

Episcopal Church of the Incarnation
August 24, 2024 – Vestry Retreat and Meeting
Location: Bill Glenn's Home
Minutes

Attendees: Robert Agüero, Matt Bonacorso, Karin Dutra, Joseph Ferrucci, Bill Glenn, Inese Heinzl, Rebecca Kendall, Linelle Lane, Mark Neumann, John Torres; Stephen Shaver, Rector; David Jasper, Treasurer; Kathleen Kane, Clerk (until 12:15 pm).

Absent: Laura McLellan.

RETREAT

- **Morning Prayer:** Stephen led Morning Prayer for the Feast of St. Bartholomew.
- **Check-in:** Several people shared about how they encountered God's presence in their life this summer.
- **Goals for 2024-25 Discussion:** Stephen, Bill, and Inese presented proposed goals. Stephen invited discussion about the proposed goals and whether anything else is missing. The vestry approved the following goals for the coming year. (*Moved: Inese. Seconded: Mark. Vote unanimous.*)
 - Vestry goals:
 - Financial Sustainability
 - Create a pathway to a balanced operating budget.
 - Introduce a legacy giving program to thank and recognize those who have provided for Incarnation in their estate planning.
 - Moving the Generational Plan forward – develop a plan for a catalyst project that makes the initial phase of our Generational Plan a reality, funded by a capital campaign.
 - Rector goals:
 - Invite/Welcome/Connect.
 - Strengthen our ability to welcome newcomers, create more pathways for deeper involvement for newcomers and long timers alike, and strengthen networks of pastoral care.

Treasurer's Report

- Monthly financials: David presented the July Monthly Summary Financial Report as an information item and responded to questions from vestry members.
- David presented two recommendations from the Finance Committee:
 - The first phases of Imagine Incarnation ended with a budgetary balance of approximately \$55,000. \$50,000 should go back to Estates Fund and the remaining balance of about \$5,000 will be retained for paying services performed by Jim Heid of Urban Green to help with transitioning to the next phase of work. The vestry approved the recommendation. *(No motion required. Vote unanimous.)*
 - The solar campaign has come to a close. The unfunded balance should be drawn from the Estates Fund. The vestry approved the recommendation. *(No motion needed. Vote unanimous.)*
- David reported that the church's insurance cost is increasing from about \$30,000 to \$33,000, with a drop in the level of earthquake coverage from the current level of \$3.85 million to \$100,000. Maintaining the current level of earthquake coverage would cost a minimum of an additional \$25,000.

Financial Sustainability Task Force

- Stephen handed out the Financial Sustainability Roadmap Scenarios developed by the Task Force. In preparation for their work in drafting the scenarios, the Task Force members reviewed information about the budgets of other similarly sized parishes. Mark walked the vestry through the three scenarios, which varied in the mix of ideas about increasing revenues and reducing expenses. Vestry members discussed the pros and cons of each scenario and raised a few additional ideas. Today's discussion will inform the vestry's deliberations over the next four months before passing a 2025 budget in December that meets the 2025 annual goals.

Development Committee

- Legacy Program: Joe reviewed the Legacy program proposal, which was approved by the vestry. *(Moved: Rebecca. Seconded: Karin. Vote unanimous.)* The vestry authorized the Committee to implement the 2024-2025 action items.
- Pledge Campaign: Joe noted that the pledge campaign planning is well underway. The Committee is still discussing what they will include as targets or goal numbers. They have the autonomy to make that decision and will report back to the vestry at a future meeting.

Noon Prayer and Lunch

Generational Plan/Capital Campaign

- Stephen reported that the goal for the capital campaign is set at \$4 million. He noted that the campaign will begin with a “quiet phase” in which potentially large donors are approached individually before the campaign goes “public”. Even now, before we have formally begun, Bill, Stephen, and David have already begun having informal conversations with some prospective lead donors, who have already indicated their willingness to make substantial pledges.
- Bill presented a sample “pyramid” for how we might structure a campaign with a \$4 million goal:
 - 1 gift of \$1 million or more
 - 10 gifts between \$100,000 - \$999,999
 - 10 gifts between \$50,000 - \$99,999
 - 25 gifts between \$25,000 - 49,999

Stephen reported that we will also want to research various additional sources of funding, including outside grants, matching funds, governmental incentives, and the like. One exciting prospect is the Fund for Sacred Places, which offers grants of up to \$250-\$500K. Matching funds are required, and can't be officially raised until a congregation has been accepted into the program. This application is due in February and notifications are in October, so we will need to be intentional about not pursuing formal pledges at least for the amount of those matching funds until October 2025.

- Next Steps: we are not voting on these today, but will do a one-month DDDD (“discuss, discern, and don't decide”). In September Stephen and the wardens will bring a proposal for a vote on some or all of the following:
 - Authorize a capital campaign fundraising leadership team of the following people to continue the “silent phase” of conversations with prospective lead donors:
 - Bill Glenn and Scott Hafner
 - Laura McLellan
 - David and Joanie Jasper
 - Stephen Shaver
 - Authorize a team, with members to be determined, to move forward with selecting architects to do conceptual and schematic design work. This will allow us to clarify the scope of an initial project, including costs. Stephen has developed a description of what the projects could be, including Farlander Hall, chancel, green spaces, and quad buildings. We will want to also discern how to engage the input of parish in further defining the project.
 - Authorize creation of a Capital Campaign Fund and approve a budget, to be drawn from early gifts, for the architectural design work (also including our ongoing consultant relationship with Jim Heid).

- Approve a budget for a capital campaign consultant, to be interviewed and selected by the capital campaign fundraising leadership team

BUSINESS MEETING

Consent agenda

- Approval of June 25, 2024 vestry retreat and meeting minutes.

With no objections, the consent agenda was approved.

Notification of emergency spending: As previously reported to the vestry via email, Stephen noted that the damage caused by a fallen oak tree limb in July required emergency expenditures in the amounts of \$9,240.03 for fallen tree branch cleanup and \$3,287.56 for solar panel repair. The vestry approved allocation of the expenditures to the Building Repair Fund. (*Moved: Joe. Seconded: Robert. Vote unanimous.*)

Invite/Welcome/Connect update on Vestry Member of Day initiative: Inese distributed a hand-out and provided an update on the Invite-Welcome-Connect initiative.

Meeting adjourned.

Next monthly meeting of the vestry to be held on September 24, 2024.

Respectfully submitted,

Kathleen Kane, Clerk (with the assistance of Rebecca Kendall)