\$ 466
Adult Education	\$ 150	\$ 47	\$ 150	\$ 103
Holy Grounds	\$ 400	\$ 11	\$ 300	\$ 289
Music	\$ 1,000	\$ 1,172	\$ 5,180	\$ 4,008
Music Section Leaders	\$ 14,000	\$ 15,980	\$ 19,000	\$ 3,020
Office Supplies & Expense	\$ 9,000	\$ 7,213	\$ 5,000	\$ (2,213)
Vestry	\$ 800	\$ 100	\$ 800	\$ 700
Postage	\$ 1,300	\$ 1,487	\$ 1,350	\$ (137)
Stewardship & Planned Giving	\$ -	\$ 218	\$ 300	\$ 82
Telephone	\$ 3,000	\$ 3,157	\$ 3,200	\$ 43
Travel	\$ 1,200	\$ 3,304	\$ 1,500	\$ (1,804)
Treasurer	\$ 15,500	\$ 10,983	\$ 12,000	\$ 1,017
Worship	\$ 2,500	\$ 3,991	\$ 5,700	\$ 1,709
Flowers	\$ -	\$ 4,245	\$ 4,415	\$ 170
Sundry - Clergy	\$ 500	\$ 110	\$ 500	\$ 390
Technology	\$ 3,000	\$ 2,731	\$ 3,060	\$ 329
Communications	\$ 1,550	\$ 1,013	\$ 1,200	\$ 187
Fellowship	\$ 2,000	\$ 704	\$ 2,000	\$ 1,296
Outreach				
Community Concerns	\$ 12,000	\$ 12,425	\$ 12,000	\$ (425)
Parish Partnership (Haiti)	\$ 3,000	\$ 3,000	\$ 3,000	\$ -
Payroll/ Taxes/ Insurance/ Pension				
Payroll Expense	\$ 142,352	\$ 166,042	\$ 180,121	\$ 14,079
Housing Allowance	\$ 34,962	\$ 33,618	\$ 34,962	\$ 1,344
Taxes - Payroll	\$ 6,308	\$ 7,842	\$ 7,345	\$ (497)
Insurance - Health	\$ 14,700	\$ 14,935	\$ 16,332	\$ 1,397
Church Pension Premiums	\$ 17,560	\$ 25,058	\$ 25,564	\$ 506
Continuing Education (Clergy)	\$ 1,000	\$ 1,322	\$ 1,500	\$ 178
Property Improvements & Maintenance				
Building Repairs	\$ 6,700	\$ 5,893	\$ 5,600	\$ (293)
Property Improvements	\$ 10,360	\$ 8,445	\$ 20,700	\$ 12,255
Rectory Improvement Project	\$ -	\$ 3,800	\$ 4,570	\$ -
19 Homestead	\$ -	\$ 9,820	\$ 10,000	\$ 180
Building Maintenance	\$ 26,000	\$ 8,209	\$ 8,500	\$ 291
Grounds	\$ 14,000	\$ 19,735	\$ 17,500	\$ (2,235)
Building Supplies	\$ 4,100	\$ 1,025	\$ 1,250	\$ 225
Cleaning Service	\$ 11,800	\$ 5,372	\$ 5,750	\$ 378
Electricity	\$ 4,100	\$ 5,524	\$ 4,750	\$ (774)
Heat (fuel - oil & gas)	\$ 13,500	\$ 16,294	\$ 17,000	\$ 706
Insurance - General	\$ 29,750	\$ 20,047	\$ 24,000	\$ 3,953
Copier	\$ 4,400	\$ 5,449	\$ 5,000	\$ (449)
Sewer & Water	\$ 3,200	\$ 2,490	\$ 2,600	\$ 110
Diocesan Assessment				
Diocesan Assessment	\$ 67,119	\$ 65,019	\$ 65,011	\$ (8)
Repay Green Loan	\$ 5,531	\$ 5,531	\$ 5,531	\$ -
SUBTOTAL EXPENSES	\$ 489,792	\$ 503,535	\$ 544,881	\$ 41,346

It should be noted that the budget for 2021 did not include an interpretation of pension requirements which the parish adjusted for in 2021, and that some increase in payroll for cleaning services was more than offset by a reduction in contracted services.

For Property Improvements, the estimated full amount which can be supported from the earnings of the Property Improvement Fund of the endowment is shown. Should that full amount not be required in 2021, the reduction in draw would be also shown as a reduction in revenue.

Summary

As tabulated below, the previously mentioned adjustments would re-state the surplus for 2021 as \$9,151:

Adjustment of Surplus for 2021	
Total Revenues from Above	\$ 540,607
Total Expenses from Above	\$ 503,535
<i>Surplus or Deficit per Accounting System</i>	<i>\$ 37,072</i>
Excess Operating Draw 2021	\$ (10,602)
Unspent Draw for Rectory Project 2021	\$ (4,520)
Boiler Rebate	\$ (4,375)
Pledge via stock for 2020 booked in 2021	\$ (8,424)
<i>Adjusted Surplus (Deficit)</i>	<i>\$ 9,151</i>

The adjusted surplus is substantially accounted for by year 2020 pledges booked in 2021.

The budget for 2022 shows a significant deficit of over \$26,408. The Finance Committee has already negotiated some reductions in original requests to some programs, but without further reductions or an increase in offerings of other revenues, it appears the church will need to resort to making a 'non-bridge' draw on the General Memorial Fund. The imbalance is significant enough that the Vestry will need to act to close the gap, either thru increased fundraising efforts or reduced spending throughout the year.

The Vestry will form, and will identify members for, a task force to identify a program reconfiguration for Christ Church for the 2022-2023 program year no later than the end of the 2021-2022 program year. The reconfiguration shall offer a real prospect of eliminating or minimizing any reliance on 'bridge funding' from the General Memorial Fund after the close of the 2022-2023 program year, given revenue projections from the Finance Committee for the program years 2022-2023 and 2023-2024. The task force may propose sources and estimates of additional offering or fundraiser income for the Finance Committee to consider in its estimates.