

**Christ Church Cathedral
Vestry Meeting Minutes
September 24, 2018**

Vestry Members Present

Roger Moore (Senior Warden), Caroline Rossini (Junior Warden), Win Bassett, Wyeth Burgess, Catherine Clark, Charlie Cook III, Becca Ingle, Mary Herbert Kelly, Ken King, Anna Rodriguez Masi, David Morton, Gibson Prichard, Trone Sawyer, Katy Sheesley

Clergy Members Present

The Rev. Lissa Smith, Associate for Pastoral Care and Cathedral Life; The Rev. Matthew Lewis, Assistant to the Rector, The Rev. Roger Saterstrom, Deacon, The Rev. Naomi Tutu, Curate

Other Members Present

Hal Johnson, Mark McQueen, Tyler Yarbro

Opening Prayer

Rev. Lissa Smith led those assembled in the opening prayer.

Meditation

Catherine Clark delivered the meditation.

Approval of Minutes of July Vestry Meeting

The minutes of the July 23, 2018 Vestry Meeting were approved with corrections.
(Rossini, Burgess)

Approval of Minutes of Specially Called Vestry Meeting

The minutes of the specially called Vestry Meeting of September 5, 2018 were approved. (Sheesley, Morton)

Finance Committee Report

Mark McQueen presented the Finance Committee Report. The income and expense reports were approved (Prichard, Cook), and the balance sheet was approved (Rossini, Moore). The Finance Committee is satisfied with the Cathedral's financial performance thus far in 2018, inasmuch as it has recorded a positive variance to budget of \$43,808.

This is a result of a favorable variance to budgeted income of \$37,982, coupled with a favorable variance to budgeted expenses of \$5,826. Cash reserves are slightly below the target of 25% of expenses (23.32 % to be exact) on a 12 month moving average, due in part to additional start-up costs incurred in the Capital Campaign.

Income and Expenses. Pledges, offerings, and contributions as of August 31st are \$32,910 over budget compared to \$3,279 under budget through July 31st. Christian Education income is over budget due to receipts from Donations/Youth Activity and Catechesis Training. Music Contributions are under budget due to less than budgeted Chorister Festival income. Kitchen income is under budget due to less than anticipated income from Wednesday Dinner, Other Meals, and Breakfasts. Sacred Space income is over budget due to proceeds from Workshops and Ticket Sales. Salaries and Benefits expense is under budget due to vacancies in the positions of Event Coordinator and Accountant. Administrative Support Expense is over budget due to accounting services costs. Property Management expense is over budget due to increased utilities costs and an increase in commercial insurance premium. Christian Education expense is over budget due to Catechesis Training costs. Music Program expense is under budget due to lower than budgeted expense for Instrument Maintenance, Music Acquisition, and Chorister Festival. Financial/Stewardship expense is over budget due to 990-T Federal Tax Expense and Parking Lot Expense.

Capital Campaign. The Finance Committee reviewed the Capital Campaign expenses incurred from October 2017 through August 2018. Those expenses total \$194,455.11, which is within the Capital Campaign budget. The Implementation Committee was not happy with the Capital Campaign brochure produced by DVL Seigenthaler and will be asking that firm to stop work and to release the Cathedral from its contract with Seigenthaler, including any future payment obligations. The Finance Committee recommends the approval of an additional \$25,000 to fund the creation of a new brochure by a different firm. The Committee also recommends that the Vestry approve the extension of the Cathedral's contract with American City Bureau (ACB), for consultancy services in connection with the implementation of the Cathedral's Strategic Plan, for an additional 6 months at a cost of \$30,000. The Finance Committee advises that there are savings in the current Capital Campaign budget that will cover these additional expenses. Both recommendations were addressed and voted upon by the Vestry during the report of Hal Johnson, Capital Campaign co-chair (see below).

Financial Audit. The Cathedral's audit of its 2016 and 2017 financial statements, performed by Crosslin & Associates, was presented to the Finance Committee by Damien Wynn of Crosslin. Mr. Wynn reported that the financial statements were presented fairly and that the changes in its net assets and its cash flows for the years 2016 and 2017 ended in accordance with the modified cash basis of accounting. The auditors had no recommendations for any changes to our procedures. The Finance Committee recommends to the Vestry that it accept this audit. After discussion, a

motion was duly made and seconded (Sawyer, Morton) to approve and accept the Audit. The Vestry voted unanimously in favor of the motion.

Funding of Background Checks. The Diocese has adopted a policy requiring background checks for all clergy, staff, and certain other persons doing work on behalf of the Cathedral and its parishioners. The cost in 2018 for the performance of those checks is expected to amount to approximately \$4,000. The Finance Committee recommends that proceeds for this purpose be drawn from the Opportunity Fund for 2018, and that the cost of future years' background checks would be factored into the operating budget. After considerable discussion, a motion was duly made and seconded (Masi. Sheesley), and unanimously approved as follows:

“That funding necessary to satisfy the costs of performing background checks required by the Diocese, on clergy, staff, and other appropriate individuals doing work on behalf of the Cathedral parish for the year 2018, be drawn from the Opportunity Fund in an amount expected to be approximately \$4,000.”

Banking Update. Through the good efforts of Pete Stringer, First Tennessee Bank has agreed to increase the amount of interest earned and paid to the Cathedral on its deposits with the bank from .25% to .65%. The Finance Committee extends its thanks to Pete for his efforts.

Implementation Committee Report

Tyler Yarbrow gave a brief report on the recent activities of the Implementation Committee. The Committee met last Thursday, and received an update from the Campus Concerns Committee on its efforts to secure an architect for the building project to be funded by the Capital Campaign. RFPs were sent out to 11 different architectural firms. The Committee received six responses, two of which were rejected by the Committee. Four firms are to have interviews with the Committee over the next two weeks. It is possible that the Committee's recommendation on the most suitable firm(s) will be brought to the Vestry for approval at its October meeting. Once an architect is hired, the Vestry will form a Building Committee, with an accompanying charge. If the pre-Campaign budgeted funds are adequate, the Building Committee will retain the services of a Project Manager.

Capital Campaign Report

Campaign Timeline. Hal Johnson provided an update on the progress of the Capital Campaign to date. He began by thanking the Vestry members for their pledges to the Capital Campaign. Virtually 100% of the parish leadership has pledged to the campaign, and Hal is enthusiastic about the responses so far. The Major Gifts phase of the campaign has begun and letters are going out in furtherance of that initiative. Thus far, 37 gifts and pledges have been made, totaling \$1.81 million, which has exceeded

projections. A Major Gifts Solicitation Team has been formed, headed up by Rebecca Collins. That team is planning to meet with prospective donors from whom pledges in the \$25,000 to \$50,000 range will be sought. Hal and Dean Kimbrough hope to have individual meetings with approximately 65 major donor prospects by Thanksgiving. The “community” (parish-wide) phase of the campaign will begin in late January and continue into the spring of 2019. The goal is to raise eight million dollars initially.

Additional Cost Matters. The continuing services of Bob Hotz, a principle with ACB, will greatly facilitate the implementation of the Strategic Plan and Capital Campaign development efforts. Accordingly, the Implementation Committee and the Capital Campaign Committee jointly recommend that ACB’s consulting contract with the Cathedral be extended for an additional six months at a cost of an additional \$30,000. As noted above, the Finance Committee endorses this recommendation. In addition, as noted above, the Capital Campaign brochure produced by DVL Seigenthaler is unsatisfactory to the Cathedral’s team working on that project. Accordingly, we will be asking the Seigenthaler firm to stop working on the brochure, and we will be seeking a replacement vendor. Negotiations are underway to terminate their contract and work out a mutually satisfactory financial resolution with them. The Implementation Committee and Capital Campaign Committee are requesting that the Vestry approve an additional \$25,000 in funding to develop a new brochure with a different firm. The Finance Committee supports this request. After considerable discussion on both funding requests, the following motion was duly made and seconded (Clark, Hedge), and unanimously adopted by the Vestry:

“That an additional \$30,000 be authorized to be expended from the Capital Campaign budget for the purpose of extending the Cathedral’s consulting contract with American City Bureau (ACB) for an additional six months, and that an additional \$25,000 be authorized to be expended from the Capital Campaign budget for the purpose of retaining a new firm to complete the Capital Campaign brochure and related matters.”

Cathedral Outreach Initiatives

Rev. Roger Saterstrom reported to the Vestry on three significant Cathedral outreach initiatives that he is leading and coordinating. He began by commenting that his conversations with clergy at other churches in the Diocese have left him impressed with the robustness of Christ Church’s outreach efforts. Through our partnering with NOAH, we have supported both affordable housing efforts in the city, and the movement to establish a Community Oversight Board, which seeks to hold law enforcement officials accountable for use of excessive force. We are also active in a program initiated by Joe Ingle to maintain ongoing visits by several of our parishioners to individuals incarcerated on Death Row at the Riverbend Maximum Security Facility.

The three outreach programs emerging in the Cathedral parish are:

(1) Meal-on-Wheels. Christ Church parishioners delivered 585 hot meals to North Nashville neighbors in July 2018. We currently have 33 active volunteers, which has grown from last year. We will be adding delivery of holiday baskets to Meals-on Wheels recipients during Advent this year. Our partners in this undertaking are Gordon Memorial United Methodist Church and Bethlehem Center.

(2) Environmental Stewardship. Christ Church is building on a legacy with renewed energy to increase creation care and awareness through the efforts of over two dozen new volunteers. They are working to identify best practice models, coordinating their efforts with Cathedral staff and the Cathedral Property Committee. Their goal is to provide educational and action opportunities for resource renewability (e.g., recycling, composting, and other sustainable practices). Our partners in this initiative are Tennessee Interfaith Power and Light, West End United Methodist Church, and Second Presbyterian Church.

(3) Refugee and Migration Assistance. Christ Church is developing specific ways for its parishioners to provide services for area refugees, starting in the fall of 2018. We are seeking to discern a broader role for migration ministries, and new opportunities to connect with and serve the migrant community, in areas such as facilitating access to legal services, providing transportation, and educational assistance. Our partners in this ministry are Tennessee Justice for Our Neighbors and TEC-Episcopal Migration Ministries

Christ Church is serving as a model for other churches in its outreach efforts, and Rev. Saterstrom is actively seeking volunteers from the parish to take leadership roles in each of the above three initiatives.

Report from the Commission on Christian Formation

Win Bassett, Vestry Liaison to the Cathedral's Christian Formation Commission, submitted a report on that commission's recent activities, a copy of which is attached hereto as **Exhibit A**.

Senior Warden's Report

Reverend Saterstrom's Archdeacon Appointment. Roger Moore, joined by all those assembled, congratulated Rev. Roger Saterstrom on his recent appointment to the position of Archdeacon for the Diocese of Tennessee.

Cathedral Parish Pledge Drive. Roger Moore reminded those assembled that the Annual Pledge Drive is under way. Marie Yeagle, one of the pledge drive chairs, delivered an inspirational appeal at the service yesterday. Marie will be coming to the next few Vestry meetings to provide updates on the progress of the pledge drive. Roger encouraged the Vestry members, as leaders in the parish, to make their pledges soon.

Diocesan Prayer Vigil. Rev. Lissa Smith provided an overview of the Diocesan-wide Prayer Vigil that will begin on Saturday, October 27th. The exact details are still being worked out, and ideas are being generated about particular assignments and undertakings. Michael Gebhart, the Cathedral's Events Coordinator, is coordinating our participation in the Vigil.

Reverend Tutu's Departure. Roger Moore reminded the Vestry that Rev. Naomi Tutu's last official day with the Cathedral will be Sunday, September 30th. She will be delivering the sermon at all three morning services. Rev. Tutu will begin her clerical duties at All Soul's Cathedral in Ashville, North Carolina about a month thereafter.

Adjournment

There being no further business to conduct, the meeting was adjourned, with a closing prayer by Reverend Saterstrom.

Respectfully submitted,
Ken King, Clerk