

St. Anne's Parish
Vestry Meeting Minutes
Tuesday, January 9, 2017

Clergy and Vestry Members Present

Rev. Amy Richter
Rev. Joe Pagano
Linda Adamson
Patrick Carlson
Carrie Dana-Evans
Ginger DeLuca
Katherine Hilton
Cary Lukens
Bill Malicki
Doug McNitt
Pat Poffel
Cardie Templeton
Josiah Dykstra
Mark Grimes
Monica Barry
Mickey Thaxton

Vestry and Executive Officers Not Present

Tripp Trippitelli

Non-Vestry and Others Present

Thea Chimento, Clerk
Steve Fisher, Treasurer
Bill Silva, Outreach Committee

- *Opening/ Welcoming of Guests*

Cardie opened the meeting at 1930 with a prayer. Vestry members expressed thanks for Amy and Joe's time here.

- *Outreach Budget*

Bill went over the grant process for the Outreach Committee. The Outreach Committee received grant applications for \$45,700, and made awards for \$35,000.

Steve included organizations that had separate money collections during the year in the budget proposal in order for the Vestry to give the Outreach Committee authority to spend the funds as they are collected, rather than requesting permission for distribution each time.

Questions: Exactly what part of the \$35,000 budget is the Vestry approving? The Vestry is approving \$35,000 in the General Fund for Outreach Committee expenditures. \$35,000 in the General Fund is separate from approvals of the endowment funds and the pass-through funds (e.g. The Virginia Meredith fund, Sally Lewis (which goes to Partners In Mission In Guatemala), and the LaBroi trust).

Bill noted that the performance of the grantees is evaluated to ensure that the grants are successful. He also noted that the St. Anne's Advocacy Team received a grant several years ago; the money is kept in a separate fund at the Lighthouse Shelter.

- *Church Budget*

Steve explained the budget process. The Vestry is the only body in the church that can spend money. The budget is the primary vehicle for doing so. Most of the items we spend money on are recurring; for one-off expenditures (e.g. capital expenditures), the Vestry is presented with requests separately.

Steve went over the preliminary figures for 2017:

Church

- It was a very strong finish to 2017 as December revenues exceeded budget all categories. Particularly significant were pledge donations which totaled \$117,502 or \$32,300 higher than budget in the month. Pledge revenues for the year were \$888,627 which was \$8,627 higher than budget. December also showed record activity for prepaying 2018 pledges relating to the new tax law. Prepaid pledges were \$98,800 which is 2 1/2 times last year's level. We will do a final review of the 2017 pledges and donations to be certain the donation has been recorded correctly (between 2017 and 2018). While the 2017 is heartening and could have been stimulated by 2018 prepaying, it is also possible that some prepayments may have been recorded in 2017. We will compare individual 2017 donations vs. 2017 pledges to be certain entries are correct.
- Non-pledge and plate were both strong in December and both finished the year over budget by \$16,600 and \$2,500, respectively. Total Giving ended the year at \$1,056,558 which was \$33,000 favorable to budget.
- Expenses were very favorable for the year coming in \$56,593 favorable to budget.
- In summary, the full year (PRELIMINARY) surplus was \$98,710. This is largely attributed to \$33K in Giving above budget and \$57K in Expenses under budget.

Cemetery

- Cemetery Revenues were \$21,700 favorable and Expenses were on budget resulting in a surplus of \$19,786.

PASA

- PASA is \$(4,674) unfavorable to budget after five months of the fiscal year as lower tuitions are partially offset by favorable expenses.

Endowment

- Based on estimated results, Endowment results in December benefitted from a \$5,000 bequest and investment results of \$55,684.
- Full year investment income was \$696,380 and the year-end invested balance was \$4,908,439 Revenue: \$5k favorable. Expenses 56.5k favorable. Outreach was \$1600 over budget. Accruals need to be added to expenses, and staff compensation will also affect final surplus.

Steve went over the budget categories:

Income:

We received \$880,000 in income this year; projection for 2018 is \$855,043 (including yield). We have used \$855,000 as the basis for the budget. A slight decline in non-pledge is planned. Back pledges projected at \$5,000. Note: we had \$98,000 in pre-payments due to the tax law.

Definition of terms:

Pledge: people who promise a certain amount over the year.

Non-pledge: people who give undesignated gifts but did not pledge a specific amount

Plate: cash received in the plate (i.e. not attributable to any specific parishioner)

Other Income: generally, (weddings, funerals, etc), based on historical figures.

Questions from the Vestry: Do we anticipate any issues with labor shortage in volume of services? No. Note: we also have additional staff that assist on a part-time basis (Joanna, Dick). Amy noted that pledging members cover expenses for funerals and weddings; the income amount is from non-pledgers where an additional gift to the church is requested.

Endowment: 4.5% of the principal is the distribution we usually take.

PASA: PASA transfers money to the church for rent.

Restricted funds: the church draws a certain amount each year.

Last year, we had a \$25,000 contribution from the General Fund to the Capital Fund, but we can't afford that this year.

Big changes: We anticipated less revenue due to the interim, but while total giving is expected to be down, income overall was flat. We budgeted \$30k for the Search Committee.

Steve also noted that Cardie has succeeded in getting \$3800 per month rent for the cell site in the cemetery. This money is going into the capital account. The agreement can be terminated on 60 days notice if the steeple cell site gets up and running sooner. Initially, we used the money for the cemetery; late last year, we decided to move the income to the capital fund.

Summary: we anticipate approximately \$1.3 million in revenue.

Expenses:

Expenses are based on historical figures. Administration, utilities, building and grounds are down slightly. Search Committee is budgeted at \$30,000. Diocesan Allocation is \$2300 less than last year. Outreach gets \$35,000.

Compensation: Bonuses budgeted into the staff compensation. We are maintaining a fund for supply clergy until we retain a third interim priest.

Wedding and funeral support partly offset by revenue. IT requested \$2,000 for training, which we reduced. IT will ask for more if needed.

Administrative Expenses: based on actual or request from committee. Some equipment replacement planned. Audit expenses are historical. Publicity and marketing: not used last year, so nominal amount in this year. We have some contingency for unexpected administrative expenses in miscellaneous expenses.

Questions: Do we get money from music programs? No, as we have no rental agreement, although LiveArts gives a donation to the church.

Clergy expenses: largely actuals based. (e.g. mileage, meetings reimbursement). Slightly reduced due to labor shortage.

Buildings and Grounds: Routine maintenance and repairs. (landscaping, gutter-cleaning, phone lines, etc). For large expenses, we get bids and request Vestry approval. Some large projects planned this year but will be requested individually from the Vestry. Joe noted that larger projects are kept in capital in part because that is the nature of the project, and partly because the diocesan assessment is based on the operating budget.

Utilities: price of electricity is flat or improving.

Insurance: known factor. Worker's compensation insurance not known, but we will receive final figures in a month or so.

Education: \$13,000 is usually proposed, but according to actuals spent the Children and Youth program spends \$6-7,000. This year, planned at \$10,000. It's not that we're doing less, but our expenses have shifted. (e.g. to the acolytes and the Church Circle choristers). Overall, our programs have increased.

Adult Education: based on actuals, offset from the Hunt Fund.

Ministries: based on requests from ministry leaders.

Search Committee: The search committee estimate is based on estimates for churches our size. Travel (for finalists), search consultant if necessary, travel for Committee, etc.

Mark Grimes moved that the Vestry approve the Church's budget as presented; Monica Barry seconded, and the motion carried by voice.

➤ *PASA*

The PASA budget was presented at the December meeting. The fiscal year runs August 2018-July 2019. PASA has a projected \$13,000 surplus.

Cardie moved that the PASA budget be accepted as submitted; Linda Adamson seconded, and the motion carried by voice.

➤ *Cemetery*

Based on actuals, with some decrease in revenue projected. \$40,000 in fees projected. \$37,000 in perpetual care fund distribution. Compensation is salary plus lot-selling commissions. Pension is offset by endowment fund.

Spending \$38,000 on maintenance. We can expect approximately \$90,000 in income.

Josiah moved that the Vestry approve the cemetery budget, Mark Grimes seconded, and the motion carried by voice.

➤ *Partners in Mission in Guatemala*

Partners in Mission in Guatemala performs approximately 5 wire transfers per year for scholarships, stoves, etc. (Note, this year the project is latrines.)

PIMIG has budgeted approximately \$46,000 in expenses (administration, travel, training and education), and there is \$41,000 available (from Sally Lewis Fund, parish contributions, volunteer contributions).

Steve suggested we defer the balance of the PIMIG budget to the next meeting, when PIMIG may be able to suggest how to meet the \$5,000 gap. The money won't be needed for a few months.

➤ *Announcements/Approval of Minutes/Open Floor*

Cardie moved to waive the reading of the December minutes and approve them as amended; Patrick Carlson seconded, and the motion carried by voice.

➤ *Closing*

Amy thanked Vestry members for being willing to serve in the unique ministry of Vestry, which is charged with caring for the entire congregation, and carrying out the harder things of being a church community. Thanks for doing it generously, lovingly, and with great care and devotion. We have accomplished much in our time together.

Joe led the vestry in prayer, and the meeting adjourned at 21.22.

Respectfully submitted,
Thea Chimento