

All Saints' Parish Beverly Hills
Minutes of the Meeting of the Vestry on October 23, 2018

Attendees: Clergy: Bob Dannals; Vestry: Theresa Amy, Chris Cook, Marissa Flaxbart, Gerrie Maloof, Dennis McGuckian, Sydney Nichols, Maggie Reid, Gary Roberts, Ken Sulzer; Bob Craft, Lisa Holguin, Theresa Amy
Staff: Liz Ladizinsky, Jennifer Hill
Excused: Susan Humphreville

Meal: Gary Roberts

Minutes: Theresa Amy

Sydney Nichols called the meeting to order at 6:57 p.m.

Maggie Reid led the group in an opening prayer.

Study: Bob Craft led the study with a chapter from *Listening Hearts* titled "What Is 'Call' for the Christians". We also read "The Person next to you..." author unknown.

The September Minutes were approved.

Rector's Report: Bob Dannals' report is summarized below:

- The new staff members Jean Dillingham and Todd McKim are working out well.
- The intense anxiety about the results for 2018 has been somewhat lifted; we have received several large gifts from parishioners.
- Asked us to consider doing what we did for Easter and have the extra monies given at the Christmas Eve and Christmas Day offerings to go directly to outreach. This will encourage the folks who aren't part of our community to give generously. This will come up for discussion and a vote in November.
- The Annual Meeting will be held February 24, 2019 at 9:00 am. Some of the details that need to be addressed are early availability of child care and the choir's ability to attend. Bob said he would speak to Craig to see how they could make it work. This will require the meeting to be 50 minutes.

Search Update: Sydney gave an update on the search for a new rector. We have around 60 applicants. The Diocese will examine each one and alert us of any red flags. On 11/7 the committee will start to wittle down the list to 12 candidates who will be Skyped. February 23 they will have a retreat to reduce the candidates from 6 to 3. On March 2 (a Saturday) they will present the 3 candidates to the Vestry in an all-day retreat. This will then begin the visits, sermons and celebrating eucharists by the candidates. The Vestry will then vote at a Vestry retreat, the search committee will be decommissioned and the call will go out.

Administration: Jen Hill has been focused on safety at the church. There was an employee training on safety procedures. There was an evacuation, and everyone put out a fire. The Beverly Hills Fire Department led the training. There has been an evacuation procedure set up with 6 zone people to track all the employees. There will be an unannounced drill to test all of the procedures. Joe, Todd and Jen have set up red emergency bags that have two days' worth of meds for the staff. She and Todd also took an active shooter terrorism training. There have also been updates with lighting and motion sensors, security gates,

pathway lighting. We passed the fire inspection. We are improving the alley gate and will be rekeying the doors and limiting the number of keys. We will also be able to track entry. Earthquake hazards are secured. Sydney and Gerrie have been working with Jen to revise the employee handbook, including a review of employee benefits.

Financial Report: Sydney Nichols reviewed financial results for the month (see attached report). She also reported the 2019 budget process is underway. Budget workshop for the Vestry will be December 11, 2018. September revenue is \$115-120,000 with the budget being \$90,000. 2017 was \$74,000. YTD revenue is \$1,383,000 and the budget was \$1,330,000.

Other Business:

Marissa Flaxbart led a discussion about the diversity workshop and how to utilize the tools we learned.


Bob Craft said Gretchen Karl has stepped up to oversee the archiving of the items Crescent Rainwater discovered. They are figuring out exactly what they need for the project. They need some money for supplies and will investigate finding an intern to help with the project.

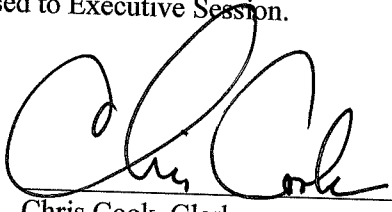
Dennis McGuckian gave an update on Invite Welcome and Connect. There are three teams and Nicole Gregory is heading up the Welcome team. She is hoping to have some aspects of the program in place for Christmas services. There was a meeting for Invite, Welcome, Connect on October 24 at 4:00 pm.

Dennis also gave an update on the Beverly Hills grant we receive for the Monday meal and for homelessness-related outreach. This contract is being reviewed. Additionally, we also call the police more than anyone else on Mondays and the number of guests we serve has risen. Looking into additional security on the grounds.

Gary Roberts gave an update on "This Day Forward" tour. The ministry messaging goal has been achieved. The movie tour has stayed in the black. Lutheran Thrivent Financial has sponsored many screenings. The film is being very well received and there are many positive postings/updates on Facebook. We are trying to obtain tax exempt status for the back house of the Rectory. Our attorney is drafting an appeal to the county assessor. On an annual basis, this could save around \$10,000 in taxes.

At 8:08 p.m. the meeting was adjourned, and the Vestry recessed to Executive Session.


Sydney Nichols, Senior Warden


Chris Cook, Clerk

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Treasurer's Report to Vestry

October 23, 2018

Month of August 2018

Revenues:

- Total revenues for the month of August 2018 were 2018 \$166,000. Revenues were \$35,000 higher than budget and \$55,000 higher than prior year.
- The positive variance in revenues primarily resulted from Special Gifts (allocation of Chase and Jones bequests), partially offset by pledge receipts which were lower than budget and prior year. August 2018 pledge receipts were \$52,000 compared with a budget of \$70,000 and prior year pledge revenues of \$63,000.
- **Expenses:** Total expenses for the month of August 2018 in the amount of \$162,000 were \$30,000 or 16% under budget and \$34,000 or 17% under prior year. The positive variance in expenses primarily related to compensation costs and administrative costs (audit fees were paid in July 2018 but budgeted in August 2018 and paid in August in 2017).

Operating Income: As a result of the positive variances in both revenues and expenses, ASBH recorded 2018 operating income of \$3,500 in August compared with a budgeted operating loss of \$62,000 and prior year loss of \$85,000.

August 2018 YTD Financial Results

Revenues:

- August 2018 YTD revenues of \$1,268,000, \$28,000 or 2.3% above budget. Total revenues were \$29,000 or 2.3% lower than prior YTD revenues.
- YTD pledge revenues of \$768,000 were 61% of total revenues. They were 4.6% or \$37,000 below budget and 4.7% or \$34,000 above prior year.
- YTD Special/Targeted gifts totaled \$417,000 (33% of total revenues), significantly ahead of our 2018 budget of \$331,000 and level with prior year gifts of \$420,000.

Expenses: August 2018 YTD expenses were \$1,462,000, \$52,000 or 3.5% below budget and \$79,000 or 5.1% below prior year, with positive variances in almost all categories (particularly compensation).

Operating Loss: For the first eight months of 2018, our operating loss was \$193,000, which compared favorably with a budgeted operating loss of \$274,000 and an operating loss of \$243,000 in the first eight months of 2017.

Balance Sheet

The amount outstanding under our line of credit currently is \$50,000, as a result of the \$50,000 paydown approved at the August vestry meeting. In August we received a \$338,368 bequest from the Chase estate. Following our Investment Policy Statement, \$53,488 of this amount was allocated to August Operating Revenue, and the balance of \$256,389 was added to our General Endowment Fund.

Total investment assets were almost \$5.5MM at 8/31/18, including \$2.7MM in the Reserve Fund and \$2.8MM in the Endowment Fund.

YTD through August 31, 2018, \$226,000 we spent from the Reserve Fund for special maintenance, including \$150,000 for the rectory renovations and \$40,000 to date for the organ refurbishment (out of a total expected cost for the organ of \$98,000). In addition, \$50,000 was allocated from the Reserve Fund to Operating Revenues (as budgeted).

Outlook

As a result of recent successful targeted fundraising and higher than budgeted special gifts, we are projecting that 2018 revenues will be approximately on budget. Expenses are projected to be under budget, primarily as a result of lower than budget compensation costs, and we hope to break even for 2018 compared to a budgeted operating loss of \$90,000.