

# Emmanuel Episcopal Church

## Rapid City, South Dakota

**December 21, 2015**

**Call to Order:** The meeting was called to order by Senior Warden Steve Flanery at 6:30 pm.

**Opening Prayer:** Fr. Chris offered a spontaneous prayer.

**Vestry members Present:**

- |                                 |                    |
|---------------------------------|--------------------|
| 1. Steve Flanery, Senior Warden | 6. Tim Pederson    |
| 2. Key Parker, Junior Warden    | 7. Lynn Lafferty   |
| 3. Brian Allen                  | 8. Richard Jones   |
| 4. Rory Hammerbeck              | 9. Michael Luciano |
| 5. Richard Hatzenbuhler         |                    |

**Vestry Members Absent:**

1. Lynn Von Wald
2. Jamie Clapham

**Non-Vestry members present:**

1. Fr. Chris Roussel, Rector
2. Deacon Virginia Bird
3. Kim Morey, Treasurer
4. Thom Hellmer, 2016 Stewardship Campaign Chair
5. Lee Hammerbeck, ECW President
6. Candise Hollis, ECW Vice-President

**November Minutes:**

The November, 2015 Minutes were distributed to Vestry members via email prior to the meeting. Motion and seconded to accept as written (*Pederson/Jones*). Motion carries.

**ECW Annual Meeting Request:**

ECW President Lee Hammerbeck and Vice-President Candise Hollis proposed to the Vestry that ECW will gladly prepare the meal for the Annual Meeting scheduled for Sunday, January 17, 2016. The plan is for a "Winter Picnic" theme including pulled pork. ECW is requesting funding from the Vestry of \$125.00 for the purchase of the pork needed. Senior Warden Steve Flanery acknowledged the hard work of the ECW and the generosity of the ECW in purchasing several items this year for the parish. Motion and seconded for Vestry to pay \$125.00 for pork for the Annual Meeting (*Hatzenbuhler/Hammerbeck*). Motion carries. It was also decided that the Annual Meeting will precede the meal.

**Treasurer's Report:**

**STEWARDSHIP REPORT by Thom Hellmer**

Thom Hellmer reported the following:

	<b><u>2016</u></b>	<b><u>2015</u></b>
<b># of PLEDGES</b>	<b>97</b>	<b>90</b>
<b>TOTAL</b>	<b>\$312,525.00</b>	<b>\$282,525.00</b>
<b>AVERAGE</b>	<b>\$3,221.91</b>	<b>\$3,210.91</b>
<b>TOP 10 PLEDGES</b>	<b>42% of all donations</b>	<b>40%</b>
<b>AVERAGE TOP 10</b>	<b>\$13,059.20</b>	<b>\$11,250.00</b>
<b>AVERAGE BOTTOM 87 (80 in 2015)</b>	<b>\$2,091.18</b>	<b>\$2,179.81</b>
<b>HIGH</b>	<b>\$26,000.00</b>	<b>\$23,400.00</b>
<b>LOW</b>	<b>\$240.00</b>	<b>\$200.00</b>

Thom recommended and reported the following:

- Continue to use the Episcopal Church's TENS program which is easy to use and works well.
- Set goals for the stewardship plan by outlining in advance the types of programs the Vestry would like to fund for the future and their associated costs.
- Set a specific percentage goal for increase in pledges for next year.
- There are 22 new pledges for 2016 and 12 who pledged last year, but have not as yet for next year.
- Thom and Fr. Chris are making plans for a program tentatively titled "Temporary Tithing" which would encourage people to tithe during the sacrificial season of Lent. Any tithe they offer during that period will go towards their pledge and not necessarily be an extra offering above and beyond their pledge. It would not be a mandatory program, nor would there be a sign-up, but would simply be an individual's private exercise in the practice of tithing with the goal to serve as a way of gaining the spiritual benefits associated with tithing.
- The 'Treasure' portion of the campaign is drawing to a close. Soon, the 'Time and Talent' portion will begin. Thom is working with Nanette to develop a brochure for the ministries which will reflect the 4 pillars of the Strategic Plan.
- Emmanuel should consider a Stewardship Chair to serve for 9 months to a year, possibly even finding someone willing to do a 2 year commitment

rather than focusing on Stewardship for a few months during the Stewardship push in the Fall. Steve Flanery pointed out that it is the intention of the Vestry's Strategic Plan to have the budget outlined by August each year.

Senior Warden Steve Flanery reminded the Vestry that many organizations are experiencing decreased giving this year, therefore the increase we're seeing in pledges is a positive sign for Emmanuel. Junior Warden Key Parker reminded everyone that the majority of parishioners are 55 years old or older and have not received an increase in benefits from the Federal Government this year which could impact their ability to give. Deacon Virginia Bird also reminded the group that when tithing, the tithe goes down if income goes down.

### **Treasurer's Report by Kim Morey**

Senior Warden Steve Flanery opened comments by acknowledging that Emmanuel is in very good shape financially, but that our books are not in good order. He commended Treasurer Kim Morey and Bookkeeper Betty Welke for their due diligence in rectifying the problems and areas of concern.

Kim reported that on the Treasurer's Report, the income statement is very well aligned and we are in a good position on income at this time of year as a percentage of the annual budget. Kim reminded the Vestry that the budget is a goal and 'best guess' and should be adaptable to unforeseen changes. It is not Kim's intention to chase 100% alignment with the budget in each and every category. He also noted the need to track extra (i.e. unbudgeted) expenses and where the funds to cover those costs will come from. Reviewing the Balance Sheet, Kim noted that Emmanuel is not in danger of running out of money, but that the need to keep the cash flow going is important.

Kim noted that a 10% increase in pledges for 2016 should easily translate into a 10% increase in income over the coming year. For expenses, he noted that there are a few line items which appear 'out of whack' with spending at 200% - 300% above budget, but that most of these are below \$100 and only a few are above \$1,000.

Kim stated that 2016 will see an increase in wage costs for the staff, especially for Betty Welke as the hours needed for her to do her job successfully should continue to be extended for the foreseeable future.

There are accounts which should not exist which must be eliminated. Many accounts are unclear as to their purpose or origin. Kim and Betty are working together to consolidate duplicate accounts. Kim also will be formulating a series of policy recommendations for the Vestry to consider in the coming year.

Lynn Lafferty asked whether the Vestry, when voting to spend funds, should also specify from which account those funds should be taken. Kim responded that he will

recommend that the Vestry allow the Treasurer to make those recommendations to ensure continuity throughout the accounts. Kim's presence at the Vestry meetings will be of great benefit to his ability to more accurately identify which accounts spending should emanate from. Over time, the Vestry and Treasurer will work collaboratively to best determine if a threshold amount should be established to determine when the Vestry should defer to the Treasurer for approval of proposed spending.

Kim also suggested that in the coming year the Vestry determine a policy on extra funds which are received that are specified for an already budgeted item. The Vestry will need to determine if it should be their policy to allow that donation to supplant the budgeted amount, thus allowing the budgeted amount to roll back into the general operating account. The other option is to allow the gift to be added to the budgeted amount, thereby increasing available funds for the item budgeted. No decision is being considered this night, but will be discussed in the future.

### **Budget Discussion**

Preliminary discussion was held regarding the upcoming budget meeting which the Vestry will hold on Sunday, January 10, 2016 following the 10:15 a.m. service. Steve Flanery and Fr. Chris spoke of potential increases in staff salaries, cost increases associated with health care plans, and a problem identified in the previous overpayment of pension funds to two employees. Michael Luciano requested actual employee salary and benefit information for the January 10<sup>th</sup> meeting.

### **Strategic Planning Report:**

#### Communications Committee:

Key Parker reported that the committee continues to meet regularly and are in the process of determining which parishioners should be invited to participate in their focus groups. The group will next meet on January 9, 2016.

#### Keystone Committee:

Steve Flanery reported that his committee is taking a break in December and that they are in need of additional members who are currently being recruited by Fr. Chris and himself.

### **Senior Warden Report:**

#### Grants:

Senior Warden Steve Flanery who also serves on the Grants Committee outlined the Grants Committee proposal to the Vestry. He pointed out that John Vucurevich's original intent was for 60% to be spent inside the parish and 40% outside the parish. This year's applications, however, reveal that only 12% of available funds will be used inside the parish. Increasing inside the parish applications should become a priority in

the future. Steve also reported that on behalf of the Vestry he made a floor application for Habitat for Humanity in the amount of \$1,000.00 to replace tools recently stolen from their jobsite. Fr. Chris reported that the full amount available was not used by the committee and that he proposed the remaining balance of \$1,066.00 be earmarked for Strategic Planning purposes. By email, the entire Grants Committee agreed with that use. A motion was made and seconded (*Allen/Lafferty*) to accept the Grants Proposal as written, including the remaining balance of funds not spent to be earmarked for Strategic Planning.

#### **Diocesan Commitment:**

Fr. Chris reported that the Diocese of South Dakota is requesting a commitment of \$51,292.00 for 2016. Vestry discussion indicated a desire to wait until the formal budgeting process before agreeing to the requested amount. A motion was made and seconded (*Luciano/Hammerbeck*) to table the decision on the diocesan pledge. Motion carries.

#### **Executive Session:**

A motion was made and seconded to enter into executive session (*Hammerbeck/Allen*). Motion carries.

A motion was made and seconded to exit executive session (*Hammerbeck/Lafferty*). Motion carries.

#### **Junior Warden Report:**

Junior Warden Key Parker reported that it was recently discovered that Emmanuel has been paying a monthly fee to Montana-Dakota Utilities for a Furnace Maintenance Insurance Policy. Any future maintenance on the furnaces will be done through the policy.

#### **Rector Report:**

Fr. Chris thanked Senior Warden Steve Flanery, Junior Warden Key Parker, and Vestry Members Rory Hammerbeck and Tim Pederson for the faithful service as they prepare to rotate off in the coming year. Fr. Chris reported that Michael Luciano has agreed to run for Senior Warden, Bob Ermish is considering running for Junior Warden and Vestry Nomination forms have been submitted by Julie Grundhoffer and Stewart Flanery.

Fr. Chris also reported that changes are underway with Altar Guild as they will no longer meet monthly, but seasonally as needed. Similarly, Outreach Committee is searching for a chairperson to replace Kay Paschke who is stepping down at the end of the year. Fr. Chris stated that this change in leadership provides an excellent opportunity for the Strategic Planning initiative to evaluate and offer guidance on the purpose and focus of the Outreach Committee.

**Next meeting: Sunday, January 10, 2016 after 10:15 a.m. service.**

**Closing Prayer:** The Vestry prayed the Lord's Prayer together.  
At 8:35 p.m. motion to adjourn was seconded and passed (*Hammerbeck/Pederson*).

The Vestry stands in adjournment.