



## Vestry Meeting

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### MEETING MINUTES

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Tuesday, May 21, 2019

#### Attendees

Rector	Associate Rector	Senior Warden	Junior Warden
<input checked="" type="checkbox"/> The Rev. Lisa M. Zaina	<input checked="" type="checkbox"/> The Rev. Cindy Simpson	<input checked="" type="checkbox"/> Janice Musselman (21)	<input checked="" type="checkbox"/> Geoffrey Fuller (21)

Vestry Committee			
<input type="checkbox"/> Robert Follit (21)	<input checked="" type="checkbox"/> Timothy Johnston (20)	<input checked="" type="checkbox"/> Adebayo Laniyonou (20)	<input checked="" type="checkbox"/> Diana Locke (22)
<input checked="" type="checkbox"/> Meghan Matulka (20)	<input checked="" type="checkbox"/> Delia McCormick (20)	<input checked="" type="checkbox"/> Emily Pearce (22)	<input checked="" type="checkbox"/> James Suit (22)
<input checked="" type="checkbox"/> Steve McNeil, Treasurer	<input checked="" type="checkbox"/> Kennerly Chapman (21), Vestry Secretary	Guest Speakers: none	

#### Agenda

**Opening Prayer** – The Rev. Cindy led us in an Akathist prayer of thanksgiving from the orthodox tradition, with a theme phrase of “Gloria to Thee.”

**Rev. Lisa** – reminded the Vestry of their responsibilities to exercise prudence on matters that are internal and may require discretion.

#### Review and Approval of Minutes of the April 30<sup>th</sup> meeting

The April meeting minutes were reviewed and approved conditional on two minor statements being amended. All voted in favor to approve. Diana motioned, and Geof seconded. All approved in favor.

Next, Rev. Lisa referenced an article regarding Vestry orientation and cited the URL link <https://www.ecfvp.org/webinars/224/vestry-orientation>. There was a general discussion about having a Vestry retreat on the mission and vision of this church and would include a mini orientation to members at some point. The goal would encompass how we best work together and to engage in a dialogue on what is on our hearts and minds, what we’ve brought together to serve this communication and to serve together as a vestry. Dates and timeframe to be



determined but ideally, we would do a go away off-site, but more likely on site given schedules. Rev. Lisa and the Sr. Warden will plan this.

## Presentations

### Treasurer Report- Steve McNeil

The April income statement was better than expected due to our investments doing better. The year to date (YTD) is slightly below last year but overall, we're in a reasonable position and in the black four months running. Overall the following summarizes the update for this month:

- Pledges are down 3%, but higher than expected YTD
- Hillstrom House (HH) Rent line—2<sup>nd</sup> month with no income from HH.
- General expenses were higher than normal in April – gift expenditures were \$1200 for example
- Youth – Michelle on leave and prepaid labor on Veggie tales –timing;
- Music ministry spent \$2800 for Easter brass players.
- Outreach – spent \$4K for Community Ministries of Rockville
- Good Friday – we sent an annual donation of \$571 to Protestant Episcopal Mission (est. 1922).
- Facility and maintenance expenses
  - Day porter costs \$1100; 6% increase and 85% gets passed to the school. The day porter does good work and we want to retain him. A pay freeze is in effect for two years.
  - Groundskeeping costs were higher due to inclement weather.
  - Mechanical and boiler room costs are projected for this year to be higher
  - Utilities – higher costs this year and HH is included in this at \$200/month because it is not rented currently
- Insurance – billed quarterly and the April invoice was submitted and paid

### Balance sheet update:

- Checking account – experienced a significant decrease in April and so funds were transferred from the endowment fund to support this account and necessary to support payroll commitments. There was a bit of good news in that we received a pre-payment pledge of \$26K this year for next year. We will defer to next year and amortize over twelve months. Our investment strategy has given us \$300K in income from \$65K, and this means we've made all the losses back from last year and so this brings us about even from where we were last year.
- Expenses related to Mother Debra have been closed out. The church obligated approximately \$140K for her and has about \$17K remaining from funds not claimed. We paid for her move to Iowa.
  - Option for consideration by Rev. Lisa - These funds could be reallocated towards other projects or the installation.
- PNC Bank mortgage - The mortgage swap costs have increased, resulting in another \$20K outlay of expenses. This continues to be a financial concern for the church and for CES School. Carrying the costs of maintaining the Jefferson building continues to create financial constraints.



Finally, the 2018 audit of the church finances will commence shortly. The documents will be assembled, and the auditor will come to do his field work with a report submitted with his findings on/before September 2019. The same firm and auditor we've had for the past four years has been retained.

### **Property Committee - Geoffrey Fuller**

Geoff's report covered endowment projects, the classroom renovation and miscellaneous expenses (i.e., HH rental fee, the church and the PH alarm systems, etc.) that were referenced from the report titled, "*CEC Property Committee, May 21, 2019.*"

### **Endowment funds**

Highlighted this month are four (4) projects that are completed/near completion: The HH garage gutter, the HH driveway, the Youth Room floor (pending – \$7,000 cost to the church net of a donation; targeted for completion in August), and the PH foundation.

Projects that will require a second vote include the PH fire alarm, renovations to the church entry, the PH gutters, kitchen floor and paint for the kitchen. Projected costs for approval for these five (5) items are \$15,855. The balance available from the PH gutter (\$2,875) will be re-budgeted to paint the area of the PH near the affected gutter. Tim motioned, and Jim seconded. All were in favor.

Reference was made to slide 5. Included in the \$15,855 amount is the increase in budget to get the HH prepared to rent (this increase in budget came to \$3,400). A motion for a first to vote to increase the nursery HVAC budget for repairs and engineering costs from \$8,000 to \$35,000 was approved. Meghan motioned, and Tim seconded. All voted in favor.

### **Recommended priorities**

Priorities are categorized as urgent (safety issue, revenue impact or major disruption), high priority (may affect church mission or worsening conditions), or medium priority (near term need). Refer to slide 6.

For those categorized as urgent:

- PH fire alarm – there is a rodent issue in the attic and the sensor sync isn't working. The insurance company has been notified that repairs will commence on June 3<sup>rd</sup>.
- Downspout and peeling paint near Youth minister's office – an evaluation and cost analysis will be done to determine extent of issue and then will present information to vestry for funds/approval if costs exceed the \$3,000 figure for this work included in the \$15,855 approval discussed above.
- HH Repairs – rental agent made recommendations to do several repairs (bathroom fan (mold avoidance), window repairs, kitchen counter replacements, etc.) to increase the likelihood of a rental. The costs came to \$8200 from an earlier estimate of \$4800 due to more work needed.



- A motion was made by Delia and seconded by Meghan to approve the monthly rental cost of HH. All approved going with the \$2,500 per month rent on the HH initially with the proviso that it be reduced to the agent's recommended figure (currently \$2,150 per month) if we don't get a prospective tenant within a month. Geoff committed to check with the school about leaving the dumpster gates off in the back-parking lot.

Classroom Renovation – we have received bids, which are significantly higher than the initial estimates from several years ago. Permits have been approved and CES is prepared to make an award, with construction beginning on June 3<sup>rd</sup>. A broader conversation with the church community may need to take place over the next few months regarding where we are with our funding, projected needed renovations, the vision for a new school and what our community is able to support. The Vestry recommended that George Wolohojian attend the June meeting to give an update on the Capital Campaign, that was initiated in the summer of 2017.

The bid does not include abatement of any areas of the church or school but did include other options such as replacement of the floor in the nave, interior paint for the church, ceiling fan installation in church, and renovations to the narthex.

A cost for abatement of the floor in the nave will be gathered by Geoff as we do not have enough information to a decide. The abatement costs will be brought back to the Vestry for a vote by email. Meghan motioned, and Tim seconded. All approved this approach.

- Action item – Costs for floor abatement; pending Vestry approval
- Action item - Costs for ceiling paint and renovations to narthex; pending Vestry approval

## **New Business and Committee Updates**

### **Sr. Warden – Janice Musselman**

- A Notebook was provided for new Vestry members. Two errors were noted and given to the Vestry secretary to take note of and have corrected.
- Peerless Rockville has proposed a tour of eight (8) churches, including ours with a proposed date of Saturday, September 28, 2019 from 1 pm -5 pm. This will require a fair amount of preparatory work, and we may decide to ask the choir or parish artists to also engage in this effort. Rev. Lisa was supportive of us participating as it showcases our history and our church community. The Vestry agreed we should have follow -up discussions and set aside time to undertake this endeavor. More details to come. Emily suggested we could include this as a celebration of our church history and an event for our church family and expressed a willingness to volunteer time to help. The city will do the social media. Tim motioned to support, Meghan seconded. All voted in favor.



- A recent review by the Sr Warden of our environmental stewardship and waste management bill, got the bill reduced \$800/month. Other areas will be reviewed to determine where we can trim our expenses. Janice needs volunteers to sit at the PH and do an analysis of where we can apply cost savings.

Rev. Cindy – reported that CES was finishing its school year and planning for next Fall and Spring. She mentioned that Creation Sunday is May 26<sup>th</sup>.

### **Rev. Lisa – Updates**

- Brought forward the names of three individuals for three positions to the CES School board as new directors. All had the support of the Board and current Head of the School, Caroline Chapin. The vestry had no additional comments. James motioned, Meghan seconded. All voted to approve nominees.
- In follow -up to last month with a request to use our church facility, she informed she as collected several facility use applications and is pulling together forms to rent out the space in the Nave for a wedding space in September and a bingo night in the Murdock room October 16h. Vestry approval sought to pursue including obtaining legal input. Geoff motioned with a second by Tim to use these two requests as a pilot. All approved.
  - A work group/committee will be constituted to begin the search for a new permanent music director. Targeted onboarding for January 2020.
  - A work group will be constituted to work with the Rector to re-assess our service schedules and music ministry at the Sunday services. A survey to the parish community as part of the assessment may be forthcoming. Rev. Lisa wants to make the decision with the community and needs to discern and listen to all perspective's vis a vis what the budget can support.
    - There is a shortfall of \$3600 (Sept-Dec) to support the music ministry. Rev. Lisa offered to support from the rector transition funds. The Vestry unanimously disapproved and expressed that we should be able to find the money elsewhere.

Church phone system: The corrections are a work in progress. Rev. Lisa's contact information was provided to the Vestry.

Rev. Lisa concluded the meeting in with an evening prayer that mentioned how we can "rest secure in your loving arms."

### **Next meeting**

The next Vestry meeting will be Tuesday, June 25.