

**St. Anne's Parish
Vestry Meeting Minutes
Tuesday, Jan. 12, 2021**

Clergy and Vestry Members Present

Rev. Manoj Zacharia
Linda Adamson
Thea Chimento
Al Collins
Betty Creighton
Carrie Dana-Evans
Mark Grimes
Katherine Hilton
Jason Houser
David Huggins
Sharon McElfish
Townsend McNitt
Sarah Morse
Paul Pope
Susan Thaxton

Non-Vestry Members Present

Howard Buskirk, clerk of Vestry

Welcome and Introduction of Guests

Vestry met through a Zoom call because of the continuing COVID-19 pandemic. Manoj+ opened the meeting at 7:07 p.m. with prayer.

Rector's Report

Manoj+ reported that, due to the last-minute change in the pandemic restrictions, the Christmas Eve and Christmas Day services were modified from the original plan. Christmas Eve was live-streamed and Christmas Day was pre-taped. He thanked the staff for their hard work in making it happen and noted that they are working on envisioning a way forward through the rest of the pandemic and how the parish might re-gather in person when it is possible again.

Stewardship

David said giving remains difficult to understand. We have to date received 204 pledges, which is 62 percent of the goal of 328, for a total of \$712,067. The goal was \$950,000. The average pledge was \$3,491, which is well above the \$2,900 target. Last year by this time the church had received 247 pledges for \$703,967 and the previous year 286 pledges for \$752,000.

Mark said the results were “phenomenal” given the pandemic. David said the stewardship team will continue to look for additional donors.

Treasurer's Report for 2020

The Vestry approves the annual budget at its January meeting each year, which is the major item at the meeting.

Susan updated the Vestry on the latest on the 2020 budget and the effects of the pandemic. "People were still generous this past year," she said. "Our expenses were much lower." The Parish was \$165,000 under budget, driven by lower compensation (\$39,000), ministry expenses (\$47,000), the discounted Diocesan allocation (\$15,000) and the budgeted outreach surplus (\$35,000).

Giving was \$40,000 under budget for the year, Susan said. There was no December "bump as in years past," she said. Plate collections were \$25,000 under budget, with no Easter or Christmas services. Pledging was \$35,000 under budget. Investment income was \$150,000. The Cemetery was essentially break-even for the year, Susan said. PASA tuition well under budget due to COVID, she said. The endowment up 9 percent for the year, which impacts our draw for 2021, she said.

Income on investments is typically around \$20,000, Susan reported. The total for 2020 was \$150,800, she said. "This is not normal operations, is probably a one-time event and is not an accurate representation of our finances," she said.

At the Preschool for Arts at St. Anne's enrollment has been intentionally reduced to keep everyone safe, Manoj+ said.

2021 Budget Review, Discussion and Approval

Susan presented the budget for 2021, with total expenses of \$1,245,417. One of the Vestry's primary functions is to approve the spending of church funds and that this is done by approving budgets and passing spending resolutions. The budget is "pretty conservative, which is the smart way to go" and is "more or less a break even budget," Susan said. It assumes some in-person worship at Easter with back to more normal attendance at Christmas.

Pledging is projected to be flat this year, at \$849,811, total giving at \$927,320, Susan said. PASA rent is projected at \$85,680, investment income \$25,000 and other income \$27,600.

The biggest expenditure is \$619,568 for compensation. Other bigger items are administrative expenses of \$92,486, spending on buildings and grounds of \$72,400, \$42,000 for utilities, \$38,000 for insurance and \$64,525 for ministry expenses. The Diocesan Allocation is \$144,968. One of the biggest trims was for music expenses, from \$36,650 to \$20,000, reflecting lower costs during the pandemic.

Mark said the budget was at one point "very tight" and Susan had identified almost \$20,000 from various funds. Paul asked about the cuts to the music budget. "This seems extreme to me," he said. Susan said the amount in no way reflects how the Parish views

the work of Music Director J. Ernest Green and the importance of music, but reflects the “reality” of the current situation and that there will likely be few costs for music at the Sunday evening service during the pandemic.

Mark said the Vestry can spend more on music after the church reopens for in-person services, which will also mean more revenue. Jason noted that the Parish continues to make investments in the audio/video equipment needed for virtual and other services.

Vestry decided not to raise rent for PASA given the pandemic. The budget had initially proposed an increase to \$87,465. The budget drafted last spring did factor in reduced enrollment due to COVID, however the restrictions the school had to abide by were more strict than what was expected when the budget was created. So there are fewer children enrolled than what was budgeted, but they have as many children enrolled as the state allows. While there have been some reductions in staff expenses, it cannot be to the same degree as the decreased tuition as each classroom still requires the same amount of staff regardless if there are 10 children in a classroom or eight, so they will have a deficit this year.

The Vestry briefly went into executive session to discuss compensation.

Mark moved that the Vestry approve the general budget as presented and corrected during the meeting. The motion was approved in a unanimous vote.

Cemetery Budget Approval

Susan next presented the Cemetery budget. She said it was mostly straightforward. The budget projects income of \$88,489 with expenses of \$88,413

Linda said there are a limited number of lots still available and eventually there will be none left. Al also raised questions and said the Parish needs a longer range plan.

Manoj+ said there are a number of issues that have to be addressed in the next few years, including environmental issues and the need for a business plan. The plan should ultimately be presented to Vestry, which has fiduciary and governance tole when it comes to the cemetery, he said. The Parish also needs to develop a general policy for receiving, soliciting and applying for grants, he said.

Mark said the Vestry needs to devote time at a subsequent meeting to discussing the future of the cemetery. Linda moved that the Vestry approve the budget as presented, which was approved by a unanimous vote.

Partners in Mission in Guatemala Budget Approval

Vestry discussed the budget for the PIMIG ministry. “This is a ministry that puts the brand of St. Anne’s out there in the big world,” Linda said. The congregation was “exceedingly generous” in supporting the program throughout the food crisis in Guatemala last year, she said. The budget includes an estimated \$33,750 for training and

education, with total expenses of \$44,200 and income of \$49,360. The projected balance for the start of 2022 is \$5,430.

Paul moved that the Vestry explicitly approve the budget as presented and the transfer of an estimated \$28,745 donation from the Sally Lewis Fund. The motion was approved in a unanimous vote.

Outreach Budget Approval

The next budget item was Outreach, including spending from dedicated restricted funds such as the Virginia Meredith Fund, presented by Mark and Susan. Mark moved that the Vestry approve outreach expenditures from the fund of \$24,000 to the Light House Shelter, \$5,000 to Backpack Buddies and \$5,000 to St. Luke's Food Pantry as well as \$35,000 in grants to be approved by the Grants Committee from the surplus fund and \$2,000 for the Parish's contribution to Anne Arundel Connecting Together (ACT) from the surplus. The motion was approved unanimously.

Linda asked about the size of the contribution to ACT. Manoj+ said it was in keeping with the size of the contributions from other parishes on the area. Mark suggested the Vestry explore the issue in greater detail at a later meeting. "This our first step in getting involved," he said.

Mark next moved that the Vestry authorize the treasurer to transfer the estimated \$232,468 surplus from 2020 to the Capital Fund to be used for future support of facilities and also authorize the treasurer to transfer \$37,000 to Outreach to support outreach. It was approved unanimously.

Cemetery Plaques

Linda presented information from Signs By Tomorrow on various proposals for plaques for the cemetery. Vestry approved language for the plaques at the December meeting. Linda said Vestry had made clear it wanted signs that were "dignified and long lasting." The company recommended cast-bronze plaques with raised metal type, she said.

Paul asked if Linda had received other bids. Linda said since the costs were below the \$5,000 threshold requiring three bids she hadn't, though that is a legitimate question. Linda said she would seek additional bids if Vestry asked. Mark noted that the Parish has had a "long-term relationship" with the company. Mark noted that the threshold is in place both for efficiency and to avoid seeking bids from vendors multiple times without selecting them, which can lead to a reluctance to participate in future bidding. Linda presented bids for both 16x12 and 18x14 inch plaques. Her recommendation was for the smaller size.

Linda moved that the Vestry purchase four 16x12 inch cast-bronze signs at a cost of up to \$5,000 to be paid for from the Capital Account to be installed at each cemetery entrance. Katherine asked if the Parish will seek donations to support the costs. Mark said that was possible but there are soliciting donations for too many purposes can diverting donations

from other efforts. The motion was approved by a unanimous vote. The Vestry plans a dedication ceremony.

Closing Prayer and End of Meeting

Mark said he did not get the December minutes out in time and they will need to be approved at the next meeting.

This is the end of the second term for Katherine, Mark and Carrie and they will be leaving after the Annual Meeting. Katherine has agreed to serve another year as registrar, as registrar need not be Vestry member. Jason asked that the Vestry approve a motion of thanksgiving for all of the members who are leaving. Manoj+ said Mark, the EC and Vestry as a whole has been “spectacular.” He thanked each of the members for their service.

Mark announced that, if nominated, Jason has agreed to serve as senior warden next year and Sarah to serve as junior warden. Susan will continue as treasurer and Katherine as non-Vestry registrar.

Carrie led the Vestry in a closing prayer. The meeting was adjourned at 9:18 p.m.

Respectfully submitted,

Howard Buskirk
Clerk of Vestry