

# St. Margaret's Church Westminster Parish



## DRAFT Vestry Meeting Minutes Monday, December 17, 2007 Approved January 7, 2008

1. **OPENING.** The meeting was called to order by the Reverend Mark Wastler, Rector, at approximately 7:00 PM in the conference room of the Administrative Building. Annie Coble offered the opening prayer.

Attendance: The Rev. Mark Wastler - Rector, The Rev. Stewart Lucas - Associate Rector, The Rev. Dina Van Klaveren – Assistant to the Rector, Beth Knorr - Senior Warden, George Saroch - Jr. Warden, Gordon Piche – Treasurer, George Breeden - Registrar, Stacia Bontempo, Annie Coble, Phil Graham, Jon Hall, Betsy Lefler, Larry Lorton, Marion Pagoota, Steve Roth, and Anne Sessions.

Guests/Observers: Judith Haugh (Cemetery Committee), Spencer Johnson (Cemetery Committee), David Tanner (Cemetery Committee), Folger (Mack) Ridout (Cemetery Committee), Jim Hall (Finance Commission).

### 2. **MINUTES. George Breeden.**

The minutes of the November 19, 2007 meeting were reviewed.

- a. The Rev Wastler recommended deleting a portion of paragraph 8.c., first sentence “said that the survey year ago was good—it gave answers to what the parish wanted, but people forgot in the interim.” And insert the deleted text in paragraph 8.b., after “concrete concept.”
- b. The Rev. Wastler also recommended changing paragraph 8.d., second sentence to read “He had met with most critical parishioners, except for one.”
- c. Beth Knorr, Senior Warden corrected the spelling of Jenn Macris’ name in Paragraph 9.a.
- d. The Rev. Wastler recommended changing DVK to Rev. Lucas in paragraph 10.b 2<sup>nd</sup> bullet, 4<sup>th</sup> dash, so that it reads “Dec. 16 – Rev Lucas – Tabernacle, Temple, Today – Part III”

**It was moved and seconded to accept the minutes as amended. The motion passed unanimously.**

### 3. **TREASURER’S REPORT. Gordon Piché.**

Quote

**St. Margaret's Church Westminster Parish  
Treasurer's Report**

## 17 December 2007

At the end of the month of November, there was \$24, 157.96 in the Operating Checking account and \$10,654.42 in the Operating Savings account to meet budgeted monthly operating expenses (these two working accounts fluctuate daily). The Designated account had a balance of \$61,305.80 and the Endowment checking account balance was \$111,475.37. It is noted that as of Friday, December 14, there was \$26, 712.98 in the operating Checking and \$21,385.40 in the Operating Savings.

On the income side of the ledger, through the end of the month of November, we are running short \$72,077.89 in total budgeted revenues, an additional short fall of \$12,116.41 from October. The delta that had been closing (down to \$4,069 in October) has grown wider again. There continues to be not reported income from fund raising as had been anticipated (deficit is \$6,416). Total income through November 30 is \$566,838.78 (budgeted income \$638,916.67).

On the expenditure side, we are under expended by the amount of \$43,757.22 having budgeted expenditures of \$651,816.95 against actual outlays of \$608,059.73. Expenditures remain within acceptable limits in each expense category. Building and Grounds continues to gain after the mid year correction to their budget that has resulted in now being under expended by \$14,777.97. Finance has expended \$12,373.90 over the budgeted \$7,500.00 for the whole year to pay for the offsite accounting firm; however, this is more than offset by not paying for a bookkeeper (budgeted for \$28,119). The Missions Commission continues to be under expended (\$4,941 on an YTD budget of \$14,208).

The net total or bottom line for the year through 30 November is a delta of expenditures over receipts of \$41,220.95 (vs. \$14,218.92 in October). The financial health of St. Margaret's through the end of November remains good.

Gordon Piché  
Treasurer

### **The Treasurer's Report was accepted as presented.**

- a. Jim Hall distributed the Balance Sheet and "Profit & Loss Performance" report to accompany the Treasurer's Report for the Vestry to review. He noted that we were getting caught up on our Diocesan Contribution.
- b. Discussion centered on the cost of financial accounting and the under expenditure of Missions Commission.
- c. The Rev. Mark Wastler introduced the topic of the Diocesan Congregation Allocation. He explained that it was the St. Margaret's contribution of funds to the diocese and was done by a choice of formulas. It is St Margaret's pledge for

the coming year to the diocese. Jim Hall and Gordon Piche discussed the formulas and choice of formula. It is based on the net disposable income of the church, based on the operating budget of the parish. The amount to be pledged (allocated) was determined by the two formulas as either \$89,551.27 (based on 2006 Net Operating Income [NOI] only) or 77,469.76 (based on averaging three year NOI -2004, 2005, 2006).

**It was moved and seconded that the vestry authorize the Rector, Senior Warden, and Treasurer to use the averaging formula in the amount of \$77,469.76 to determine the Amount Pledged and to use that figure as the Allocation. The motion was passed unanimously.**

Following the approval of the motion, further discussion was held concerning what was Net Operating Income. Jim Hall explained that it was based on the budget for operation and does not include funds from the Endowment unless they are used for operating costs.

### **3. Cemetery Committee. Judith Haugh**

- a. Judith Haugh outlined the necessity for a fence to enclose the cemetery to protect it from potential vandalism, ensure the safety of visitors, and to clearly delineate its boundaries.
- b. In discussion the question of why a fence was thought to be necessary was raised. Evidence of bicycle-intrusion cutting through hedge plants was cited by Mack Ridout, encroachment by the playground fence (blocking the turnaround area) was also cited, as well as the general safety issue of children playing tag in the cemetery. Mack Ridout pointed out that the existing gravestones/memorials required continual upkeep to ensure stones did not fall and that foundations were properly maintained.
- c. Three different proposals were discussed. A five foot fence was being considered as desirable by the Cemetery Committee. They did not consider the issue of a fence to be an immediate critical requirement but one that could be studied and could be decided upon later. The committee members stated that the funding could largely be handled by pre-existing cemetery funds for the upkeep of the cemetery.
- d. Questions were raised concerning how the fence would work in the landscaping plan; why wasn't it being submitted as part of the annual budget; why did it have to be five-foot high; and what it would look like exactly. Several vestry members felt they would like to see drawings depicting the fence design and its placement, and specific cost estimates. The Rev. Wastler also wanted the committee to address the cemetery, its history, and the need for a survey. Jim Hall observed that a survey had been done in the past 15 years, of at least the back line. George Breeden believed that the survey had been done by McCrone, a local surveying and engineering firm. The committee members said that currently all burial records are in hardcopy format and are within one

drawer. They would like to get them digitized and backed up in the future to ensure continuity of operations in the event of catastrophic destruction. They would also like to get a large plat of the cemetery to ensure that staff could refer to them for burial lot questions.

- e. The discussion was tabled for a future meeting.
- f. The Rev Wastler thanked the committee members for their dedicated work and said he looked forward to rescheduling the subject when they could address the questions that had been raised.

The Rev. Wastler announced that Agenda Items 5 – Finance and Budget –Jim Hall and 6 – Vestry Nominating Committee Report would be switched if there were no objections. There being no objections, the order of items was changed.

#### **5. VESTRY NOMINATING COMMITTEE REPORT. Larry Lorton on behalf of Kirsten Tolley, Chair.**

The Vestry Nominating Committee consists of Kirsten Tolley (chair), Jane Piche, Richard Thomas, Larry Lorton, and Jenn Macris. The following letter was distributed to the vestry:

Quote:

To: St. Margaret's Vestry  
Fr: Larry Lorton (Kirsten Tolley, Chair)  
Da: December 17, 2007  
Re: Nominations for Vestry

The Nominating Committee for Vestry candidates for election at the January 20, 2008, Annual Meeting submits the following for vestry consideration and approval:

Adkins, Jenn  
Brennan, Steve  
Droof, Leah  
Kelly, Missy  
Mattock, Vicky  
Saunders, Carol  
Smith, Jerry  
Sweeney, Mark

All candidates have been fully apprised of the duties, responsibilities, and commitments expected of a vestry member and all have accepted proposed nomination accordingly. The candidates have received the nomination form and been reminded that January 2 is the final date for its completion and submission. Additionally, they have been briefed on the Annual Meeting procedure including the importance of their attendance.

Potential nominees were submitted from a variety of sources inside and outside the Committee. The Committee strove to seek balance by gender and experience at St. Margaret's. It was not easy. The Committee had a string of 15 women decline. As the

deadline approached with four commitments in hand the committee felt safe in making four calls to fill the goal of the remain two slots. All four accepted. This explains the number of candidates submitted.

The Nominating Committee thanks the Vestry for the opportunity to serve in this important task. The Committee extends to Kirsten Tolley its thanks for her leadership and dedication in seeing through to a successful conclusion what turned out to be an unexpectedly arduous task. Kirsten extends to the Vestry her regrets that a prior commitment keeps her from presenting these candidates personally.

Respectfully submitted,  
//s// Larry Lorton  
Larry Lorton (member)  
(on behalf of Kirsten Tolley, Chair)

- a. Discussion. Larry Lorton said that 25 people were asked to stand for nomination. The Committee made a pass-down folder the list of those asked and their status for future reference. Some asked not to be asked again.
- b. The Rev. Stewart Lucas said we could announce the names of the nominees in the St. Margaret's e-News. They would also be printed in the service bulletins. Their Biographies would also be in the Annual Meeting packets.

## **6. FINANCIAL AND BUDGET REPORT. Jim Hall – Finance Commission**

- a. Jim Hall handout a number of handouts concerning current budget and finances and reviewed them. The question was asked. "Where will we be at the end of December 2007/ His reply was "I hope we will be even." He explained that the church was playing catch up paying off the debt service and allocation, but December is a generally a month in which we catch up.
- b. Jim Hall reviewed that status of the endowment and reminded all that any unused funds must be re-designated by vestry action in order to be carried over. \$105,000 must be carried over for the grants for use by the Missions Commission, \$10,000 for the grants administrator, and \$17,296 must be re-designated as unused.
- c. **It was moved and seconded that \$105,000 for grants and \$5,000 for the administrator from 2007 un-used Endowment funds be carried over be carried over into 2008.**  
Betsy Lefler discussed the fact that this year's program is behind schedule due to the transition to the new Missions Commission and that projects would need to be funded by April of 2008, requiring the carryover of funds to 2008. The timing is awkward but requires the carryover to ensure continuity. **The motion was put to a vote and approved unanimously.**
- d. **It was moved and seconded that \$17,296 "unused" funds fro the endowment be carried over to the 2008 budget as non-grant funds. It was approved unanimously.**

- e. Betsy Lefler brought up the possibility of the Missions Commission also be given any interest earned by the “unused” funds carried over for its use. Generally the vestry comments were not in favor of such an action and policy. Comments included that it would add “undue complexity” and that it would not be a good policy. As one put it “One gets what one gets” not one gets what one gets with interest for not using it. Jim Hall said that it also sets a precedent which is not good for the endowment. The endowment currently earns the interest until the funds are used. The Rev. Wastler said that it is a policy issue. We need to look exactly at what the mechanism would do for or against the church’s interests overall.
- f. Jim Hall next reviewed the details of the Commissions budget requests and summary. The projected income is currently approximately \$736,000 with \$625,000 from pledges and the remainder from other sources. The projected expenses are \$871,000. There was discussion on how the \$625,000 figure was developed and if it was consistent with our experience from last year. Jim Hall reviewed the pledge status and concluded that \$625,000 was a reasonable estimate and consistent. We are ahead of last years pledges in numbers and amounts. George Saroch noted that we had hit the target in 2007.
- g. Jim Hall then reviewed the principal commission requests and examined each in detail expenditures
  - 1) Buildings and grounds included in the budget a \$30,000 maintenance fund line item, a \$22,000 debt service item, and \$36,750 Sexton line item (3/4 year from April)
  - 2) Christian Education increased \$16,032 over last year due to increase in child care, programs, and resources to support the programs.
  - 3) Worship had a \$24,000 increase with funding of full-time music director and additions in music and to pay for guest artists.
  - 4) Clergy increased \$14,000.
  - 5) Finance Commission increased \$18,000 for yearly audit and increase in offsite bookkeeping and payroll.
  - 6) Missions Commission increased about \$16,500 in order to fund a near-term/disaster relief fund.
  - 7) Administration commission increased \$45,000 due to salaries and benefits. There is a need to do more to reduce off-site costs.
  - 8) The Vestry went into confidential executive session to discuss salary and benefits issues. Salaried individuals left the room. The issues were discussed, no action was taken.
  - 9) Upon conclusion of the executive session, and the return of salaried individuals, a new issue was raised by Junior Warden George Saroch: the

position of a parish administrator with both web site administrator and bookkeeping skills.

10) The Rev. Wastler reviewed on the white board the principal issues and said we have to think and pray about what to do when we come back in January.

- Buildings and Grounds     \$30K for Preventive Maint Fund + \$37K Sexton
- Christian Ed                     \$16 K Childcare, Young Adult + Adult Ed
- Worship                         \$24K New Music, Motet + Chancel Choirs, Salary increase and concerts series
- Clergy Salaries                 \$14K
- Finances                         \$18K consultants/contractor
- Missions                         \$16.5K Disaster local fund, immediate relief
- Administration                 \$ 45 New Admin position

The Rev. Wastler said we have to agonize over \$109K. There are ways to make it work. He showed one way, but said we need to look closely for others:

- Cutting two positions: Admin position and Sexton would save 37K+45 K = 82K.
  - Reducing Christian Ed from \$16K to \$11K (5K)
  - Deleting \$14K clergy salary (14K)
  - Reducing Worship from \$24K to \$19K (5K)
  - Reducing Missions from 16.5 to 13.5 (3K)
  - Result is \$109K savings
- h. The Reverend Wastler said that the Vestry needs to come with hard figures and alternatives. The next meeting will be Monday, January 7, at 7:00 PM to discuss the budget.

## **7. ST. MARGARET'S DAY SCHOOL BOARD DIRECTOR.**

- a. Christian Holyer has been elected by the Board to the position of School Board Director. The vestry needs to vote to confirm or deny the Board's action.
- b. It was moved and seconded to approve the election of Christian Holyer as the new School Board Director. There was no discussion. The motion carried unanimously.**

**8. ADJOURNMENT.** Due to the late hour, the Rector's Report and the Wardens' Reports were dropped from the agenda. There being no objections, the meeting adjourned at 9:50 PM with the singing of the Doxology led by Anne Sessions.

Submitted by

//s//George L. Breeden

George L. Breeden, Registrar

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*Nota Bene:* Opening Prayer Assignments

January 2008 – (Volunteer needed)

February 2008 – Phil Graham