



St. Margaret's Church

Westminster Parish

Vestry Minutes

Tuesday, October 21, 2014

Approved November 18, 2014

1. **OPENING:** The meeting was called to order by The Rev. Peter Mayer at 7:00pm in the conference room of the Administrative building. The Rev. Peter Mayer led the vestry in prayer.

Attendance: The Rev. Peter Mayer, The Rev. Jane Hague, George Saroch – Senior Warden, Mark Torrence – Junior Warden, Gordon Piche – Treasurer, Stacia Bontempo – Clerk, Elizabeth Bowers, Karen Engelke, Charlie Lang, Phil Meeder, Teresa Todd, Kirsten Tolley, Ernie Tucker, Valerie Weekly

Absent: The Rev. Sarah Lamming, Doug Castonguay, Kyle Morgan, Anne Thomas, Liesl Wheeler, Willie Williamson

Guests: Ernest Freeland

2. **MINUTES:** Stacia Bontempo
 - a. The minutes of the September vestry meeting will be reviewed at the November meeting.
3. **SUBMITTED REPORTS**
 - a. Treasurer's Report, Gordon Piché, Treasurer

QUOTE

St. Margaret's Church Westminster Parish

Treasurer's Report

Vestry Meeting 21 October 2014

September 2014 Accounts Summary

Checking and Savings Accounts

Account Name	Account Type	Account #	Balance	As of
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Operating Ckg 4311	Checking	4311	\$89,720.76	10/1/14
Rental House Ckg 4338	Checking	4338	\$3,451.67	10/1/14
Designated Ckg 4346	Checking	4346	\$46,850.72	10/1/14
Formation Bldg Svgs 4354	Checking	4354	\$834,215.25	10/1/14
Formation Bldg Ckg 4362	Checking	4362	\$23,719.34	10/1/14
Subtotal			\$997,957.74	
Endowment Trust 2258	Trust	2258	\$5,013,358.70	9/30/14
Cemetery Trust 7379	Trust	7379	\$140,647.61	9/30/14
Capital MaintenTrust 7618	Trust	7618	\$125,902.72	9/30/14
Subtotal			\$5,279,909.03	
TOTAL			\$6,277,866.77	

On the **income** side of the ledger, through the end of the month of **September**, the actual yearly income was \$608,198.72 against a budgeted income for the year to date (YTD) of \$654,721.93 (*note*: YTD = January 1st through September 30th). That is **\$46,523.21 under** total YTD budgeted income. **Pledge income** for the year is **under** budget by **\$24,939.40** (\$557,648.24 budgeted and \$532,708.84 received). **Donations** income is **\$2,510.26 under** budget. **Special Offering** income is **\$3,780.00 under** budget. To date SMC has received **no** income for line items **4077** and **4090** which budget total is **\$10,998.73**. All other income categories were within typical limits for this time of year.

On the **expenditure** side, through the end of September, we expended \$648,478.91 which is **\$30,926.23 less than budgeted** (\$679,405.14 budgeted). **All categories** were **under** or on their expected budget expenditures for the year.

The **net total** or bottom-line as of September 30, 2014 shows a YTD balance of **negative \$40,280.19** (i.e., actual income [\$608,198.72] less actual expenses [\$648,478.91]). Please keep in mind that we are operating with a **deficit budget**: at the end of **September...- \$24,683.21**.

Gordon Piché, Treasurer

END QUOTE

4. BUDGET REPORT

a. Charlie Lang gave an update on the budget figures. There are 89 pledges (\$400k+) in hand so far. The budget committee will be closely monitoring pledging to finalize the 2015 budget. The Rev. Sarah Lamming is on vacation and then going into short-term disability until her health improves. SMC does have short-term disability insurance. Projected costs for snow removal will remain as was planned for 2014 – we don't anticipate

another winter like 2014. SMC now needs to factor in the cost of communion wine as it was previously donated for the last 10+ years. We use just over one bottle each Sunday.

5. EFPC REPORT

- a. The construction contract is being finalized.
- b. The grading permit was received October 8.
- c. MD Department of the Environment needs to post our project on their public website for 30 days until we can start construction – 11/17 – so this is a surprise delay. It may delay our move in until August 2015. Winter weather could delay us further.
- d. We anticipate our first draw on the loan around January 2015.
- e. Financing:
 - a. Retaining construction loan - \$3M
 - b. 5-year term, 2.42%
 - c. Repayment \$575k/yr (2015, 2016, 2017)
 - d. Commitment letter signed – vestry approved
 - e. Closing on loan the week of October 27
 - f. Cost of money (2015 - \$37K, 2016 - \$52K, 2017 - \$35K, 2018 – 17K)
 - g. Financing Options:
 - i. \$1M shortfall (\$2.7M cash flow issue through 2015)
 - ii. Loan: (\$2.7M Construction Loan thru 2015, Long Term \$1M). Cost of money - \$200K near term to \$100K/year long term
 - iii. Hybrid Approach
 1. Endowment - \$400k-\$1M
 2. \$1.7-2.3M construction loan thru 2015
 3. Moderate to no long term depending on endowment
 4. Cost of money - \$100-\$150k near term to no long term.
 - h. Contingency fee: we may split the difference with Whiting Turner on this fee. Still waiting on septic design from Wilkerson & Associates.
 - i. We, as a vestry, needs to have it in writing how we want to pay for this project, so the vestry of 2018 has appropriate guidance.
 - j. We will have to see/remove temporary classrooms at some point and repair parking lot underneath.

6. YOUTH COUNCIL REPORT

- a. Kirsten Tolley reported that the youth council is working on a model of sustainable youth ministry and a realistic budget. The youth council will most likely not be able to fund all the needed projects within the proposed budget.
- b. It's unclear how long Sarah Lamming will be on disability, so the youth leaders will be figuring out how to proceed.

7. WARDENS' REPORT

- a. Mold remediation completed in the admin building. The other buildings need to be inspected as well. The firm inspecting the buildings needs to be a different firm from the one that did the mold remediation.
- b. Bill Bird will be stepping down at the end of December as head of Building & Grounds.

- c. The vestry nominating committee will be forming soon and there will be at least one current vestry member on the committee. George Saroch is working on this. We need to have at least 6 candidates.
- d. Endowment Draw Budget
 - a. Missions/Grants - \$151,831.80
 - b. Operations: Missions Allocation - \$26,168
 - c. Scholarships - \$15,750
 - d. Capital Projects – \$59,303.20
 - e. Planned Campus AV Technology Upgrades/Improvements will be deferred until 2015.
 - f. The SMDS rain garden and additional health care costs have been tabled for now.

MOTION: It was moved and seconded that the vestry approve the transfer of \$25,000 from the unspent capital expenditures of the endowment income budget to the maintenance fund to pay for the mold remediation in the administration building. The motion passes unanimously.

8. RECTOR'S REPORT

- a. The mold issue has taken a lot of Peter's time lately.
- b. Sarah's contract has been extended until through August 2015. Right now though her priority needs to be her health. Without Sarah, we'll be short staffed for an unknown period of time. Peter has contacted the diocese to see if there are any possible fill-in staff available for a part-time/short-term basis. Peter will look at some retired ministers to help out as well. We will probably have to ask our volunteers to go deeper into their work at SMC.
- c. Sabbatical for Peter: Peter is looking at summer of 2016 as a tentative time for a sabbatical. 2 weeks per year not to be taken until 3 years is the rule usually. He has not taken one before.
- d. Attendance numbers are down (138 at 9am last Sunday). It appears to be a trend that other clergy are experiencing too. Saturday evenings are light on attendance so far. We are doing so many good things as a church that can't be reflected in attendance numbers.

9. **ADJOURNMENT.** There being no objections, the meeting adjourned at 8:55pm with the singing of the doxology.

Submitted by:

Stacia Bontempo, Clerk

Nota Bene: Opening Prayer Assignments
October 2014 – Willie Williamson
November 2014 – Karen Engelke
December 2014 – Liesl Wheeler

January 2015 – Charlie Lang
February 2015 – Anna Thomas

Next Vestry Meeting – Tuesday, November 18, 2014