 

St Margaret’s Episcopal Church Vestry

Subject: Minutes 16 JANUARY 2024

Feast of Richard Meux Benson, Religious, 1915 and Charles Gore, Bishop of Worcester, of Birmingham and of Oxford, 1932

**Attending-All Zoom**: Peter Mayer (Rector), Patti Sachs (Associate Rector) Kristen Berthelotte (Senior Warden), Kathy Wiernicki (Treasurer), Kathy Polk (Temporary Clerk), Dave Boyce, Matt Chasse, Kathy Lang, Alden Gross, Janice John, Mary Holstine, Carol Williams, Chris Prender, Susan Roberts, Dan Tootle, Ernie Tucker, Lana Keelty, and Elizabeth Radley (Director of Operations)

Absent: Paul Schurke (Junior Warden), Austin Canuel

All reports have been submitted on Realm.

1. Opening prayer was given at 7:05 pm by Lana Keelty.
2. **Election of Officers - Unanimous**:

Clerk – Kathy Lang

Treasurer – Kathy Wiernicki

Junior Warden – Paul Schurke

Senior Warden – Joe Ross

Peter+ shared that Joe Ross was humbled and honored to be asked. Joe has shown wisdom and dedication especially during the difficult Covid time and has actively participated in outreach ministries. Peter thanked Paul and both Kathy’s for their continued service.

1. The minutes from the December 19, 2023 meeting

December meeting minutes were approved as submitted. In a prior meeting the Clerk advised that all reports would be reflected on Realm and will be noted in the minutes and no longer attached to approved minutes.

 4. **Submitted Reports**

**A.** **Treasurer’s Report: Kathy Wiernicki**

Kathy explained that because the books remain open, getting updated reports to vestry members in January is challenging. The church is running ahead of its 2023 budget. Operating results for year ended December 31, 2023 report expenses in excess of revenues of $(15,225.04). Although a loss is being reported for 2023, this amount is ahead of the updated Vestry approved 2023 budget by $66,397.36. Pledge receipts for the year ended 2023 were ahead of budget by $33,864.28. Peter+ noted that pledges are up but donations are down. He suggests that we encourage more non-St. Margaret’s people to attend and make Sunday donations. Kathy Wiernicki noted that donations had been increased in the 2023 Operating Budget to offset a decrease in pledges from 2022. Actual results for 2023 had pledges received in excess of the budgeted amount. The proceeds from the Gala ($43K) are currently in a designated fund. The Endowment advanced $5K for the Gala and that needs to be repaid– leaving $38K earmarked towards grants. There was a clarification noted that there are a few outstanding donations to be received and that the intent of the Gala was to add to the Endowment Grants. Concluding comments on this discussion were that the $5K needs to be repaid to the Endowment, some amount (possibly $10K) should potentially be kept aside for the May 2025 Gala, with the remainder of the funds (approximately $30K) to be given to Grants for distribution for 2024.

If people continue to pledge as they did in 2023, it is anticipated to use a budget of approximately $950K. Currently there are 160 pledges compared to 180 total last year. It is expected to have about 200 pledges for 2024. For 2023, the Stewardship Committee’s goal for total pledges was $950K for. The adjusted Vestry approved budget for 2023 had pledges budgeted at $881K. For 2024, the Stewardship Committee has set a goal of $990K.

There were 3 transfers totaling $51K from the VANCO Pledge and Donation Account to the Operating Account prior to December 31st. In addition, approximately $65K was transferred from the Operating Account to the Designated Account. These transfers were made to properly record year-end transactions on a cash basis of accounting and to replenish the balance in the Operating Account to meet year-end and early January 2024 expenditures.

Kathy Wiernicki noted that when the balance in the Church Operating Account dips below a point where there will not be sufficient cash to fund Church expenditures over a one-month period, it will become necessary to replenish the Operating Account from the Endowment to fund Church operating expenses. Three years ago, there was discussion and a vote by the then Vestry to approve a “cushion” of about 3 months or $125K to maintain as a reserve in the Church’s Operating Account. In 2022, the Vestry voted to reduce the reserve amount to $100K. As of December 31, 2023, the balance in the Church’s Operating Account was approximately $40K. Kathy Wiernicki recommended that the Vestry approve a motion to transfer $60K from the Endowment to the Church’s Operating Account to restore the reserve balance to the previously approved level of $100K.

**MOTION: Approve the transfer of $60K from the General Endowment Account to the Church’s Operating Account to restore operating cash reserve to approximately $100K in order to fund Church operating expenses on a timely basis. Passed unanimously.**

There was a discussion regarding payment of the balance of PPP loan proceeds temporarily held in the Church’s General Endowment Account as a special bonus to Church employees to thank them for their extraordinary efforts over the past four years in response to the COVID pandemic.

 **MOTION: Approve bonuses for employees from the remaining PPP loan proceeds of $58,600. Passed unanimously.**

After considering the two motions discussed above, Endowment Draws related to 2023 totaled $231,700 resulting in a 2023 Endowment Draw Percentage of 5.33% of the total Endowment balance as of 1-1-23 or 4.75% of the year-end balance on a three- year rolling average. A preliminary estimate of the Endowment Draw Percentage for 2024 is projected to be 4.78% of the total Endowment balance as of 1-1-24 or 4.82% on a three-year rolling average. Preliminary 2024 draws are projected to include $35K toward identified Capital improvements/Maintenance Projects; $100K for Grants, $6K for Grants Coordinator, $5K for Grants administrative software, $12K for the Light House, $10K for SMDS scholarships and an estimated $69K to replenish Church operating funds due to the projected 2024 deficit. These amounts are just a preliminary estimate and will be updated and refined as more information becomes available.

It was noted that expenses have gone up exponentially. Donations have gone up but neither donations nor pledges have kept up with rising expenses. Seventy percent of the budget is fixed costs. For “communication. purposes”, it is advised that we total the amount given towards missions (Grants, Light House, scholarships).

 **MOTION: To allocate up to $35K from the Endowment for capital improvement to replace the Parish Hall flooring and Formation Lobby Handicap Access Door. Passed unanimously**. Floor and door wait no more!

**B. Rector’s Report: The Rev. Peter Mayer**

Peter+ offered sincere and profound thanks for the tireless commitment and counsel provided by Kathy Lang, Alden Gross, Chris Prender, Susan Roberts, Kristen Berthelotte and Jim Barnett. Their outstanding leadership, creativity, and flexibility, especially during the challenging Covid times was extraordinary.

Bishop Carrie Schofield-Broadbent will visit St. Margaret’s on Sunday, March 17. Her visit will coincide with our Winter Relief guests, and it is important that their needs not be compromised. The Women’s Guild will be providing coffee hour treats so it should be an outstanding reception!

**C. Day School Report – Kathy Lang**

During the past year there was a transition between directors. Quality, not quantity, has been reflected in the revenue. Kathy encourages the vestry to have increased interaction with the Board and greater participation in events. She also suggested that the vestry be a sponsor ($300) for the SMDS Silent Auction on April 13 at InGrano Restaurant.

**D. Annual Meeting Report**

Matt Chasse, Janice John, Ernie Tucker, and Dan Tootle reported that “less is more”. There will be written reports available with oral summaries. Emily DelSordo will be providing Sunday School for the kids. No voting is necessary.

**E. Vestry Retreat. Report**

Lana Keelty reported that the vestry retreat will be February 10 in the Formation Hall from 9am – 11am. The agenda will include a calendar, Robert’s Rules of Order, financial reports, past minutes, reports from the Senior and Junior Wardens, and the Day School. The rector will have an opening and Junior Warden Paul Schurke will provide a tour of the campus. Binders including By-Laws will be prepared.

**F. Junior Warden’s Report – Paul Schurke** (absent – report submitted)

The Junior Warden replaced thermostats and requested repairs to the Parish Hall floor and handicap door. Both items were previously approved unanimously.

**G. Senior Warden’s Report – Kristen Bethelotte**

Kristen reminded the vestry that it is asked to provide for the coffee hour snacks on Sunday, February 25. She also suggested the vestry sign up for a Winter Relief breakfast as the fellowship and great food create strong bonds. Kristen thanked Kurt Svendsen for all his hard work with Realm and the Outreach Council. Kristen appreciates the very productive vestry for help and collaboration with Good Seed Sunday the Masquerade Gala, the Long Range Planning Committee and all the work and responsibilities towards making St. Margaret’s the special place that it is. Kristen is especially grateful to Peter+ for his leadership and guidance towards transforming each of us to better follow Christ.

4. Adjourn

The meeting was adjourned at 8:38 pm

The Annual Meeting will be held Sunday, January 28, 2024, at noon.

The vestry retreat will be Saturday, February 10 from 9-11am in the Formation Building.

The next vestry meeting will be Tuesday, February 20, 2024, at 7pm.

Faithfully,

Kathy Polk, Temporary Clerk

Temporary SMC Clerk