 

St Margaret’s Episcopal Church Vestry

Subject: Minutes for 18 January 2023 (Draft 1)

Attending: Peter Mayer+ (Rector), Patti Sachs (Associate Rector) Z, Kristen Berthelotte (Senior Warden), Paul Shurke (Junior Warden), Katherine Wiernicki (Treasurer), Elizabeth Radley Z, David Allen Z, Austin Canuel, Matt Chasse Z, Marti Engstrom Z, Alden Gross, Janice John, Elizabeth Kopack Z , Kathy Lang ,Susan Roberts, Dan Tootle, and Jim Barnett (Clerk).

Not Attending: Chris Prender and Ernie Tucker

This meeting was conducted in the Hybrid format. Zoom attendees note as “Z” after their name.

A Quorum was present.

1. Opening prayer was given at 7:01 pm by Patti Sachs.

2. The meeting was called to order by the Rector. The December 2022 Vestry minutes were approved.

3. The Rector proposed the election of the Lay Officers to serve for 2023.

 Senior Warden Kristen Berthelotte

 Junior Warden Paul Shurke

 Treasurer Katherine Wiernicki

 Clerk Jim Barnett

The motion was accepted, seconded, and passed by acclimation.

**4. Submitted reports:**

 A. **The Rector’s Report (posted):**

**B. Day School Report (posted):**

Heather Lancaster will remain as the Chairman of the Board for SMDS.

Prices have gone up.

It is difficult to compare prices with other similar church supported schools. SMDS offers so many programs that are not necessarily replicated in other competitive schools. SMDS is 2’s-K while other schools go on up to the 8th grade.

The school plans to use the room next to the Archives for a library.

**B. Junior Warden (posted):**

 Thanks for voting for me.

The Rector thanked the Junior Warden for stepping up this past Saturday when the lower bathroom flooded. It is nice to know that someone will step up when a problem surfaces.

 **C. Senior Warden’s Report (posted):**

We have four adult Vestry candidates to consider at the Annual Meeting on Sunday.

Dave Boyce
Mary Holstine
Lana Keelty
Carol Williams

Thanks to Dave, Beth and Marti for serving, you will be missed. I am sure I can continue to count on you to step up to serve the church.

The Vestry retreat will be on 11 Feb from 9-11 AM.

The 21st is our next Vestry meeting and will be held after the annual Pancake Supper.

The archive tour has again been delayed.

**D. Treasurers Report (posted):**

2022 ends better than expected.

Our net ordinary income for 2022 is $-57,777 which is $104,000 ahead of where we thought we would be. This is really good news.

Thanks to the Director of Operations for zealously managing the church expenditures throughout the year.

The actual Endowment withdrawal was 4.16% for 2022.

$43,000 was transferred from the operating budget to designated accounts.

A recommendation was made to reduce the operating reserve from $125,000 to $100,000.

**MOTION: That the operating reserve budget be set at $100,000 and that $43,500 be transferred to restore the reserve fund to $100,000.** Seconded and passed without exception.

For the projected budget, we have lowered the Grant’s annual Endowment draw from $100,000 to $70,000.

It should be noted that the Endowment lost over $900,000 due to market conditions. While the Endowment looks like a large number, we cannot sustain both the level of decrease imposed by the markets and our own tendency to draw down the Endowment.

A suggestion was made that perhaps the Grant’s Committee consider some reduced scope. For instance, could they put more emphasis on requests closer to home. This has been tried with no support from the previous Grant’s administrator. It was suggested that the Grants Committee does a good job and doesn’t need any help from the Vestry. We do need to budget realistically for Grants in view of the current financial situation. There is a reason we have to reduce costs. Everything else is being cut. It makes sense to look at the budget as a totality. We need to let the congregation know that we are in a serious financial situation. Returning to Grants, at what time do we need to settle on an expenditure level? January 20 is the Committee’s first look at submissions. The Grant’s Administrator understands the financial realities.

It seems clear that our austerity message is not getting to the congregation. The Parish needs to know what this situation looks like. The Parish has not absorbed the information so far. We are being more aggressive in informing the Parish. We have hard decisions to make as a Vestry. That is why we were elected.

At Baptisms, we see a lot of folks we don’t normally see in our church. Could we consider passing the plate at those services where we anticipate additional visitors? They may not be familiar with our particular giving plate process and may be reluctant to get up and put money in that plate up front. It may be time to reconsider our giving process in church.

We sent out a survey to see where families with younger children are with their nursery needs. We need to look at that in terms of the relative budget. Volunteering is different today than it was when parishioners would manage the nursery.

We can ask Coffee Hour folks to bring baked goods and see how that works.

We can attempt to increase outreach to our community: funerals, weddings, were mentioned.

We need to look at things in the longer term. In 2017 or 2018 the Vestry attempted a 3-year budget without much success. It is a good idea to execute some forward thinking and ask ourselves what we want to do with the budget we anticipate. Strategic planning is difficult and requires some degree of goals and objectives as well as measurable elements.

We don’t do a big fundraiser anymore. The SMDS does a very successful fundraiser every year. The money is in alcohol at those events and our diocese isn’t positive on this aspect. We do like to have fun and we need to talk about that.

We need to continue to monitor the budget month to month and keep our head in the game. The Treasurer and Finance Committee should make recommendations to Vestry on where we need more work.

With the TRRTF budget we will be making gifts to organizations when we go there. This is part of our reconciliation and networking objectives. The Task Force is focused on our own back yard but not having a committed budget makes it more difficult. We know we are looking at a $100,000 deficit but another $1,000 here or there seems marginal. It is constructive to worry $10 here and $10 there.

It is great we are having this discussion.

A motion was then offered to adopt the upper and lower parts of the Treasurer’s “2023 cost savings ideas and ideas update 1.10.2023” (attached to the Treasurer’s report). Individual items were then recommended for exception and amendments were then added to the motion. Individual items were discussed at length. Restore the $1,000 to the TRRTF. Coffee hour proposed reduction and nursery savings considered. A recommendation was then made to put the attached in front of the congregation at the Annual Meeting and then the Vestry can decide at the next meeting. Grants was then introduced, and the motion was withdrawn. It was then moved to adopt the attached 2023 with the understanding that the Vestry would review as we moved through the year. The vestry can revisit the budget and edit.

**MOTION: That the Grants allocation be reduced to $70,000.** Carried unanimously.

A “friendly amendment” was offered to put funding back into Coffee Hour. Do we still need to pass the motion?

**MOTION: That the Vestry implement the identified items under “What we can discuss doing if necessary/as needed” in the attachment. Excepted from the list were reductions against Coffee Hour, Nursery, Insurance, and TRR. The reductions can be considered for restitution upon further evaluation.** Passed unanimously.

 Thanks to the Treasurer and we will look at the numbers again. Hopefully, the “plate” will pick up.

 **5. For the Good of the Order.**

The Dioceses will be hosting a Men’s Retreat 3-5 February.

Can we vote on Austin Canuel’s nomination as the Young Adult Voting Member of Vestry? It was noted that the Bylaws allow for this but only “during the second through the fifth month of any fiscal year” and therefore we needed to wait until February.

Winter Relief is coming at the end of the month, and we still have slots to fill.

A hearty thank you was offered for the Vestry’s work.

The meeting was adjourned at 8:52 PM.