

St. Anne's Parish  
Vestry Meeting Minutes  
Tuesday, December 12, 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  
Tripp Trippitelli  
Josiah Dykstra  
Mark Grimes  
Monica Barry  
Mickey Thaxton

*Vestry and Executive Officers Not Present*

None

*Non-Vestry and Others Present*

Thea Chimento, Clerk  
Steve Fisher, Treasurer  
Amy Hoffman, PASA

- *Opening/ Welcoming of Guests*

Amy opened the meeting at 1906 with a prayer and introduced Amy Hoffman, Director of PASA.

- *Rector's Report*

Amy distributed her report prior to the meeting. There were no questions.

- *PASA Budget*

Amy Hoffman presented the PASA budget. She noted that the schoolyear is going well. PASA had a very successful art camp, and is looking for additional camps to offset tuition shortfall. PASA is beginning their STEM unit in the winter after the break.

Budget for the upcoming year: PASA is budgeting an increase in revenue of 4.4%; tuition will increase by 2% (still in range of preschools that are comparable). Enrollment is budgeted for 131 students, which is an increase. We are making room for an additional Twos class. Compensation includes 2% increase for staff and teachers. Expenses increasing by \$25,000. PASA will increase its transfer to St. Anne's by \$6,000.

The Vestry entered into executive session from 1915-1930.

- *Vestry Approval of EC-Approved Search Funds*

Steve noted that the Search Committee needed to conduct some travel and included some expenses; the Executive Committee approved \$5000 as an emergency measure, (note: the Search Committee has spent less than half of that amount).

Ginger DeLuca moved that the Vestry approve \$5000 for the Interim Search Committee expenses; Patrick Carlson seconded, and the motion carried by voice.

➤ *Cell Site Update*

Cardie Templeton applied for a building permit and to the Historic Properties Commission to remove the wooden louvres from the belfry and replace with RF-friendly material. Planning and Zoning has recommended approval, as has Historic Annapolis, with some caveats which we feel we can follow. We are expecting approval tonight. Once approval is obtained, we will be able to continue negotiations with AT&T.

Note: Planning and Zoning is commissioned of professional staff who provide the recommendation.

Steve noted that our lease with the cemetery cell site ends December 31, we have a new lease to be renewed on a month to month basis. Some proposals under consideration, including whether to raise the rent or request a security deposit.

Linda Adamson moved to authorize Steve and the EC to consummate a renewal of the cell site lease of at least \$3000 on a month to month basis with additional terms as may be beneficial to St. Anne's; Carrie Dana-Evans seconded, and the motion carried by voice.

➤ *St. Anne's 2018 Budget Status Report*

Steve provided an overview of the budget process: we used the normal budgeting process, but factored in a 5% decrease in pledge, non-pledge, and plate. We assumed that an interim would start on 2/1 and that an interim associate would start on 4/1. Both clergy would get normal benefits package. We are also building in \$5000 for supply committee and a search committee budget of \$30,000. 2018 Diocesan contribution is known--\$2,000 less than last year.

Donation to Capital Fund would be eliminated.

Under these assumptions, we would end 2018 with a \$2,700 projected loss.

Summary: we can support an interim, a third priest, a search committee, other expenses flat, with a 5% decrease in giving, and still make it.

Outreach Committee increase will still happen, but at a slower pace than usual.

Question: what does the \$30k for the search committee go to? Travel to clergy, bringing clergy here to St. Anne's; consultant fees (possibly); technology upgrades.

Doug McNitt noted that we should revisit the budget later in the year in light of the current tax bill.

Steve noted that we can take additional funds from savings or the cell site, if needed.

Stewardship update: we are \$759,000 for the year, we were at \$769,000 this time last year. (Amy extended thanks to everyone who came and made calls.)

➤ *Junior Warden's Report*

Cardie distributed her report prior to the meeting. There were no questions.

➤ *Treasurer's Report*

Steve distributed the Treasurer's report prior to the meeting.

*Church*

- Total Giving is on budget after 11 months although November was not a strong month in any category. Pledge is at \$771K after 11 months, about \$(24,000) behind budget. Our full year Pledge budget is

\$880K. We would need a December of \$109K to make budget; last year's December pledge giving was \$85K. But we have known all year that the pledge budget was a stretch.

- Other Giving categories have remained strong and we have a good chance of meeting the full year budget for total Giving despite the pledge shortfall.
- Total Revenues are \$6K favorable to budget after 11 months.
- Total expenses OF \$1,094K are \$45.5K favorable to budget after 11 months' most categories are favorable
- Net income is \$48.2K favorable

#### *Cemetery*

- Cemetery net income of \$8,500 is \$13.7K favorable to budget after 11 months on the strength of continued strong revenues.

#### *PASA*

- PASA's net income of \$11.4K is \$(700) unfavorable to budget after 4 months of the fiscal school year.
- Student count/tuition shortfalls have been largely offset by aftercare and expense savings.

#### *Endowment*

- Another great month for the endowment with Investment income at \$76.3K, the highest in the year. YTD investment income is \$640.7K.
- Endowment balance at November month end was \$4,826,402

Questions: do we anticipate being \$48k favorable in December? Expenses will probably remain favorable; the key question is December revenue. Last year we got \$84k, we would need to reach \$120k to be on budget.

Could we remove money from the endowment if necessary? Many of the funds are permanently restricted. Others are not (Cemetery fund), but most are restricted to using 4-5% to avoid draining principal.

Cardie moved that the Treasurer be directed to move a surplus of funds from the General Fund to the Capital Fund. Mark Grimes seconded, and the motion carried by voice.

#### ➤ *Clergy Housing Allowances for 2018*

Cardie moved that the Vestry approve the 2018 housing allowances for the clergy in the amount of \$2,000 for Amy Richter, \$2,000 for Joe Pagano, and \$20,000 for Dion Thompson. Monica Barry seconded, and the motion carried by voice.

#### ➤ *Announcements/Approval of Minutes/Open Floor*

Cardie moved to waive the reading of the November minutes and approve them as submitted; Bill Malicki seconded, and the motion carried by voice.

#### ➤ *Executive Session*

The Vestry went into Executive Session from 2000-XXXX.

Respectfully submitted,

*Thea Chimento*

Clerk