



St. Timothy's Vestry Minutes

December 7, 2021

Vestry Minutes taken by Katharine Wells, Clerk of the Vestry

Present: Mother Lauren Grubaugh Thomas (Associate Rector), Bob Fullerton (Junior Warden), Dominic Dezzutti, Tim Mills, Victoria Parker, Ann Pontius, Jessica Ross, Jennifer Saldanha, Neil Scarlett, Marie Schriefer, Katharine Wells, Dick Loyd (Chairman, Finance Committee)

Absent: Pastor Stephanie Kopsch (Interim Rector), Shawn Murphy (Senior Warden), Dennis Haugh (Treasurer),

Spiritual Reflection

6:30 p.m. – Mother Lauren led a spiritual reflection on breath.

Called to Order

6:43 p.m. – Bob called the meeting to order. A quorum was present.

Agenda Review

6:44 p.m. – Bob reviewed the agenda. One topic was added to new business – a request from Mother Lauren to carry over additional sick and vacation days.

Approval of Minutes

6:45 p.m. – For the minutes from the November meeting, Dennis had corrected one typo via email submission. Bob noted that we should include the “next steps” discussed during the Mutual Ministry Review to the minutes. Neil moved to approve the minutes as corrected, and Victoria seconded. Approval was unanimous.

Treasurer's Report

6:47 p.m. – In advance of the meeting, Dennis shared a memo along with the monthly financial statement documents. Bob, in his role of Assistant Treasurer, provided a brief financial update. During October, we received a large, non-pledged gift of \$22,000 of which half, \$11,000, was designated for the general operating fund with the remainder split equally among the youth, music, and Family Promise funds. November Pledged and Non-Pledged Offering both exceeded forecast. We are on track to reach our 2021 forecast for giving of \$500,000 for the year.

Mother Lauren shared that it is typical for a church to lose 30% of its members during a rector transition, and that it may take up to two-years to add the 30% back. Currently, St. Tim's average Sunday attendance is 50% of what it was pre-pandemic.

Bob explained that we will begin an initial discussion of the budget for 2022, and that no decisions or approvals need to be made this evening.

Bob shared an update on pledges to date. We have received 102 pledges so far for a total of \$409,000. Our published goal is \$600,000. Over the past few years, the number of pledging units has decreased (158 units in 2020, 120 units in 2021, and currently 102 units for 2022.) Other churches are seeing similar decreases.

The group had a wide-ranging discussion regarding the church's 2022 budget. Dick noted that Dennis did a significant amount of work to prepare this draft budget. Dick highlighted that exactly 67% of the budget is personnel costs. The budget for ministries is only \$52,000, which includes kitchen, music, youth, children, etc.

Therefore, there is not much to be trimmed from the ministries' expenses. The budget line for building maintenance only covers a little bit of maintenance, such as paint and patching the parking lot, and also includes \$14,000 for incidentals.

Overall, we are looking at a budget deficit of \$200,000, but we have reserves of \$1,000,000. Dick explained that the main question is, "How to get the budget down, and pledges and revenue up." The group generally agreed that we will pass a deficit budget; however, we discussed ways to lessen the deficit. The group agreed that we are not comfortable cutting staff this year, especially in the year that we are hiring our next Rector.

All agreed that we need to be transparent with the congregation on our revenue shortfall and communicate what our shortfall means. This could be done by an announcement during church (perhaps by a different voice from a Vestry member supported by other members of the Vestry standing behind her), through a special e-newsletter or by other means. We need to develop a consistent message. Ideas for such a message include asking each member of the congregation to increase their pledge by 5%. We need to be positive in our messaging, such as "Our Future is Bright with your Help." We need to get attendance up, then the number of pledges should follow.

The group discussed ways to make cuts feel more tangible in our communications, which could motivate increased giving. Targeted fundraising for expenditures supported by the congregation might make sense, such as what we did for the new organ. "Let there be Light" might be a theme for funding new parking lot lights. We could encourage parish members to give to a variety of projects. Some saw 2022 as an opportunity to generate enthusiasm through marketing. All agreed that our parish has a history of stepping up when the need exists.

Other ideas included the Vestry sponsoring fundraisers (silent auctions, concerts, benefits, fellowship, and fun) to raise money. Taking advantage of our sanctuary, with its modern streaming capabilities, could generate rents from outside groups using the facility for events.

Bob noted that he does not want to be in this same position next year, so he would like to propose some longer-term solutions, such as a year-long stewardship campaign, marketing outreach to Highlands Ranch, revitalizing our legacy society, and increasing our presence in the community. Volunteers will need to step forward for these initiatives to succeed.

As a next step, the Vestry asked the Finance Committee to run some numbers on various levels of raises for the staff (e.g. 1%, 3%, 5%), and to ask the ministry heads to look critically at their budgets to see if there are areas to trim expenses. As Dennis had already provided the requested salary level information to the Vestry in the Treasurer's report, no further action by the Finance Committee was required.

Clergy, Warden and Rector Search Reports

7:55 p.m. – Mother Lauren shared an oral report during the meeting. She noted that 18 households have completed newcomer cards since the newcomer lunch in the Fall. Mother Lauren has met with 10 of them, and Pastor Stephanie has met with some of the others. Mother Lauren shared the plans and COVID safety protocols for a newcomer event on January 9.

8:04 p.m. – Bob noted that Shawn had emailed his Sr. Warden Report in advance of the meeting. His report outlined the upcoming steps in the rector search process.

8:04 p.m. – Bob emailed his Jr. Warden report in advance of the meeting. The swamp coolers can now be covered and winterized.

2022 Fall Stewardship Campaign

8:05 p.m. – Bob asked the group to share any updates the Vestry learned upon making phone calls to parishioners. It was highlighted that the spreadsheet has notes on most of the outreach calls. One person that the Vestry contacted shared they are no longer attending because the 10am services does not work for them. The group

briefly discussed restarting the early service. The group also discussed doing the thank you note letter writing party in January.

New Business

8:10 p.m. – *2022 Housing Allowance – Pastor Stephanie*: After discussing the amount to be paid to Pastor Stephanie Kopsch as a parsonage allowance, Tim moved, and Jessica seconded the motion to adopt the following resolution. Approval was unanimous.

Whereas Pastor Stephanie Kopsch is employed as a minister of the Gospel at St. Timothy's Episcopal Church, Centennial, Colorado, which does not provide a residence for her, the vestry resolves that of the total compensation of \$111,600 to be paid to Pastor Stephanie Kopsch in proportion to her service during 2022, that \$30,000 be designated as parsonage allowance within the meaning of that term as used in Section 107 of the IRS Code of 1986.

2022 Housing Allowance – Mother Lauren: After discussing the amount to be paid to the Rev. Lauren Grubaugh Thomas as a parsonage allowance, Victoria moved, and Ann seconded the motion to adopt the following resolution. Approval was unanimous.

Whereas the Rev. Lauren Grubaugh Thomas is employed as a minister of the Gospel at St. Timothy's Episcopal Church, Centennial, Colorado, which does not provide a residence for her, the vestry resolves that of the total compensation of \$69,564 to be paid to the Rev. Lauren Grubaugh Thomas during 2022, that \$40,700 be designated as parsonage allowance within the meaning of that term as used in Section 107 of the IRS Code of 1986.

Vestry Nominating Committee: Bob noted that Jennifer, Neil, Katharine, and Bob will be rolling off the Vestry as their terms are ending. He noted that we want to identify people willing to serve and provide a report to the Vestry in January. A list of potential names was discussed. Bob explained that those rolling off will form a Vestry Nominating Committee, and he will coordinate the group.

Mother Lauren's PTO Roll Over Request: Bob explained that Mother Lauren is requesting to carry over additional sick and vacation days. The employee handbook allows for 56 hours to be rolled over each year. Mother Lauren has 160 unused PTO hours for this year. She can carry over 56 of those hours. She is requesting to carry over the additional 104 hours, that she would otherwise lose. Bob noted that sick days do not carry over from year to year, and Mother Lauren has 12 unused sick days. The group agreed that Mother Lauren has worked a lot this year and hasn't been able to take time away. She is also moving into a new house and expecting the birth of her twin girls in early 2022. The group also noted that we don't want this to become a pattern that our staff is not able to take their PTO year over year. Jennifer moved to grant Mother Lauren her request for rolling over 12 sick days and an additional 104 hours of PTO to be used in 2022. Victoria seconded and approval was unanimous.

Interview Planning

8:35 p.m. – Bob noted that the interview questions for the semi-finalists' rector interviews were shared in advance of the meeting. Bob explained that during the interviews, Shawn will call on each vestry member to ask the next question. Tim provided the questions along with a rubric for the vestry member's personal use for notes during the interviews.

Calendar Review

8:44 p.m. – Bob reviewed the upcoming calendar items.

- Zoom Interview on December 8
- Zoom Interviews on December 11
- Zoom Interview on December 13
- Vestry Meeting on January 4

Next Meeting

The next meeting of the Vestry will be Tuesday, January 4, 2021 at 6:30 p.m. at the church.

Adjourn

The group closed with the Lord's Prayer.

There not being any additional business, Jessica moved, and Dominic seconded the motion to adjourn at 8:46 p.m. Approval was unanimous.

Respectfully Submitted,

A handwritten signature in black ink that reads "Katharine Wells". The script is cursive and fluid.

Katharine Wells
Clerk of the Vestry