

# St. Margaret's Church Westminster Parish



## Vestry Meeting Minutes Monday, October 15, 2007

AS APPROVED BY THE VESTRY ON NOVEMBER 19, 2007

1. **OPENING.** The meeting was called to order by the Reverend Mark Wastler, Rector, at 7:04 PM in the conference room of the Administrative Building. Gordon Piché offered the opening prayer.

Attendance: The Rev. Mark Wastler - Rector, The Rev. Stewart Lucas - Associate Rector, Beth Knorr - Senior Warden, George Saroch - Jr. Warden, Gordon Piché - Treasurer, George Breeden - Registrar, Stacia Bontempo, Annie Coble, Phil Graham, Jon Hall, Sara Hyde, Betsy Lefler, Larry Lorton, Marion Pagoota, Steven Roth, Anne Sessions, and Howard Shute.

Guests/Observers: Dave Boyce, Beau Breeden, Lisa Hall, Folger (Mac) Ridout, Kurt Svendsen, Teresa Todd, James Fitzpatrick (partial).

The Rev Mark Wastler requested that a Communications Report be added to the Agenda as Item 4, following the Treasurer's Report. There were no objections.

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

The minutes of the September 19, 2007 meeting were reviewed. The following amendments were offered:

- a. Para 1. Add Phil Graham to Attendees.
- b. Para 3a. Change first sentence to read "Gordon Piché reviewed the status of 9 checking accounts, 3 of which..." in place of "Gordon Piché reviewed the status of 9 checking accounts, 2 of which..."

**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 15 October 2007

At the end of the month of September, we had \$17,777.04 in the Operating Checking account and \$20,074.61 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 September, we are running short \$66,301.08 in total revenues, an additional short fall of \$10,410.83 from September. This figure is primarily due to a deficit of \$37,107.11 in anticipated pledge payments and a \$15,487.71 shortage of expected donations. There continues to be no income from fund raising as had been anticipated (deficit is \$5,250.). Total income through September 30 is \$456,448.93.

On the expenditure side, we are under expended by the amount of \$37,676.16 having anticipated expenditures of \$512,215.63 against actual outlays of \$474,539.47. Expenditures remain within acceptable limits in each expense category. Building and Grounds made a mid year correction to their budget and is currently under expended by \$9,768.42. Finance has expended \$2,147.50 over the budgeted \$7,500.00 for the whole year and the deficit will continue to grow. The Mission Commission is under expended by \$7,084 on an YTD budget of \$11,625; however, that situation is expected to change by the end of the calendar year.

The net total or bottom line through 30 September is a deficit of expenditures over receipts of \$18,090.54 (vs. \$18,294.08 in August) for the year to date. The financial health of St. Margaret's through the end of September remains good and deficit for the year seems to have turned the corner.

The PNC Bank change over from AB&T (Mercantile) that occurred on September 17 is progressing quite smoothly given that all eleven (11) of St. Margaret's PNC working bank accounts now have new account numbers. PNC has provided some new checks and all new deposit slips. Individual account managers will need to order new checks if they have not been provided. PNC reportedly can handle our old checks until new ones arrive (deadline November 1st), but for deposits, we must use new deposit slips with the new account numbers. The treasurer and financial officer are working with the PNC online banking system which in the long run will be much more efficient than our current hand carried hard copy procedures. The St. Margaret's Day School board approved having the St. Margaret's Treasurer transfer money from the Day School checking account to the Operating Checking account to cover the Day School payroll. Jim Hall, financial officer, will develop an accounting procedure with input and approval from the Day School Trustees and St. Margaret's Treasurer.

As of October 1st:

**ST. MARGARET'S CHURCH BANK ACCOUNTS**

**PNC Bank Accounts**

<b>%Account Name</b>	<b>Acct Number</b>	<b>Type</b>	<b>Signature Authority</b>	<b>Notes</b>
Operating Checking	5565002612	DDA	Piche/Johnson	Old 174227 ABT
Operating Savings	5565328006	SVG	Piche/Johnson	Old 3506001464 ABT
Endowment	5565050999	DDA	Piche/Johnson	Old 1119759 ABT

Designated	5565043377	DDA	Piche/Johnson	Old 1092220 ABT
Day School	5565040299	DDA	Tom White/Susan Baum	Old 1084912 ABT
Rectors Fund	5565056274	DDA	Mark Wastler	Old 1135730 ABT
Assoc Rector Fund	5565203852	DDA	Stewart Lucas	None
Asst Rector Fund	5565203836	DDA	Dina van Klaveren	None
Guild	5565053807	DDA	Doris Bussey	Old 1129733 ABT
Acolytes	5565031886	DDA	Loretta Munsey	Old 1024736 ABT
Chapter (BOSA)*	5565032379	DDA	Jerry Smith	Old 1030683 ABT
Chores and More#	5565032387	DDA	Eleanor Reichelderfer	NOT St. Margaret's
Chores and More#	5565300388	SVG	Eleanor Reichelderfer	NOT St. Margaret's

\*Brotherhood of St Andrew  
name

#For Tax Purposes Only - using St. Margaret's

**Bank Annapolis Accounts**

J2A	007302889 4	CHKG	Dina	Closing Out
EYC	007303255 7	CHKG	Dina	Closing Out

**Branch Banking and Trust Co. (BB&T) Accounts**

Westminster Parish	155200225 8	Trust	Endowment Trust	Also Cemetery Trust
Church Assistants Fund	515444246 6	?	???????	Researching this one?
Deacon	???	CHKG	Nancy White	Moving to PNC

**M&T Bank**

Cemetery Working	54123786	CHKG	Piche/Johnson	

**#%All accounts start with "St. Margaret's... or St. Margaret's Church..."**

Gordon Piché  
Treasurer

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

- a. The Rector announced that the Line of Credit approved at last month's vestry meeting would be signed tomorrow, October 16, 2007.
- b. Anne Session questioned the statement on fund-raising in the Treasurer's report, since funds were raised by the Joust. Gordon Piche said he would investigate.
- c. The Rector also reminded all concerned that the Budget Request process is in progress. Commission Chairs should be developing their budgets. A straw Budget will be developed in November and December meetings and finalized in early January 2008.
- d. Betsy Lefler had questions concerning how "line numbers" were developed since she heads a new organization and the existing line numbers were used by the two predecessor organizations. The Rev. Wastler asked that she should work with Jim Hall to resolve the issue.

**4. COMMUNICATIONS/TECHNOLOGY. The Rev. Stewart Lucas**

- a. Dave Boyce outlined the technology issue of ensuring St. Margaret's has up-to-date licenses and software for our computer systems. This would include virus protection and server software. It is estimated that about \$12,000.00 should address the requirements.

**It was moved and seconded that the vestry allocate NTE \$12,000.00 from the endowment for communications server software and licenses. There was no further discussion. The motion passed unanimously.**

- b. The Rev. Stewart Lucas reminded all to sign up for their photographs for the new Church photo-directory.

## 5. LONG RANGE PLANNING REPORT ON FEASIBILITY STUDY.

- a. The Rev. Wastler provided general remarks on the Study and the results of the Focus Groups. He said he thought there was broad-based support but had found that there was significant “sticker shock” and that there were questions about “Can we do an X-million dollar campaign?”. He thought there was a prudent way forward, but wanted to know the individual vestry members’ and officers’ thoughts. Each in attendance voiced their views in turn. (The discussion points are categorized topically):
- 1) Scope of the Project: There was general praise for the concept design’s relationship to existing buildings (church and parish hall). While many agreed there is a requirement for more space, some questioned the need for more worship space, pointing out that only the 9:00 AM service approaches (or exceeds) the 80% capacity rule. Both the 7:30 and the 11:15 services fall far short of 80% capacity. Some felt the case for a bigger building has not been made. Others felt that even with the larger 500 seat sanctuary, it would soon be at 80% capacity if the 9:00 and 11:15 services were combined, thus negating the reason for a new sanctuary. Most generally agreed there was a need for more program space. Some noted that the 9:00 service appears most conducive to families, and if people are being discouraged from attending because of lack of seating, it will have an adverse impact on growth. Some details of the architectural design concept were specifically discussed as being controversial or unnecessary and expensive including the “pool”, the ocular skylight, the movable altar, and the \$850,000-\$1 million pipe organ. The need to raze the existing administration building was questioned by several.
  - 2) Financing: Many thought that the estimated cost of \$8-12 million represented a staggering cost. Some thought the process could be bounded based on the results of a capital campaign. Others felt a capital campaign should not be undertaken prior to agreement on the scope of the project. Still others thought that such a cost could burden the church with such debt that it would be counter productive, divisive, and threatening to the community spirit or very existence of St. Margaret’s. At issue was not only the cost of the construction project, but the lack of figures on post-construction maintenance, utilities, etc. Better estimates of future maintenance requirements/costs are needed. One questioned the cost estimates as being high based upon personal/close experience.
  - 3) Growth: Several are convinced of the need for new construction to support continued growth. Parish attendance records over a 4-5 year period show real trends in growth. The 80% rule of thumb is that once a parish reaches 80% capacity pledging and attendance usually begin to fall. Some believe we are there now. The potential for good and prayerful worship can be impacted by being so crowded. St. Margaret’s needs to be an accepting community

- and this includes providing a more accepting place to worship. Unity is important and needs to be addressed but we must also move forward prayerfully. The need for growth is obvious in the worship at 9 AM and in education programs where people are cramped and crowded. There is a need for more space. The needs are current, not in the future. We don't have room in worship to be hospitable.
- 4) Communication: Process (engaging the parish more/steps forward/ incorporating feedback): While there have been attempts to gauge the parish public opinion in developing the concept design over the past two years, it is apparent that the parish as a whole did not understand that the concept design as presented was not an approved "done deal." It was perceived as if it were "the plan." To move forward to a decision point better and more effective two-way communications within the parish must be established and encouraged.
  - 5) Enthusiasm & Support: Several were excited at the prospect of both the concept design and the prospect of such a building project. Among the older youth there was a lot of positive energy, especially about the need for more space, particularly better education and fellowship space. A number thought there was significant support for the concept of development based on returned questionnaires citing 74-yes, 30-need more info, and 10-no responses. Others questioned the image of general support, citing less than 50% returns on questionnaires.
  - 6) Concern for differing voices and ideas. Several voiced their concerns over the lack of unity that appeared to be growing. Despite people being given the opportunity to voice and write their opinions following presentations, over half chose not to do so, either out of apathy, resignation, or possible fear of confrontation or intimidation. The lack of responses to the focus groups questionnaire indicated perhaps that some were uncomfortable at disagreeing with what they perceived to be an "approved plan." Out of some 228 attending focus groups, only 128 submitted responses. We need to strive for community unity.
  - 7) Validity of Feasibility Study. Several questioned how valid the study was. One believed that the quality of the analysis was questionable. Another specifically said it did not match others reviewed on-line in either quality or analysis. It was more enthusiastic than analytical.
  - 8) Gratitude for the hard work of many: Several praised those members of the Long Range Planning Commission who have been working on the project for several years. They had brought a building concept to the parish as they had been charged. Their hard work is to be commended.
- b. The Rev. Wastler The said that he shared the sticker shock that many had voiced. He was also concerned about the concerns about the process voiced in

the congregation and vestry. He had discussed the issues with Bishop Rabb and believed that there was a way to move and clarify the situation. He would like to take three to four weeks to conduct a leadership survey campaign. This is based on the 50% rule of capital campaign fund-raising. The financial leadership of the community must be able to account for 50% of the goal or the campaign will be unsuccessful. Depending on the amount that he and the Jim Klote, the consultant, can determine would be committed, we can then reasonably estimate the likely result of a capital campaign. If it is \$4 million from the leadership, then \$8 million is a reasonable expectation; if \$2 million, then we would have to scale back to anticipate only \$4 million and have to reduce the project accordingly. I would like to commit it to the leaders and then come back and report in November on the findings. That we can put bounds on the size and then return to the architect for a bounded design project. We need to know what the numbers are for planning.

- c. Discussion: One vestry member said that that scheme was generally used in the greater Episcopal community and endorsed the idea. Another pointed out that the original discussion in May 2006 was bounded by a \$3.5 million figure to which the Rev. Wastler replied that that had been based on the 3-5 X annual budget formula rule-of-thumb for fund raising. He pointed out the Klote has of record exceeding that in their fund-raising, in one case it was 13 X the annual budget. The architect came up with a plan based on talking with people and what they would like to see. There is a need to make the requirements known and to address the concerns of the congregation.

The Rev. Wastler responded with:

- 1) The need to develop and provide Frequently Asked Questions (FAQs) and post on the web-site and make available in print;
  - 2) Post updates on status;
  - 3) Organize a green team to address cost-wise methods of incorporating eco-friendly design features;
  - 4) The need to engage the architect to say what are our space needs and financial constraints.
- d. Folger (Mac) Ridout said that there are some significant events that should be considered:
- 1) Stewardship has increased significantly in the last three years.
  - 2) Go to the leadership and see what they are willing to do.
  - 3) The LRP Commission has done good work in listening to what is said and will wrestle with the issues.
- e. The Rev. Wastler laid out a proposed plan of action for the leadership phase.
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|---------------------|---|
| Oct – Nov (4 weeks) | Survey leadership and determine financial feasibility |
| Nov                 | Determine size/scope of project based on results      |

Nov	Re-engage RCG architect with new requirements
Jan	Launch Capital Campaign
March	“Celebration”

Discussion: It was questioned as to what the cost would be. The Rev. Wastler responded that Klote would charge \$7,000 per week actually on survey. Two weeks would be \$14,000, three weeks would be \$21,000, and four weeks would be \$28,000. There was some question of the need to spend as much as \$28,000.

**It was moved and seconded to authorize to the Rector and Wardens to engage Klote for a 4 week leadership survey at a cost not to exceed \$28,000. The motion passed with one dissenting vote.**

- f. Further Discussion: Beth Knorr said that there is a need to focus on three things:
  - 1) Most liked the picture they saw in the external design; the debate is in the details.
  - 2) We want to maintain the unity our faith community and of the vestry.
  - 3) We want to ensure transparency. People have to express their opinions honestly and in a manner respectful of one another.

There was some discussion the focus groups were perhaps not the best way to introduce a design concept, It was said that the problem is some people want to be tied down with details and others don't want to know the details, just the overall concept. One member said the problem was in the study - it had been presented as if the design concept was a “done deal.” The fact that it was a concept, not tied to details, was not emphasized and he went on to say that the Vestry and the Long Range Planning Commission have worked well, but that he did not believe Klote had.

The Rev. Wastler said that we are just now communicating the way we should. If there is group-silent behavior we cannot move forward. He emphasized that all present, vestry and non-vestry alike, have a voice in this process. He said that Beau Breeden and Kurt Svendsen have helped all see some of the real questions before us. He thanked all present for their efforts in the past and tonight.

**9. ADJOURNMENT.** The meeting adjourned at 9:10 PM with the singing of the Doxology led by Howard Shute and Anne Sessions.

Submitted by

//s//George L. Breeden, Registrar

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*Nota Bene:* Opening Prayer Assignments

November – Larry Lorton

December – Annie Coble

January 2008 – (Volunteer needed)

February 2008 – Phil Graham