

St. Margaret's Church Westminster Parish



Vestry Meeting Minutes Monday, September 17, 2007 As Approved on October 15, 2007

1. **OPENING.** The meeting was called to order by the Reverend Mark Wastler, Rector, at 7:05 PM in the conference room of the Administrative Building. Sarah Hyde 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, The Rev. Nancy White – Deacon, Beth Knorr - Senior Warden, George Saroch - Jr. Warden, Gordon Piché-Treasurer, George Breeden - Registrar, Stacia Bontempo, Annie Coble, Jeff Conover, Phil Graham, Jon Hall, Sara Hyde, Betsy Lefler, Larry Lorton, Marion Pagoota, Steven Roth, Anne Sessions, and Howard Shute.

Guests: Jim Hall and Edith Edson, Finance Commission.

2. **MINUTES. George Breeden.**

The minutes of the August 20, 2007 meeting were reviewed. The following amendments were offered:

- a. Change Para 4. Missions Commission Report:
 - 1) Sub para 1) change second sentence to read “The Mission Commission has decided, with Jim’s guidance, to ask the Vestry that its endowment allocation for 2007 be carried over to 2008.”
 - 2) Sub para 2) Reword the third sentence to read “The grants allocation is estimated typically in December and is finalized in January or early February” vice “The grants estimate typically comes in December and is finalized in January or early February.”
- b. Change Para “8. Wardens’ Report” to Para “7. Wardens’ Report”
- c. Change Old sub para 8.f. to new Para 8 and title it Assistant to the Rector’s Report.
- d. Para 9. Associate Rector’s Report, sub para-graph “c”, 2nd sentence should read “He believes this highlights the need to put a second administrative support person ahead of the sexton for next year’s budget.” (Note – “He believes” added).

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 August 2007

At the end of the month of August, we had \$31,245.59 in the operating checking account and \$15,650.51 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 August, we are running short \$55,890.25 in total revenues, an additional short fall of \$18,778.47 from July. This figure is primarily due to a deficit of \$30,079.44 in anticipated pledge payments and a \$14,378.38 shortage of expected donations. There has been no income from fund raising as had been anticipated (deficit is \$4,666.). Total income through August 31 is \$408,776.43.

On the expenditure side, we are under expended by the amount of \$28,232.33 having anticipated expenditures of \$445,302.84 against actual outlays of \$427,070.51. Expenditures remain within expected limits across the board in each expense category. It should be noted however that Building and Grounds remains well over budget in church electric and contract building service but it is offset by not paying for a budgeted Sexton. Nursery Care Salaries budget and expenses have been adjusted over the July reporting period and are now reported to be only \$1034 over budget.

The net total or bottom line through 31 August is a deficit of expenditures over receipts of \$18,294.08 (vs. \$9,713.73 in July) for the year to date. The financial health of St. Margaret's through the end of August is good, but we are still sliding backwards due to the summer slow down of income.

Today PNC Bank took over operation of AB&T (Mercantile) and thus St. Margaret's working bank accounts. We now have all new account numbers; therefore, all accounts need new checks and new deposit slips. PNC reportedly can handle our old checks until new ones arrive, but for deposits, we must use new deposit slips with the new account numbers. They have blank deposit slips at the bank that can be used with a fill in account number. There may be some hiccups until the processes smooth out, so all involved in St. Margaret's banking (check writing and deposits) need to be alert.

Gordon Piché
Treasurer

End Quote

- a. Gordon Piche reviewed the status of 9 checking accounts, 3 of which are capable of being managed electronically. He stated that two more may need to be managed electronically. The Day School account for payroll, which causes

problems for the church in manual delays in check writing and delivery. The second is the Designated Account.

- b. The Rev. Wastler explained that the change to the Day School account will require action on part of the Day School Board, not the Vestry. Jim Hall suggested that the matter be brought before the Day School Board.
- c. Jim Hall said that the Designated Accounts is made up of some 28 separate funds.

It was moved and seconded: That the Vestry gives the Treasurer electronic authorization over the designated account. It was approved unanimously.

The Treasurer's Report was accepted as presented.

4. FINANCE COMMISSION Report and Budget Review. Jim Hall

- a. Line of Credit. Jim Hall stated that in moving into the Capital Campaign discernment we are incurring some up front "soft costs" that are beyond the capability of the budget to fully address, i.e. permits, campaign consultant, and preliminary architect design work. The estimates are on the high side of 1/2 million dollars.
 - 1) Jim Hall stated that they had explored two banks, PNC and BBT, to see what sort of line of credit we could obtain. Both responded favorably with 3/4 million to 1 million dollars. BBT would require a deed of trust and settlement costs of approximately \$7,000. PNC would not require a deed of trust, would have settlement costs of approximately \$3,500, but would require maintaining \$4 million in the endowment. The interest rates would be for BBT 7.8% and for PNC 8%. In this diocese to get a Deed of Trust requires permission by the Diocese, which would necessarily drag out the process. The Finance Commission would like to ensure that the Endowment is not encumbered in any way. They also looked at other banks, but they (the other banks) could not meet the timeline.
 - 2) A discussion of risks followed. Gordon Piche stated that the Endowment is currently at \$4,635,453 (31 Aug 2007). George Saroch pointed out that the Endowment was at 3.5 million in 2002. Betsy Lefler stated that the PNC load could be addressed if some wording concerning the \$4 million in the endowment would address the "absent market forces." Edith Edson offered that there should be no adverse effect if words were included that addressed "Material adverse change in condition not by the borrower's action."
 - 3) **A motion was made and seconded: That the Vestry authorizes the Rector and Wardens to sign an agreement for a line of Credit from PNC Bank, not to exceed \$1 million.** In discussion, it was pointed out that Counsel and Betsy Lefler should review the wording of the agreement prior to signing. It was agreed to and the motion amended. **The motion as amended was approved unanimously: That the**

Vestry, pending review of Counsel and Betsey Lefler, authorizes the Rector and Wardens to sign an agreement for a line of credit from PNC Bank not to exceed \$1 million.

- b. Rental Property. Jim Hall reported that a court date had been set for eviction proceedings the tenant's failure to pay the rent. The renter, however, had filed for bankruptcy and we could not proceed against the renter in the eviction notice and attempt to collect approximately \$20,000 in arrears. The court denied the filing and the eviction hearing is September 24, 2007. It was pointed out that by failing to pay the rent, the renter is in effect hampering our ability to use the endowment to help others.
- c. The Rev. Wastler thanked Jim Hall for all the hard work he had put into the effort. The Vestry applauded his efforts on St. Margaret's behalf.
- d. Budget Review for Buildings and Grounds. George Saroch
George Saroch addressed the projected budget for buildings and grounds.
- 1) Utility Rate Studies. Line 5005. We saw a 100% rise in January through April. For May through August we actually spent less than in previous year. (Lines 5005, 5020, 5030 Church/Parish Hall/Office electric/utilities).
 - 2) Sexton. (Line 5040) This line provided for contract building services (cleaning). We have not hired a sexton which was the reason to only cover this for four months originally. The failure to hire a sexton means we should have zeroed the sexton and re-budgeted sexton's funds for cleaning (5040). We have now zeroed the sexton and rebudgeted sexton funds for the cleaning services.
 - 3) Discussion.

Line 5090: Water/testing/Maintenance. A question was raised as to what this covered. George Saroch replied that it covered the testing required to be done for the water system, particularly for the school (state requirement) and the supplies and maintenance of the water system.

Line 5065. George Saroch reported this had been examined and it is not under the authority of Buildings and Grounds, but under multiple jurisdictions. Both he and Jim Hall are looking at it to clean it up and determine where it should best go.

George Saroch reported that 5055-Information Technology provides funding for computers and web design. It should be reviewed and reassigned.

It was moved and seconded to adjust buildings and grounds budget as presented. There was no further discussion. The motion passed unanimously.

- 4) Other Budget Items. The Rev. Wastler pointed out that we will need to put money back in as result of this mid-term review, maybe \$3,000-\$4,000. He

asked that a proposal be developed and presented at the October Vestry Meeting.

5. LONG RANGE PLANNING. Focus Group Update

Individual presenters and attendees gave their impressions of meetings to date.

- a. Gordon Piche – At August 24, 1015 session with Beth Knorr and Kirsten Tolley as presenters it appeared that most people were excited at prospect of change. Afterwards discussed alternative ideas (parish hall as church). There was also discussion of a “Cry Room” –glassed in enclosure with speaker and some concern about areas for weddings – dressing areas, aisle access, and inclement weather alternatives. In some instances there was discussion of why should we keep old building.
- b. The Rev. Mark Wastler went to a couple of meetings. He heard some good suggestions.
- c. Steven Roth – Youth are generally interested, but some don’t want change.
- d. Howard Shute – We need to ensure that we have the demography of the group present established. The 0730 group is “accepting” but not enthusiastic.
- e. Beth Knorr – According to Charley the consultant, there was some concern about use of the parish hall and wine in the parish hall. In general, some were negative about the idea of change and some were positive.
- f. Betsy Lefler – 0730 meeting was very engaged and wanted to talk more –is there a plan for more meetings? The Rev. Mark Wastler stated that no additional meetings are planned, but people are certainly welcome to attend more than one meeting. Betsy Lefler asked about organized feedback. She was told that there were the forms handed out at the focus groups and parishioners were also welcome to send memo or email to Beth Knorr and The Rev. Wastler.
- g. The Rev. Mark Wastler said that there was certainly engagement—also sticker shock.
- h. Anne Sessions – There is resistance to change among some youth. They don’t like idea of change at this point, including possible loss of admin building. The Rev. Dina Van Klaveren pointed out that they were attentive and asked worthwhile questions. They were involved and providing feedback.
- i. Beth Knorr invited all to attend or host a meeting if you have not done so.

6. CHRISTIAN FORMATION COMMISSION REPORT. The Rev. Dina Van Klaveren

- a. The Rev. Dina Van Klaveren provided a handout which she spoke to and a longer one on Adult Formation at St. Margaret’s describing the program opportunities.

QUOTE:

Christian Formation Commission at St. Margaret's

Goal: To plan, support, and implement Christian Formation at St. Margaret's Church

Key Tasks

- Meet regularly with parish educators
 - Assist with planning, recruiting, publicity, and other issues
 - Gain exposure to various offerings, methodologies
- Maintain a process for reviewing Christian Formation initiatives
- Oversee Christian Education budget.

Constituent Groups:

• Sunday School	• Youth Program
• Godly Play	• Library/Resource Center
• Children's Chapel	• Confirmation/Baptism/Marriage Preparation
• Seniors	• Education for Ministry (EfM)
• Adult Small Groups (Bible Studies, Heretics)	• St. Margaret's 101/Newcomers & Seekers

END QUOTE

- b. The handout highlights work of commission. It has held its first meeting under the Chairmanship of Ernie Tucker. The commission hopes to include a vestry member to facilitate liaison with vestry. Worship is NOT part of the commission's functions as there is already a commission for that purpose. The commission has to develop the process to oversee the budget issues.
- c. Discussion:
 - 1) Are the standards and benchmarks? Yes, we are looking at what we are not offering, and found there is very little for men. We are also looking at other areas. We are also looking at addressing funding.
 - 2) Is there a space issue? Yes, we have people, and especially children, put into some marginal spaces. With three youth groups they are all packed in. We do not have the room.
 - 3) Could we look into a trailer space or could children's education take place during services? Yes, but doesn't solve all of space problems and some parents want their children to attend the services. There is a fear that if we appear not to have the room, people will go elsewhere. That has been seen at crowded services. Ministries should be our focus. Buildings will follow. There will be more discussion on this issue.

7. WARDENS' REPORT. Beth Knorr

- a. Beth Knorr stated that we continue to need hosts for the Focus Groups, which are scheduled from this date forward: Tues, 18th September 7PM; 23rd in conference Room at 1015; 23rd at Camp Wright; Sunday , 30th 0730, 1230. Let her know if you can host. Please attend more than one. It makes a

- difference in who is speaking—old timer versus newcomer. Finally make this part of your prayers. It is part of a big decision.
- b. Newcomers Dinner September 29th, 6PM. Need to have a vestry hosts at the Holly and Bill Bentley's. Contact Jane Piché. The next one will be Nov. 10th at George Saroch's.
 - c. J2A Barbeque will be September 21st. It will feature pork loin barbeque with Beau Breeden's Bo-Bo-Q Sauce. Please make reservations, we need to know how much food to prepare. You may pay at door.
 - d. Camp Wright will be September 23rd. Encourage people to attend and volunteer to help out before or after.

8. RECTOR'S REPORT. The Rev. Mark Wastler

- a. It's good to be back from sabbatical. He thanked the staff, Beth Knorr and George Saroch for their efforts over the summer.
- b. He considered it a really good sabbatical. He was able to do some things he needed to do: relax, reflect, and read. He paid attention to things that didn't seem to fit. One of those is the Pastoral Ministry, which was seen as based on a therapy model. To him, it's wrong. He can provide pastoral care, but that is not therapy.
- c. He felt he must focus on ministry, not the building process. What brought on growth at St. Margaret's are ministries.
- d. It was remarked by several attendees that this is part of the moving from parochial model to corporate model. We may need to have an adult forum on the issue. Help all understand the extent of change as we move to a new model.

9. ADJOURNMENT. The meeting adjourned at 8:49 PM with the singing of the Doxology led by Howard Shute and Anne Sessions.

Submitted by

//s//George L. Breeden, Registrar

Nota Bene: Opening Prayer Assignments

October – Gordon Piché

November – Larry Lorton

December – Annie Coble

January 2008 – (Volunteer needed)

February 2008 – Phil Graham