

**St. Andrew's Episcopal Church**  
**Vestry Meeting – January 16, 2008**

**Present:** Interim Rector Carol Meredith, and Deacon Sally Brown. Senior Warden Tim Croasdaile and Junior Warden Greg Geissler. Maryann O'Brien, Ann Luke, Diana Solomon, Deb McVicker, Roger Kilgore, and Kevin Fletcher.

**Absent:** Deacon George Magnuson. Mary Buck, Susan Backus and Mike Kornelsen.

**Attending:** Treasurer Kathy Fleming and Clerk Cheak Yee. Search Committee Co-Chairs Jennifer Barker and Sue Kilgore.

The meeting convened at 6:30 p.m. with opening prayer.

*Report of the Search Committee.* Co-Chairs Jennifer Barker and Sue Kilgore made available the final version of the contents to be submitted in the standard Search Request format for announcing our clergy vacancy as revised from helpful comments after distribution/posting to the Vestry last month and recently. This version has been approved by the Search Committee which recommends its adoption by the Vestry as substantively complete (the only omission are the figures for the range in salary and benefits, which can be readily added after further appropriate consultations). It was moved, seconded and passed to approve the recommended language for our Search Request.

The Co-chairs then distributed the draft Parish Profile with an electronic version to follow. Discussing the draft, the input of the Vestry is sought for any glaring errors or major omissions; it is possible that the history section may be overlong, and the consideration on "discernment" may need to be expanded. Deacon Sally indicated that a different focus in the depiction of our outreach (from funds expended to persons ministered to) can be readily addressed. Suggestions/comments ought to be submitted to the Co-Chairs within two weeks, and a final draft would then be available for adoption by the Vestry at its February meeting. The Co-Chairs are grateful to Cyn Croasdaile for her editorial assistance and look forward to graphics input from Tim Giesen as well.

It was noted that the completed Profile should not only inaugurate the next stage of our clergy search, but can appear on our Website and be adapted to other uses. While the Profile may be drafted as a self-contained whole, we ought to be alert to potential wider applications.

The Vestry warmly expressed its gratitude for the exemplary work of the Search Committee and its leadership.

*Minutes Approvals.* In the absence of Clerk Cheak at the December 16, 2007 Vestry Meeting, draft Minutes had been prepared by Mike Kornelsen and distributed. It was moved, seconded and approved to adopt these without additions or corrections.

*Report of the Deacon.* Deacon Sally distributed a summary of all the outreach activities during 2007 which will be included in the documentation provided at the Annual All-Parish Meeting.

*Report on Diocesan Standing Committee Process.* Senior Warden Tim reported that he, along with our Interim Rector Carol, attended a meeting of the Standing Committee of the Diocese to consider the latest capital/encumbrance parameters: the acquisition of the adjacent parking lots in the

context of continuing revenue from parking fees and shared debt burden with the Denver Urban Land Conservancy (DULC). The Standing Committee approved this request.

In the process, the Diocesan Treasurer inquired on the ability of the Parish to undertake these major efforts in the context of our pledge contribution to the Diocese still falling short of the mandated 10% level. We noted that the Parish has been making progress in the previously agreed manner towards that mandate, achieving 8.3% during the previous year. We also indicated that we believed we would reach the 10% level shortly. (To inquiry, it was noted that the average level of contributions among parishes in the Diocese is about 6.5%.)

A further query focused on whether the Parish had planned or discerned how the expanded facilities or lots or revenues will be utilized in terms of benefits either quite directly or more broadly, such as in connection with the DULC or surrounding area. We assured the Standing Committee that the focus from the outset of our capital expansion effort has been on ministry and this will certainly mean benefits broadly beyond our own direct concerns.

The Vestry reviewed our history of progress in reaching the mandated contribution level to the Diocese in recent years. It was noted that the contribution level to our region within the Diocese is set at a lower level, and it was explained that this can be seen to be appropriate on several grounds:

- 1) the regions will have more localized requirements;
- 2) there can be more collegial efforts in smaller arenas; and,
- 3) decision-making can have a more programmatic basis.

The Diocesan budget, supported by parish contributions, is required in turn to provide funding to the national Church overall. In Kansas, Interim Rector Carol noted that the diocesan mandate is 16% and this affects funds raised for capital expansion as well.

The Vestry by consensus agreed that our Parish ought to strive to be among the first in the Diocese to attain and sustain a 10% contribution level.

*Report on Sacred Vision/Sacred Space.* Task Force Chair Roger reported that later in January the Task Force should be able to review draft construction documents and the contracting process. We can hope to approve construction documents in February and contract biddings in March; if so, then we may be able to commence construction after Easter. After Task Force review on bidders along with any recommendations from the Architect and Canon Missioner Rev. Lou Blanchard, the Vestry (and the Bank of course) will have the opportunity to approve the construction contractor that is nominated.

Roger distributed the revised Project Budget reflecting a total expenditure of \$1.756 million, which is slightly over previous projections. The Task Force will review once more for possibly acceptable cost-cutting areas such as the types of doors, walls for the multi-purpose room in the undercroft, and fixtures.

The Standing Committee approval is based on a mortgage of \$550,000 at a 7.5% interest rate; if we remain in that ball park, we would not need to seek approval again for a change.

*Report of the Interim Rector.* Rev. Carol is pleased that the staff is working together well. We are considering how our administrative functions proceed during the construction period; given the likely noise, dust, and dislocations on the site, even if the Parish House isn't directly involved in the construction, it will be far preferable and more productive to relocate all our community activities during this period. If possible, the office functions will return earlier to the Parish House.

Our options to enhance children's ministry continue to be explored; a clean-up of the nursery area is scheduled, and the small persons corner in the undercroft has been well-received although it would be enhanced if we could arrange for it to be carpeted.

Rev. Carol believes that parish life and pastoral care aspects are proceeding well, and she will focus on the challenges imminently at hand as construction and relocating our parish physically both loom.

She outlined various alterations and scheduled activities for the period of Lent and Holy Week upcoming involving liturgies, decorations, and signages, both temporary and permanent.

*Report on Stewardship Campaign.* Campaign Co-Chair Greg reported that our shorter (4 weeks) and lower-keyed effort this year did perhaps not get the word out on our perennial budget needs as fully as we need to do so; thus, the effort is protracting with phone calls especially to a number of our regular pledging members who haven't yet responded. We ought to exceed 100 pledging units this year, but the overall rate of pledging is not certain to cover all the likely expenses. As we had done so in the 2006 All-Parish Meeting, we may need to appeal for a modest increase on pledges already then submitted. Specifically, we can reasonably aim to achieve \$267,000 in donations from 102 units versus our \$275,000 from 99 units.

*Report of the Junior Warden.* Junior Warden Greg then confirmed that our former Sexton was not sufficiently reliable to continue, but a new candidate has been identified for us from the St. Francis Center, at least temporarily. Typically, it is difficult to find candidates who are available to work on Sunday mornings, and the season for snow removal is now upon us as well.

Repairing the one leaking dishwasher is probably uneconomical, and a reconditioned one is being quoted. A remaining consideration is the timing of such a replacement given the relatively short period before construction intervenes. Volunteers may be able to help us cover the needs for both snow removal and dishwashing after our Sunday liturgies over the short term.

*Report of the Senior Warden.* Senior Warden Tim noted that the approval of the Standing Committee on our parking lots acquisition is subject to a further review by the Diocesan Chancellor given the implications of having revenue which might be considered commercial for entities which are church-related and tax-exempt. Similarly, we are deferring to the DULC for reviewing aspects of title on the lots.

We will establish a discernment process/task force to review options for the Parish regarding the use/revenues of the adjacent lots and other potential areas where we may have an impact on our neighborhood in conjunction with the DULC.

We have met with the Rector and Senior Warden of Holy Redeemer Episcopal Church as a site where we could relocate our parish community during capital construction. We are negotiating on the monthly cost involved, and we believe our offer at \$1,000 is within range and this outlay would only commence when we actually relocate mid-year. A more complex aspect is the allocation of space and time; in this regard, it has been suggested that the arrangements now arising between Holy Comforter and Resurrection parishes may provide us some insights.

A task force (Fr. Dick Palmer, Tim Kruger, Jean Rafsnider, Diana Solomon, and Steve Kick) will join Senior Warden Tim on considering options for incense usage in our liturgies. Also, Roger Kilgore and Kevin Fletcher volunteer to help with a Centennial Committee for St. Andrew's that will assemble to help celebrate the completion of our capital and construction efforts in 2009.

*Report of the Treasurer.* Senior Warden Tim and Treasurer Kathy noted that the Finance Committee has reviewed the current Financial Statements for the Parish without finding exceptions. The 2007 year concluded in the black by \$26,000 but this really only reflects a surplus of \$5,000 after erasing an initial deficit and repaying borrowings from designated funds accounts. Our major savings in expenses, of course, occurred with regard to clergy salaries that did not materialize; in a technical sense, our actual income at \$261,000 did fall short of the projected \$275,000.

Per mandated phraseologies, the following resolutions on housing allowances were moved, seconded, and adopted –

“Whereas Carol Meredith is employed as a minister of the Gospel by St. Andrew’s Episcopal Church, Denver, Colorado, which does not provide a residency to her, the Vestry resolves that, of the total compensation paid during 2008 to Carol Meredith, \$27,500 be designated as parsonage allowance within the meaning of the term as used in Section 107 of the IRS Code of 1986.”

“Whereas Sally Brown is employed as a minister of the Gospel by St. Andrew’s Episcopal Church, Denver, Colorado, which does not provide a residency to her, the Vestry resolves that, of the total compensation paid during 2008 to Sally Brown, \$4,500 be designated as parsonage allowance within the meaning of the term as used in Section 107 of the IRS Code of 1986.”

*Consideration of 2008 Budget.* Treasurer Kathy distributed a draft for Vestry review prior to our required presentation at the All-Parish Meeting upcoming. She first noted that a minor adjustment can be made to the “Other” item to reflect a likely increase due to donations for flowers and that an increase in pledging units and amounts might bring the income level to approximately \$270,000. Initial discussions focused on questions involving the needs of and funding for:

- a) sexton;
- b) musicians, especially given shifts in liturgical scheduling upcoming;
- c) ministries; and,
- d) diocesan / regional contributions.

It was noted that administrative expenses are appropriately increased for estimated costs of the next phases in the search process; similarly, all of the estimates for both income and outgo have been made on a very conservative basis.

A query focused on whether the costs for relocation during construction, such as that paid to Holy Redeemer for use of facilities, is more properly a Project item rather than one in the regular Parish budget. It was pointed out that after construction is completed, there will be regular Parish expense for annual mortgage payments; in effect, the 2008 expense for Holy Redeemer permits the Parish to adjust its finances step-by-step to the long-term outlay retiring the mortgage will require. It was noted that the remainder of the increased Project construction cost that is under review as the construction documents are drafted is accounted within Project costs.

In reviewing options for modifying the draft 2008 budget, the Vestry came by consensus to these preliminary conclusions –

- 1) some additional pledge/plate income can be expected, perhaps in the range of \$6500;
- 2) some savings in Sexton expense can possibly occur, perhaps about \$1800;
- 3) the diocesan contribution for 2008 will be set at 8%;
- 4) the regional contribution for 2008 will be set at 2.1%;
- 5) the Holy Redeemer cost at \$8,000 will remain in the regular Parish budget;
- 6) the other increased construction cost of \$22,000 will remain in the Project budget, but the SV/SS Task Force will be urged to reduce this amount if feasible;

- 7) the draft 2008 budget remains in a deficit posture which could be remedied in several possible ways –
  - 7.1 - the Parish could be advised by recommendations on where cuts must be made;
  - 7.2 - the Parish could be solicited to increase their pledges as they had been in 2007;
  - 7.3 - later in 2008 the budget could be revisited if the deficit continues a problem;
- 8) Treasurer Kathy will investigate/consult on the costs of music ministries and advise the Vestry thereon; and,
- 8) The Vestry will by email voting confirm the remaining details in the draft 2008 budget for submission to the All-Parish Meeting.

The Vestry entered into an Executive Session to follow-up and resolve a misunderstanding.

After a closing prayer, the meeting adjourned at 9:50 p.m.

Respectfully submitted,

Cheak Yee, Clerk

*Clerk's Note: Per determination of the Vestry on 20 February 2008 in adopting these Minutes, the 2007 Summary of Parish Outreach Activities is appended as a matter of record herewith.*