

The Church of the Good Shepherd

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Minutes for April 19, 2022 at 6:30 PM Vestry Meeting, held on Zoom. We were joined by Kim Chalmers and Ann Mellow, former Assistant Director of National Association of Episcopal Schools, who facilitated our discussion of recent repairs and updates to the Church and Day School, our cost share agreement with the Day School, and Capital Campaign.

Officers present: Tina Thomas (Sr. Warden), Bill Baker (Junior Warden), Bill Nesbitt (Treasurer), Cynthia Fraser (Registrar)

Vestry members present: Grace Belkot, Mary Ellen Gervais, Harry Gormley, Brooke Riegel, Charles Warren

Absent: Arianne Rice +, Marge Rodgers, Jill Hanson, and Barry Rollins

WELCOME AND GROUP CHECK INS:

Tina Thomas led the meeting. She opened with a prayer from “Prayers in a Complicated World”. The check in question was “What is giving you hope?”. Many answered seeing so many people in church on Easter. Others responses included the beautiful Spring weather, vacations, the beautiful altar flowers for Easter, the work going on at SLYC and in their community, new staff coming to Good Shepherd.

Tina asked for a motion to approve the minutes. Mary Ellen motioned to approve and Harry seconded and the motion passed unanimously.

Tina then handed the meeting over to Kim Chalmers and Ann Mellow to review expenditures and discuss how our space is used.

MEETING:

Ann Mellow and Kim Chalmers led the meeting and talked about how our spaces are used and how they have changed over the past few years. They showed diagrams with the levels of the building with blue being spaces used by the church and yellow, the Day School and the shared spaces were both colors. We talked about making the Counseling Room an Art Room for the Day School and how the Choir Room is now the new Kindergarten Room. A fence was added in 2017 and paid for by the Day School and the playground updated in 2020, mulch and mats also paid by the Day School. We talked about the need to negotiate spaces that are shared by both the school and the church.

Ann Mellow said we need to consider the cost agreement on a regular basis because it is in a dynamic situation, we are coming out of the pandemic so the church has more people coming back and the school has been very successful and is growing. We will be pinching for space as both groups grow. She said it is important for long term vision to coordinated together. She stressed the importance of keeping the shared space diagrams up to date. The Logic Diagram helps assess who is responsible for what cost wise and is a yearlong process to agree on the Cost Share. Recently, The church started billing the Day School monthly instead of waiting until March to bill expenses for an entire year.

Bill Baker then discussed unusual expenses recently and then we started to discuss whether to have a Capital Campaign. Tina Thomas started a few years ago to think about this and have started a small committee and they put a plan together of needs for the next 10 years. John Higinbothom put together a 40-page report which is now 3 years old on the state of our Buildings and Grounds. Tina explained the sale of the house gave us \$300K and we had designated gifts to pay for much of the roof. \$584,386 has been spent and \$726,993 is needed and these are 2019 numbers so they need to be adjusted for inflation. The middle section of the roof remains a major expense and the salary for our new staff. The building is 105 years old and things will continually need to be repaired.

Bill Nesbitt then explained the differences between the Disciple's Fund and the Heritage Fund. Disciple's fund was tapped into for the roof and is designated for specific types of needs. The Heritage Fund is restricted for Buildings and Grounds repairs. The economy in recent years has helped these funds grow but Bill said they have lost 3% in the first quarter due to the economy. He said he can't count on these funds to perform as well as they have for the next few years. The Heritage Fund is under \$5K, the Disciples Fund has \$500,000 on hand, and our Capital assets are around \$1.2 million in the endowment.

Bill Baker said it is important to stay on top the needed repairs and the middle section of the roof needs have fundraising to complete it.

Ann Mellow said it is important to have a good case statement for a Capital Campaign, we need to know what we are targeting. Tina said we need fund the Associate Rector, \$250K for 3 years. Tina said she needs the help of the Vestry and needs help with Communication and it is her hope to reignite the Capital Campaign Committee in late Spring or Summer. She needs more people on the committee and might need to hire someone to help. It was then asked if we want to have the Day School involved. The goal of the campaign is \$1.2 million.

Thanks to Ann and the new school board, the argument was made they should be with all their shard space. Ann said we may need to slow down to go fast! 80% of the money typically comes from 20% of the people. School also has their own campaign and we need to be strategic makes sure there is no conflict between the school and the church. We should get the school to think about where they are going and agree on some items they would like. We should develop a case statement and bring to the school and think through it together.

Kim said we have been talking since 2019 but the school is at ground zero. Ann said we need to build trust. We need to consider the Pre School is exhausted from managing the school through the pandemic and they are on a different cycle time wise from the church. We need strategize so we are perception is not just "we want your money!" Tina said she started a silent phase. Ann said to have some conversations over summer and Tina said we still need \$250-\$300K for the roof remainder. She needs the Vestry's help with this effort.

Charles questioned the name "Capital Campaign" if we are including the staff's salaries and someone suggested "Improvement Fund" or "Futures Fund?"

We thanked Bill Baker and Kim for their thoroughness and their presentation. We were left to think about a timeline and strategize fund raising.

JUNIOR WARDEN'S REPORT:

Although there was no time for reports, Bill Baker emailed his report which follows.

-The installation of a curb to mitigate the erosion around the Memorial Steps is now scheduled for June after the school is out for the summer.

-The school playground on the Boyce Ave. side of the building will also be scheduled for June after the school is out for the summer.

-The contract to repair and secure the beams in the nave has been signed and work should begin soon. The work will take 3-4 days to complete but will not interfere with Sunday services.

-New designs for the signs on Boyce and Carrollton will be forthcoming.

TREASURER'S REPORT:

Bill Nesbitt also emailed his report which follows.

TREASURER'S NOTES/COMMENTS:

1. We are projected to fall \$50K short of our annual giving budget.
2. Overall we are projecting a revenue surplus of \$15,570 due to the "catch up" day school cost share arrangement for this year only (~\$65K)
3. Expenses are now projected to be ~\$18K over budget, due mainly to utility costs (\$2,400), repairs & maintenance (\$10,700), and employee benefits (\$10,955)
4. Our projected deficit for the year is \$140,867
5. Assistant rector will start 6/15. Parish administrator will start May 2.

STATEMENT OF FINANCIAL CONDITION 03/31/22:

1. Good Shepherd remains in good financial shape
2. Investments and Bank accounts = ~\$1.44 million
3. Operating Account balance = \$79,162
4. Liabilities = \$10,688 (J2A pilgrimage, memorial funds, and monies for endowments and other accounts)
5. Total Equity = ~\$2.55 million

STATEMENT OF ACTIVITY 03/31/22:

1. Pledge income (\$201,345) is up \$16,600 over this period last year
2. Regular contributions are down \$5K compared to last year
3. Non-budgeted expense of \$13,950 for repair of the bell tower and the beams in the sanctuary
4. Salaries are up ~\$6K over last year (in all categories) due to staff raises as well as increased costs for choir, organist, and supply clergy

Tina then closed with The Lord's Prayer.

The meeting adjourned around 8:05 PM.

Submitted by Cynthia Fraser, Registrar for the Vestry

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