

St. Margaret's Church Westminster Parish



Vestry Meeting Minutes Monday, June 18, 2007

As approved at the July 16, 2007 Vestry Meeting

1. **OPENING.** The meeting was called to order by Senior Warden Beth Knorr in the absence of the Rector at approximately 7:00 PM in the conference room of the Administrative Building. She welcomed all. Jon Hall offered the opening prayer.

- a. Attendance: The Rev. Stewart Lucas, The Rev. Dina van Klaveren, The Rev. Nancy White, Beth Knorr, Senior Warden, George Saroch - Jr. Warden, Gordon Piché-Treasurer, George Breeden-Registrar, Stacia Bontempo, Phil Graham, Jon Hall, Sarah Hyde, Betsy Lefler, Larry Lorton, Marion Pagoota, Steven Roth, Anne Sessions, and Howard Shute.
- b. Guests: Jim Hall, Finance Commission; Chip Morgan, Endowment Committee

2. **MINUTES. George Breeden.**

The minutes were reviewed. **It was moved and seconded to accept the minutes of the May 21, 2007 meeting as presented. The motion passed unanimously.**

3. **TREASURER'S REPORT. Gordon Piché**

Quote

At the end the month of May, we had \$22,162.40 in the operating checking account and \$32, 722.38 in our operating savings account for use to meet budgeted monthly operating expenses.

On the income side of the ledger, through the end of the month of May, we are running short \$41,518.96 in total revenues. This figure is primarily due to a deficit of \$30,734.31 in anticipated pledge payments and a \$6,141.00 shortage of expected donations. Pledge income has not picked up in the last couple of months as had been anticipated. All other anticipated sources of revenue are also lagging with the exception of facilities usage and Diocese Clergy reimbursement.

On the expenditure side, we are under expended by the amount of \$49,531.10 having anticipated expenditures of \$298,488.61 against an actual outlay of \$246, 947.51.

Largest over expenditures occur in clergy expenses, Christian education and millennium development cost centers. Expenditures lag mainly in mission and outreach, lay pastoral care, and worship.

The net total or bottom line through 31 May is a surplus of receipts over expenditures of \$1940.21 for the year to date. Given the above, this should not be too comforting.

Gordon Piché
Treasurer

End Quote

- a. In support of Gordon Piché's presentation, Jim Hall of the Finance Commission handed out a balance sheet and explained we were still encountering payroll errors and some incorrect fund placement, such as with the Cemetery Fund. Also some funding is showing up that had not previously been displayed. Gordon Piché offered again to provide the details to the vestry when available to which Beth Knorr responded, "Yes, please provide."
- b. The Rev. Stewart Lucas wanted to confirm that our pledge total is at \$575,000, to which Jim Hall responded, "Yes."
- c. Larry Lorton wanted to know why carry over from the previous year in the Endowment was not shown in the operating funds. Jim Hall responded with it is shown, but not as operating funds. He again emphasized that the accounting firm was having difficulties with our format.
- d. The Rev. Stewart Lucas wanted to know if we should be emphasizing the \$30,000 pledge problem. George Saroch noted that we were actually ahead of where we had been in the previous year at the pint in time. It probably is not required at this time. The Rev. Stewart Lucas indicated his willingness to make a few comments if necessary and ensure a few comments in the newsletter if necessary as well.

4. RENTAL PROPERTY UPDATE. Jim Hall

- a. Jim Hall reviewed the status of the St. Margaret's rental property on the Southern side of the Church property on Pleasant Plains Rd. The current renter had fallen into a pattern of sporadic payments (rent is \$1400/month) and is in default with no payments made since November of 2006. In April, St. Margaret's filed for an eviction notice with a May court date. At the court date it was determined that the renter had filed for bankruptcy. That has to be addressed in federal court. We are currently looking for a lawyer to engage.
- b. In discussion, Betsy Lefler asked if we intended to file a claim against the renter in Bankruptcy proceedings. Jim Hall responded that yes we intend to do so, however, realistically, that just adds us to the long line of claimants. Anne Sessions wanted to know if this would jeopardize our use of the rental property drive way to access parking on the jousting field, to which Jim Hall said that had not been addressed; however, civil relations had been maintained with the renter.

5. ENDOWMENT IPS PRESENTATION/VOTE. Chip Morgan

- a. Chip Morgan reviewed the Endowment Investment Policy Statement (IPS) change that the Endowment Committee would like the Vestry to approve as presented at the last vestry meeting. He provided a handout showing the deleted words to be deleted in the "Volatility of Returns" paragraph in the IPS:

Quote of original wording (words to be deleted underlined)

Volatility of Returns

It is understood that in order to achieve the objectives for the investment of the Fund as set forth in this statement, the Fund will experience volatility of returns and fluctuations of market value. It is further understood that the Fund could tolerate a maximum loss of 10% over any one year period, and a maximum loss of 3% over the Investment Horizon. Therefore this Statement supports an invest strategy that minimizes the probability of losses greater than the stated above. However, the total return objective established herein with respect to the Fund is the primary concern of St. Margaret's Church. There is, of course, no guarantee that the Fund will not sustain losses greater than those stated herein.

End quote

- b. Chip Moran reviewed the reason for the change. The bounds set by the wording handcuffed the investors BB&T. We only need to provide guidelines and let them manage the account. We've already provided the guidelines. The words to be deleted only prevent the investors from following them, and in effect would restrict the fund to CD investments.
- c. Jim Hall emphasized that the action required is to approve the language change requested.
- d. **It was moved and seconded to approve the proposed language change** (deletion of the words underlined above from the Volatility of Returns paragraph text.) so that the paragraph would read:

Quote

Volatility of Returns

It is understood that in order to achieve the objectives for the investment of the Fund as set forth in this statement, the Fund will experience volatility of returns and fluctuations of market value. However, the total return objective established herein with respect to the Fund is the primary concern of St. Margaret's Church. There is, of course, no guarantee that the Fund will not sustain losses greater than those stated herein.

End Quote

In discussion it was noted by Chip Morgan in response to a query that BB&T is managing the Fund well.

The motion carried unanimously.

- e. Beth Knorr thanked Jim Hall for his hard work, diligence, and many hours spent both on this issue and on other financial issues

6. COMMUNICATIONS TECHNOLOGY REPORT. The Rev. Stewart Lucas

- a. Web site design is progressing well and is impressive. The developer is combining two designs options and working on the second version: It should be up and running by Labor Day.

- b. Technology issues. The database efforts are moving along. We are evaluating our server options for an office intranet. Estimates are being sought on hiring a server administrator for firewall, virus protection, backups, etc. It is estimated that we should be prepared to seek approval for proceeding with the hiring by September.
- c. In discussion, it was asked if we would have an on-line update capability for users to update their personal information. The Rev Lucas responded that at least initially that is not feasible; it may become possible as our system becomes more robust in the future.

7. LRP/ARCHITECT REPORT. Beth Knorr for John Sutton

Beth Knorr provided the Long Range Planning/Architect report in the absence of John Sutton.

- a. The Vestry met with the architect on June 8, 2007, to review status and provide input. Two more met with Beth Knorr earlier this evening (June 18, 2007) to review status and provide input. All inputs should be submitted by June 21, 2007. The architects will start "doodling" on that date based on inputs.
- b. Budget will be an issue not resolved until the Capital Campaign discernment is completed.
- c. Locations discussed were (1) between the present Sunday School and the Parish Hall and (2) the site of the current Admin building, however, no decision has been made.
- d. Style will be that of Mid-Atlantic Episcopal. It will be "welcoming." Material discussed included timber and brick. Brick is more "green" and surprisingly affordable.
- e. In discussion, Anne Session said that the architects will work as "green" as possible within the cost parameters. They also provide an AIAA Fellow to draw out what is "liked" and "not liked." Betsy Lefler emphasized that we need some space (wall, alcove, hall?) devoted to "Mission" so we can display our mission work.
- f. Beth Knorr stated that the contract with the architects will be signed tomorrow, June 19, 2007, as previously authorized by the vestry.

8. MISSIONS COMMISSION REPORT. Betsy Lefler

- a. We have a list of funding from former outreach projects.
- b. We have new and different procedures with vestry-approved priorities as of November 2006 drawn from the millennium goals.
- c. We will be merging the prior outreach and grants programs to obtain high impact and to reach out to various communities locally, nationally, and in the wider world.
- d. In discussion Howard Shute wanted to make sure that some old legacy programs would not be continued merely because of previous status. Betsy Lefler indicated that the recipients would need to measure up against our priorities and record of goal completion.

- e. Betsy raised the issue of current funding expectations by previous Outreach Committee recipients, and whether the Missions Commission has the authority to fund their near term expectations without Vestry approval to fund the particular projects. Beth Knorr responded that historically the legacy Grants Committee needed permission/approval from vestry, but the Outreach Committee did have its own budget to spend without vestry approval. Thus it was agreed that the Missions Commission could spend the outstanding Outreach Budget without Vestry approval.
- f. It was also brought out that all members of the Missions Commission have previous experience with either the Grants program or Outreach, four of which are also current Vestry members: Betsy Lefler, Larry Lorton (Vice Chair of the Missions Commission) , Stacia Bontempo, and Sarah Hyde.

9. CHRISTIAN FORMATION COMMISSION. The Rev. Dina Van Klaveren

- a. The re-vitalized newly formed Christian Formation Commission will be headed by Ernie Tucker. They will focus on Adult, Youth, and Children's programs
- b. We will also be starting an Education For Ministry (EFM) program this fall under an adult theological mentor. Jim Hall is in training and next will be Karen Gosnell as facilitators.
- c. Small groups are forming and meeting, a new innovation at St. Margaret's. This will give a way to process new ideas and to ensure that the process includes budget considerations.
- d. Youth News. Nine youth are going on Mission trips including Honduras and Appalachia. There will also be a Youth Retreat Oct 5-7, 2007, at Claggett Diocesan Center. We are also looking for discernment concerning new youth leaders.
- e. The Rev. Lucas noted that we will be beginning the St. Margaret's 101 course this week. Four Sundays on Anglicanism, the Episcopal Church, and St. Margaret's. Then Pat Hall will present two weeks on Death and Dying to include funeral planning.
- f. Larry Lorton said that The Rev. Van Klaveren was really doing a great job and thanked her for her leadership in this field.

10. WARDEN'S REPORT. Beth Knorr

- a. Things seem to be moving right along. The new eNews Letter is wonderful. She was so happy to see the three (Lucas, van Klaveren, and White) working so well together during Jackie Caltrider's funeral service today. She expressed her thanks and opinion that she thinks we are in good hands.
- b. Dates:
 - 1) Beth Knorr in Tela, Honduras –June 20-27, 2007 (8 on this mission)
 - 2) Second Mission to Honduras – July 6-13, 2007 (12 on this mission)
 - 3) Summer Movie Festival Starts – July 11, 2007
 - 4) Joust – July 14, 2007

5) Vestry Meeting – July 16, 2007

11. ASSOCIATE RECTOR’S REPORT. The Rev. Stewart Lucas

- a. The Rev. Nancy White is doing much more than expected. She will be leading the El Hogar Teaching Seminars for teaching teachers. She has four teachers and a counselor going. Annapolis ACS is partnering to assist in the formation of a band and arranged free shipment of instruments for the formation of a school band. The band plans to march on September 14 during a festival. The Rev. Stewart Lucas said that we should give thanks. It shows we really are doing a world mission. The Rev. Nancy White added that it is important because it makes a real difference in their lives and our lives as well.
- b. The Rev. Mark Wastler is off on sabbatical.
- c. The Rev. Stewart Lucas said he echoed Larry Lorton’s comments about The Rev. Dina Van Klaveren. With colleagues such as Dina and Nancy, it is wonderful; they are so self-starting and supportive.
- d. August 5, 2007, Nancy White will be preaching as neither The Rev. Stewart Lucas nor The Rev. Dina Van Klaveren will be here.
- e. SMDS is ramping up for their summer program.
- f. The summer theme for St. Margaret’s is “Ministry, Ministry, Ministry.”
- g. The Rev. Dina Van Klaveren asked all to pray for Christian Conover who underwent an emergency appendectomy yesterday and to remember Jeff, Alice and Christian, as well as Mark on his sabbatical in your prayers.
- h. Today’s funeral brought out the best in the St. Margaret’s community.

11. ADJOURNMENT. The meeting adjourned at 8:52 PM with the singing of the Doxology led by Anne Sessions.

Submitted by

//s//George L. Breeden, Registrar

Approved by the Vestry, July 16, 2007.

Nota Bene: Opening Prayer Assignments

July – Steve Roth
August – Stacia Bontempo
September – Sarah Hyde
October – Gordon Piché
November – Larry Lorton
December – Annie Coble
January 2008 – (Volunteer needed)
February 2008 – Phil Graham