

ST. ALBAN'S PARISH, WASHINGTON, D.C.
VESTRY MINUTES – November 18, 2008

Attendees: Vestry: Nathalie Bramson, Bill Edgar, Andrea Farr, Marc Fetterman, Kammie Hedges, Chuck Holmes, Keith Jones, Danette (Dani) Kauffman, Sam Lewis, Jennifer Thorson Martin, Bob Woodruff; **Officers:** Jim Sottile, Chris Holmes, Chuck Holmes (substituting as Secretary for Stephanie Kinney); **Clergy and staff:** Scott Benhase, Tim Boggs, Ron Hicks.

Opening Prayer by the Rector

Minutes of the previous meeting: Four amendments for the purposes of clarifying and correcting the record were offered and accepted. The amended minutes were approved by unanimous voice vote.

Treasurer's Report (Chris Holmes):

- Current Budget
 - Chris offered estimates of the current budget based on figures at the end of August and up-to-date assessments by the Finance Committee and interim Finance Director Doug Dykstra, who is filling in for Vilma Smith. Actual numbers were unavailable because of the flux in the office due to Vilma's health-related absence. It appears that the Parish is running close to budget targets and that cash flow and the operating fund are pretty much where they should be. There has been a lag in paying some bills, but the office will catch up as Doug gets up to speed.
 - Chris offered a cautionary note: Pepco bills have been running lower than expected, due to estimated readings. Pepco planned to come to the church for a detailed meter reading, which could result in a higher bill in the next cycle. Chris said he should have more information on this for the Vestry at the December meeting.
 - In response to questions from the Vestry, Scott explained that the Vestry probably would not see firm budget figures until the end of December because it will take that long for Doug Dykstra to work through the backlog. Nathalie suggested that a notice be placed in the Narthex explaining to the Parish why current budget figures are not available. Scott said that would be done and a notice would appear in The Chronicle.

- '06 & '07 Audit Update
 - Due to the transition in the Parish's finance office, the audits have been deferred until early December.

- Endowment Fund
 - Chris informed the Vestry that the Fund's investments are down about \$9,000 for the year because of the recent decline in the economy, or about 2 percent overall. The Vestry agreed that the decline is relatively slight given the huge market losses in recent weeks. The Fund benefited from an earlier decision to move much of the investments out of equity funds and into CDs.

- Fall EMP
 - Tim said pledges seemed to be coming in at expected rates and on par with last year. Through mid-November, the Parish received:
 - 155 pledges totaling \$425,209.
 - The number represents about 35 percent of the \$1.2 million expected to fund the 2009 budget.
 - The median pledge amount is \$1,500; the mean pledge is \$2,743.
 - Of returning pledgers, the average pledge increase is about 1.3 percent.
 - The total includes 22 new pledges.
 - Tim said the clergy and the Vestry should continue its positive conversation with members about the need for a robust drive, particularly amid a shaky economy that could affect giving by some members. Scott noted that many parishioners are out of work.
 - In response to questions and suggestions from the Vestry, Scott and Tim said that transcripts of the testimonials/appeals being offered by selected parishioners during Sunday services will be published in The Chronicle and on the Web site.

Special Action Item: Resolution for Establishing Endowment Fund Ministries (Tim Boggs):

- After reviewing and discussing a draft resolution distributed by the clergy, **the Vestry by unanimous voice vote approved a motion** (moved by Jim and seconded by Sam) to create three Endowment Fund ministries, designated for the benefit of specific and ongoing ministries at St. Alban's. Creation of the ministries was provided for by the final report of the Stewardship Committee in May 2008, which was adopted by the Vestry. The three funds are:

- The Margaret Parker Fund for Youth Ministry.
- The Nourse Family Music Fund at St. Alban's.
- The St. Alban's Columbarium Fund.

The funds will become operational when they each reach a funding minimum of \$25,000 (already reached in the cases of the Margaret Parker Fund and the Nourse Family Music Fund).

- Scott noted that these endowments will provide a reliable and sustainable source of funding for church activities and provide an example to parishioners of the kind of financial support and legacy they can offer. Dani asked whether a policy had been set regarding the naming of a ministry endowment and specifically whether there should be a minimum amount required to have a named fund. Scott said he did not know whether the Stewardship Committee considered that when it formed its policy, but that it did set a minimum amount of \$25,000 before a fund can become operational. The most important goal, Scott said, is to make it as easy as possible to give and to provide the Parish with funds that will help sustain programs during lean economic times, as we are now facing.

First Draft 2009 Budget (Scott Benhase):

- Scott distributed “Working Draft 1.0” of the Parish’s 2009 Proposed Budget, stressing that this was a rough draft and certain to change by the next Vestry meeting. It is hoped that the Vestry will approve a final budget at its January meeting. Scott and the Vestry discussed the following:
 - The proposed ’09 budget anticipates roughly the same spending level budgeted in 2008 — \$1.5 million.
 - Due to the economic crisis, income is expected to decline, with an estimated \$27,000 reduction in pledges. Scott said this could be offset with two significant bequests to the Parish that could come in ’09. By policy, 10 percent of those proceeds would go to the operating budget and 90 percent to the Reserve Fund. The Vestry also has a policy of drawing \$20,000 from the Endowment Fund for operating expenses, if necessary. Dani asked about the practice and it was explained that \$20,000 does not exceed 5 percent of the Fund and in years when it is not necessary to meet budget needs the Vestry would not transfer it.
 - The proposed budget anticipates adding a staff position of parish secretary, a hybrid combining the duties of two positions eliminated by budget cuts in mid-2008. The employee would serve as a communications assistant and receptionist. Scott said the position would not be filled should further revenue projections make spending cuts necessary.
 - Staff would receive a 3 percent wage increase under the proposed budget; the Rector would receive a 1.9 percent increase.
 - Andrea noted the large increase in anticipated income from Outreach Fundraising Events and asked if that was due to the success of the Parish Gala in 2008. Scott said yes, the Parish benefited greatly from the generosity of Elizabeth Petty, a parishioner and professional caterer who donated all the food for the Gala, thus reducing the Parish’s expenses. Scott also noted that the Parish is doing a better job of financially supporting its events.
 - Scott stressed the importance of the expense line item of Diocesan Support in a coming year during which the Diocese is expected to suffer a decline in support due to the bad economy.
 - Estimated expenses for electricity could change depending on the Pepco review of the Parish’s meter (see Treasurer’s Report above).
 - Finance costs will be lower in ’09 as two outside financial audits were required this year for 2007 and 2006, while only one audit will be required next year for the 2008 budget.

Junior Warden's Report (Jim Sottile):

- **Budget**
 - Jim said the Parish was about \$45,000 ahead of budget at the end of August and that he expects the Parish will be on budget at the end of the year.

- **Property**
 - Jim said work would begin Nov. 19 on replacing the heater exchange and valve in Satterlee Hall. Contractors say the heat can remain on during the estimated three days of work.
 - With the water bill on the rise, Ron investigated and discovered a leak coming from a pipe that leads from the water main to Satterlee Hall. The leak previously had been repaired with a rubber sleeve, which was inadequate. A section of pipe must be replaced, which Magnolia Plumbing estimated would cost \$5,000. **The Vestry by unanimous voice vote approved a motion by Jim to authorize spending up to \$6,000 for the repair.** Jim and Scott said at least one other competitive bid would be requested from another plumber before work begins.
 - A roofer must inspect the flat roof section of Satterlee Hall to determine whether it can support the weight of a solar energy system under consideration by the Vestry. Scott said he hopes the roofer inspection will take place soon.

Senior Warden's Report: There was no report as Kate Bouvé was not present.

Rector's Report (Scott Benhase):

- **Career Transition**
 - Scott recognized Nathalie who informed the Vestry of an event Sunday, Nov. 23, to assist parishioners in preparing resumes and searching for employment. The work is in addition to the ongoing efforts of the Parish's Career Transition Group.

- **National Cathedral**
 - Scott briefed the Vestry in advance of an announcement by the Cathedral Dean on Nov. 19 outlining severe budget cuts because of a drastic decline in Cathedral income due to the declining value of its investments. Scott expressed concern for our brothers and sisters at the Cathedral at a time of "devastating change." He said the outlook is not good into 2010. Scott said the congregation at the Cathedral is still being staffed. He said as news of the Cathedral budget problems spreads, he wants to make certain that St. Alban's parishioners understand that the Parish's finances are sound and that no one should wonder whether we face the same problems.

- **Draft Parish Survey**
 - The clergy intends to survey the Parish to gauge interest in a proposal for a weeknight event at St. Alban's that would offer programs, fellowship and a babysitting services. The idea would be to designate a night when parishioners could drop by and participation in programs, made easy because dinner would be available, a place for children to do homework would be offered, and childcare would be available. The survey would be conducted online via SurveyMonkey and available in print for non-computer-using parishioners. Kammie and other suggested putting off the survey until January to avoid to prevent the survey request from being overlooked in the busy holiday season. Scott said the survey would be conducted in January with the idea of starting the Parish Night events in mid-year, if they survey indicates the idea is popular.

- **Advent Schedule**
 - Four distinguished theologians from Virginia Theological Seminary – Ian Markham, Tim Sedgwick, Kathy Greib and Roger Ferlo -- will appear individually at St. Albans during the four Sundays of Advent to lead discussions at the forum and preach at the 9:15 service. The Parish will also host an Advent Retreat in Rehoboth Beach Dec. 5-7. Scott noted that the Christmas Eve schedule of services and events would be the same as past years.

- **Café Feasibility Update**
 - A committee of parishioners, clergy and food-service professionals continues to meet to study the feasibility of starting a café in Satterlee Hall. Scott said the committee cannot recommend moving forward until anticipated – but as yet unplanned -- renovations are done to Satterlee, which would mean at least three years in the future because of the time it would take to plan and execute a capital campaign, design and construction. However, Scott said members of the committee, including restaurant professionals, believe the café concept could be a moneymaker for the Parish given the tourism foot-traffic and other visitors to the Cathedral Close.

Old Business: Marc Fetterman reported that there were no updates on the handicap accessible ramp or the Arts and Memorial Committee.

Compline: Led by Sam Lewis.

Executive Session: Scott and the Vestry convened an Executive Session at approximately 8:30 p.m.

Adjourned: At 9 p.m.