

# St. Margaret's Church Westminster Parish



## Vestry Meeting Minutes Monday, May 21, 2007

### As Approved at the June 16, 2007 Vestry Meeting

1. **OPENING.** The meeting was called to order by The Rev. Mark Wastler at approximately 7:00 PM in the conference room of the Administrative Building. He welcomed all. He asked that item 6 be moved to before Item 5. There were no objections. Marion Pagoota offered the opening prayer.

- a. Attendance: The Rev. Mark Wastler, The Rev. Dina Van Klaveren, George Saroch - Jr. Warden, Gordon Piché-Treasurer, George Breeden-Registrar, Stacia Bontempo, Jeff Conover, Jon Hall, Sarah Hyde, Larry Lorton, Marion Pagoota, Anne Sessions.
- b. Guests: Jim Hall, Finance Commission;

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

- c. The following amendments were offered concerning the Minutes of April 16, 2007.
  - (1) Paragraph "5c" should be "5b".
  - (2) The last line of new 5b should read "Total remaining available to be budgeted is \$35,296.00."
- d. It was moved and seconded to accept the minutes as amended. The motion passed unanimously.

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

A regular report cannot be provided at this time due to transition problems to the new system, however, at the end the month of April, we had a negative balance of - \$18,567.98 in our AB&T Operating account (checking) due to an error in payment of school payroll out of church funds. The money has been replaced by the school. We had as of April 30, 2007, +\$78,186.69 in our Operating Savings account to cover our automated payroll system and to meet budgeted monthly operating costs. .

Payroll and bills are being paid under the new system which as noted had problems handling school payroll monies. Jim, Hall, our Finance Commission Chair is handling the change over to the new accountants in meeting payroll, paying bills, making deposits, and adjusting amounts between savings and checking accounts.

A financial report format is still in the works and being developed by the new accountant firm with additional input from Jim Hall. When the financial report is available, a complete Treasurer's Report will be developed and made available to vestry members. Gordon Piche could say that we are in good financial shape, actually better than last year at this same time. We are ahead in pledges and in money actually provided as compared to last year.

Jim Hall of the Finance commission then addressed some specific budgeting issues:

- a. As noted in the Treasurer’s Report we are transitioning to an outside bookkeeping firm for payroll, bookkeeping, and financial records.
- b. Counting of funds on Sundays continues to be by designated volunteers. Volunteers have been trained to conduct data entry to enter receipts and expenditures into the computer application and it appears to be working out as they gain confidence.
- c. The formatting of reports using QuickBooks is still struggling to develop a more familiar format for Vestry use. He discussed the difference between the old and new formats and some of the problems in transitioning.
- d. It is estimated that we are saving about \$7,000 per year in payroll by contracting out the financial/accounting services, but that is dependent upon volunteers performing data entry.
- e. A \$1000 bequest arrived from Riggs which is currently “parked” as designated funds in investment account.
- f. George Saroch noted that the Buildings and Grounds had already expended close to its budgeted funds for electric repair and maintenance for this year already. With electric bills rising sharply soon because of the BGE increase in pricing, we will have to have more discipline in use and reliability in servicing of the plant. He would be setting up a meeting with the electric maintenance contractor to discuss maintenance and plant reliability issues.
- g. Larry Lorton raised a question about page 3 of the Profit & Loss Budget Performance handout concerning why the former “grants” funds were not being displayed. Jim Hall replied that they are not part of the “Operating Budget” and thus are not shown here. They would be discussed in the next item on the agenda.

**4. FINANCIAL COMMISSION REPORT. Jim Hall**

- a. He provided two handouts: 1) SMC 2006 Endowment/Expenditures as of 21 May 2007 and 2) the Endowment Committee Report dated May 14, 2007 discussing Performance Review, Administrative improvements.
- b. SMC 2006 Endowment/Expenditures as of 21 May 2007 provided funding and expenditures for the endowment.

2006 Carry forward budget items LRP

	ITEM Budget	YTD exp	Balance
	\$29,014.69	\$ 2,500.00	\$26,514.69
2007 Budget			
Total Yearly Budget	\$191,446		
<u>ITEMS</u>	<u>ITEM Budget</u>	<u>YTD Exp</u>	<u>Balance</u>
1-Grants	\$105,000.00	-	\$105,000.00
2-Grants Administrator	\$ 5,000.00	-	\$ 5,000.00
3-Honduras Projects	\$ 19,150.00	19,000.00	\$ 150.00
4-Day School Scholarships	\$ 8,000.00	-	\$ 8,000.00

5-Perk Test	\$ 1,000.00	-	\$ 1,000.00
6-New Church Doors	\$ 18,000.00	-	\$ 18,000.00
Total	\$156,150.00	\$ 19,000.00	\$163,664.69
Remaining to be budgeted	\$ 35,296.00	-	\$ 35,296.00
Carry Over from 2006	\$ 29,014.69	\$ 2,500.00	\$ 26,514.69
Totals	\$ 64,310.69	\$ 21,500.00	\$225,475.38

In discussion it was pointed out to Jim Hall that the figures appeared to count the FY 2006 carry over twice in the balance column and the that Carry Over should only be counted once so the 2007 budget lines from the Total line to Totals line then should read

	\$156,150.00	\$ 19,000.00	\$137,150.00
Remaining to be budgeted	\$ 35,296.00	-	\$ 35,296.00
Carry Over from 2006	\$ 29,014.69	\$ 2,500.00	\$ 26,514.69
Totals	\$ 64,310.69	\$ 21,500.00	\$200,960.69

Jim Hall said he would check the figures and provide corrected information.

- c. Under Performance the following points were presented:
- 1) Since inception (1/1/1997) the fund has grown at a rate of 8.58% per year against the annual "market" rate of 7.62% (benchmark)
  - 2) From 3/31/2006 – 3/31/07 the fund grew at 11.54% vs. the general market rate of 9.66%.
  - 3) For 1<sup>st</sup> quarter CY 2007, fund grew at 1.04% vs. the general market rate of 1.0%
  - 4) The above returns included BB&T's fee of .06% per year of total assets.
  - 5) Value at inception was \$3,026,372. Value as of March 31, 2007 is \$4,566,472.44
- d. Under Administrative Improvements
- 1) An edit to the vestry-approved SMC Endowment Investment Policy Statement (ISP) is being offered for consideration by the vestry for a vote at the next meeting. There are two redundant, subjective, open-ended statements regarding overall volatility (up and down of market) of investment returns that should be removed from the ISP. The endowment reviewed the changes and recommends that the sentences be removed.
  - 2) Consolidation of administrative and trading responsibilities. The investments are well administered by BB&T. The actual trading takes place via the brokerage firm of SmithBarney - a separate company. This was because when the endowment was set up, BB&T had no brokerage (trading) capabilities and SmithBarney was chosen to execute any and all changes to the account holdings. Recently BB&T added brokerage services and are now able to manage the assets and execute trades. The

endowment committee sees no benefit in keeping these functions separate. Consolidation will decrease the change of an erroneous trade and possibly realize some small cost savings.

- e. Jim Hall then reviewed the administrative changes. It was requested that the complete text be provided for review before the vote be taken at the next vestry meeting.
- f. The Rev. Wastler noted that the ISP had undergone extensive review prior to approval and that we had an experienced endowment committee working for us and he was thankful for their hard work and diligence.

#### **5. DAY SCHOOL DISCUSSION. Marion Pagoota**

- a. Marion Pagoota said that the SMDS was progressing well moving towards the end of the school year and preparing for summer. Her main issue to bring before the vestry was a safety issue. Children playing on the playground could move quickly toward the parking lot area and cemetery and road beyond without a barrier to stop them. The School would like to purchase a two-rail split-rail fence to surround the playground area. This would channel the children to entrances/exits in the fence, rather than be free roaming. The PTO can afford the cost and will pay for the fence. Permission is requested to install the fence.
- b. **It was moved and seconded to approve the installation of the fence to surround the play area and be funded by the SMDS PTO. The motion carried unanimously.**

#### **6. TECHNOLOGY AND COMMUNICATIONS REPORT. Submitted by The Rev. T. Stewart Lucas**

A written report was offered in the absence of Rev. Lucas. Anne Sessions and Stacia Bontempo as vestry members and members of the communications Committee were available for discussion purposes.

- a. Wednesday ENews: Current contact system cost is \$144/year. Currently, it is being sent to 287 addresses with an open rate of 48.15% after 9 emails. Action items: 1) Gather more email addresses; 2) consider ways to reach those without email.
- b. Server Update. The committee is seeking a firm to install firewall, wireless, and remote access. Action items: Return to June Vestry Meeting with proposal.
- c. Database: Using Automated Church Systems (ACS). Volunteers are compiling all addresses and information. Completion date needs to be by September for Capital Campaign work. Action Items: 1) Purchase module to allow online access to information, pledge status. 2) Purchase module for scheduling of rooms, meetings, programs; 3) Return to June Vestry with prices 4) Print new directory in August and take photos in September for new photo directory.

- d. Website Development. An RFP sent to several design firms, 2 proposals received. Interview two firms with price range from \$5,000 – \$12,000. Both could do the job as they have the skill and experience. The larger firm could do the job, but their cost is nearly triple the other. Committee supports Aivilo Web solutions (Nicole Fall, Fairfax, VA). It was chosen because they have ability to link with ACS. Price will be not more than \$5,000 and committee could not justify spending more than \$12,000. Aivilo web site can be reviewed at <http://www.aiviloweb.com/index.htm> .
- e. A motion was made **that “St. Margaret’s Communications Committee is authorized to retain Aivilo Web solutions of Fairfax, VA, to develop a new web site for the Church for an amount not to exceed \$6,000.”** In discussion, it was noted that the funding is much less than requested and approved in principle earlier by the vestry, \$6,000 vice \$25,000. It was also noted that the \$6,000 figure could be funded alternatively from the endowment rather than try to make it fit the existing budget. A friendly amendment was offered and accepted to add the phrase “with funding from the endowment.” The following amended motion was then moved and seconded: **that “St. Margaret’s Communications Committee is authorized to retain Aivilo Web solutions of Fairfax, VA, to develop a new web site for the Church for an amount not to exceed \$6,000, with funding from the endowment.”**
- f. There will be a server discussion in June also regarding an intranet capability.

## 7. CAPITAL CAMPAIGN OVERVIEW. The Rev. Mark Wastler

The Rev. Wastler reviewed the status of the Campaign.

- a. Klote has been approved and engaged to run the campaign as approved by the vestry.
- b. RCG has been approved as architects (last vestry meeting) RCG is developing simple concept design drawings, both 3-D and floor plans and price estimates. The architects need to meet with the vestry and LRP to discuss and feed their drawings. The drawings should be ready in mid-August.
- c. A feasibility study will be conducted by Klote using a six person team. They will cover ministries, buildings, leadership, etc. Six parishioners to be involved on team in gathering information which will take 4 weeks in September. There will be a meeting after each service and meetings with key organizations: Choirs, guilds, Brotherhood, and Vestry. Klote will be at the next vestry meeting.
- d. The Rev. Wastler will work with LRP to ensure ministry needs are covered and defined.
- e. Klote will offer results for Vestry approval 1-10 Oct 2007. That will be the Go/No-Go point. If it is a Go, then the capital campaign will kick off and be rapped up by January 2008.

- f. Stewardship will work hand in hand with capital campaign. Anticipating level funding from historical record, but actually will see increases in future years as move toward completion.

#### 8. WARDENS' REPORT. George Saroch

- a. Beth Knorr is on vacation.
- b. The Rev. Dina Van Klaveren emphasized that the Rite 13 Dinner is "traditionally" hosted by the Vestry. It will be next Saturday, May 29, 6-8 PM. Vestry members are needed to set up, prepare dinner, and to be available for discussion. George Saroch said as a past leader of Rite 13 that this is a very important function and makes the connection with the kids as far as duties and responsibilities in the church.
- c. Dates:
  - 3 June - Parish Picnic, Blue Grass Mass, and History Sunday (1634-1715)
  - 10 June – Stewardship Retreat at Claggett
  - 14 July – Joust
- d. Sexton. George Saroch stated that the intention is to address the issue of a sexton in the Fall at the earliest.

#### 9. RECTOR'S REPORT. The Rev. Mark Wastler

- a. The Rev. Wastler announced some leadership changes and developments:
  - 1) Re-creating Christian Formation commission which has been moribund recently. Ernie Tucker to head the Commission.
  - 2) Phil Graham will take over as Chair of the buildings and Grounds Committee
  - 3) Betsy Lefler will take over as Chair of the Missions Commission.
  - 4) John Hall (Jim Hall's son) will take over as Chair of Stewardship Commission.
- b. New choir chairs have arrived.
- c. The point of all this activity is "ministry, ministry, ministry" The clergy can continue to focus on ministries because Klote is engaged and we need to take the ministry forward.
- d. Sabbatical. The Rev. Wastler will be attending the Historical society of the Episcopal church meeting in Williamsburg and the El Hogar board Meeting in Boston. Additionally, he will be going to Glacier National Park. He also hopes to do some writing and much thinking about ministry.
- e. The staff has been meeting about their responsibilities during the sabbatical.  
**Additionally, with all that is going on, it will be necessary for the vestry to meet in August.**

11. **ADJOURNMENT.** The meeting adjourned at 8:32 PM with the singing of the Doxology led by Anne Sessions.

Submitted by

//s//George L. Breeden, Registrar

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*Nota Bene:* Opening Prayer Assignments

June – Jon Hall

July – Steve Roth

August – (Volunteer required as not previously scheduled!)

September – Sarah Hyde

October – Gordon Piché

November – Larry Lorton

December – Annie Coble

January 2008 – Stacia Bontempo

February 2008 – Phil Graham