

**St. Alban's Episcopal Church**  
**Minutes of the Vestry Meeting**  
**Tuesday, October 20, 2015 – 6:30 pm**  
**Nourse Hall**

**Vestry Officers Present:** The Rev. Dr. Deborah A. Meister, Deborah Potter (Senior Warden; partly by phone), Rich Turner (Junior Warden), Hollis McLoughlin (Treasurer), Tom Jansen (Secretary)

**Vestry Members Present:** Craig Albright, Mark Edwards, Ivan Fermin, Marcy Fisher, Marcus King, Sandy Kolb, Tomás Montgomery, Ann Morrison, Donna Palmer, Ken Patterson, Joan Phalen, Marty Welch; Susana Hair (Youth Representative), Susan Morris (WSA Board Representative)

**Staff:** Rev. Jim Quigley, Rev. Matthew Hanisian, Douglas Dykstra (Director of Finance)

**Diocesan Delegate:** Cay Hartley

**Call-to-Order:** A meeting of the Vestry was called to order at 6:35 pm by The Rev. Dr. Deborah Meister, who offered an opening prayer.

**Check-in:** Several members commented on the large number of children recently seen at the Sunday services. Two recent forums were also singled out as being great experiences. Sunday attendance at services seems to be fluctuating with no apparent reason or trend. Marcus King noted that he received very positive feedback on the site selection for the recent Parish retreat. Sandy Kolb reported that the recent showing of the film *Journey into Europe* was a great success, with 75 people attending.

**Approval of Minutes:** Sandy Kolb noted that the draft September minutes section describing Patsy Conner's upcoming retirement from her organization *Youth With Purpose* did not make it clear that St. Alban's would not be taking over the program's leadership; the draft minutes were amended to clarify that, and were approved.

**Consent Agenda:** Written reports from Revs. Quigley, Hanisian and Griffin, and from Lay Pastoral Care Coordinator Jo Turner, as well as the October Mustard Seed Report, were all unanimously adopted by the Vestry. (Attachments A-E) Sandy Kolb singled out Rev. Hanisian's outstanding work on the ASP Project. Other items on the Consent Agenda were deferred for discussion later in the meeting. Annual Campaign Chair Ken Patterson reported that the Campaign is doing well, with pledges currently standing at \$482,000. He thanked Co-Chair Wendy Reaves for hosting the recent wine and cheese party. He also thanked Rev. Debbie Kirk for her efforts on the campaign with the Spanish Language Service. Youth Representative Susana Hair asked if Pledge envelopes could be made available at the Youth Services, and Patterson agreed to do so. Patterson noted he hoped for a sense of urgency for the Campaign. Craig Albright said he supported reaching out the large donors who have not pledged yet, in an

attempt to receive their pledges as soon as possible. Rev. Meister agreed that such reach-outs should be done early, and suggested that the date for the phonathon could be moved forward. Patterson noted that it was already a couple of weeks earlier than in previous years.

**Property Committee Report:** Junior Warden Rich Turner gave the following oral report from the Property Committee: The approval for the new church sign remains in the hands of the District Government. Work continues on converting the Parish computer system to the “Cloud”. The Property Committee is arranging for the kitchen in Satterlee Hall to be professionally cleaned, at a cost of \$2,180; the work will take two days and will be coordinated with the Iona House feeding ministry that uses the kitchen daily during the week. In the next week or so, the wireless antennas for the church sound system will be moved from the closet to inside the sanctuary, which should improve sound quality in the church; this work will cost \$1,200. (Note: The Director of Finance commented that the cost for cleaning the kitchen and moving the antennas cannot be taken from Reserve Fund, because Reserve Fund expenditure needs to be a minimum of \$5,000.) Turner then noted that because it would cost on the order of \$7,000 to replace the main sound system components in the church, it might be better to do that than just move the antennas. The total cost of cleaning the kitchen and installing a new sound system would be close to \$10,000. A **MOTION** to approve an expenditure of up to \$15,000 from the Reserve Fund for kitchen cleaning and replacement of the sound system was made by Ann Morrisson and seconded by Mark Edwards. All present voted in favor, and the **MOTION** carried.

Turner reported that the 40-year-old boiler in Satterlee Hall is working, albeit barely, and needs to be replaced. This issue was discussed at length. There are varying estimates of the cost of replacing or repairing the Satterlee Hall HVAC system, depending on the extent of the work and the kind of system purchased. Rev. Meister said she had heard estimates ranging from \$115,000 to \$145,000. Turner has heard various higher figures, but none over \$150,000. Tomás Montgomery made a **MOTION** that the Vestry authorize up to \$150,000 for replacing the Satterlee Hall HVAC system. Upon the Rector’s suggestion, the **MOTION** was tabled so that the Vestry could have the opportunity to consider the whole financial picture for 2016 before finalizing this decision.

Ken Patterson inquired whether HVAC repairs in Satterlee Hall could be funded from the Endowment. Treasurer Hollis McLoughlin explained that Endowment funds could not be used for such capital expenditures. Discussion then moved to strategic direction and whether a long term plan exists for capital expenses. McLoughlin explained that such decisions are made by the Property Committee. Rev. Meister opined that expenditures needed for the eventual renovation of Satterlee Hall might be funded through a Capital Campaign. Sandy Kolb expressed a need for more information than could be provided by the Property Committee. Rich Turner argued against resorting to a Capital Campaign for the boiler.

Turner then raised the issue of planning for use of the Satterlee Hall space to be vacated next year by the Childhood Early Development Center. He proposed that a volunteer be identified to chair a committee to study the issue and come up with recommendations on use of the

space. It was noted that the primary goal is to move the Parish children's programs out of the basement, and that the Opportunity Shop had requested additional space in the basement. A discussion then took place about who might chair the aforementioned committee, with suggestions that it should be someone with a real estate background, and that there were a number of good candidates within the parish. No agreement was reached on this issue, but Rev. Meister pointed out that much of the work had in fact already been done.

**Discussion of Budget Framework:** Treasurer Hollis McLoughlin reported that September revenues were on track, but that they were being affected by three expenditures: Strategic Planning expenditures, Opportunity Sunday expenditures, and the car magnet program. He noted that the Reserve Fund, currently standing at \$571,000, is down 3% because of market fluctuations, but Opportunity Shop revenue in September was up by 14%.

McLoughlin discussed a framework for the upcoming 2016 budget. He raised issues pertaining to a potential deficit. Specifically, he pointed out that the two new hires – the Parish Administrator and the Children's Ministry priest – could create a deficit of \$80,000 for the 2016 budget, which the Vestry had taken into account when it authorized the hires. Other early projections could result in quite a substantial deficit. He said he wanted to trim the budget to offset that extra expenditure, but also noted that the deficit could be reduced if any money remaining from the current year's 5% draw from the Endowment Fund was rolled over into the 2016 budget. The entire draw amounts to \$123,000, but it is not yet known how much if any will be left over at the end of 2015. McLoughlin said that there are risks associated with using Endowment Funds, and that there is a view on the Finance Committee that Endowment Funds should not be utilized to "right-size" a budget.

McLoughlin requested a "sense of the Vestry" about potential use of Endowment funds to provide needed funds for the 2016 budget. He said the Vestry should consider using all or whatever is available from this year's \$123,000 draw in order to balance the 2016 budget. One Vestry member noted that the Endowment draw had not been used for five years, adding that relying on an Endowment could leave parishioners who have given absolutely everything they can with the belief that their past sacrifices may not have been necessary. Other members argued against touching Endowment funds for expenses. It was agreed that there would not be a vote on this matter until November or December.

The discussion then returned to whether Reserve Funds should be used for HVAC repair and kitchen cleaning. Director of Finance Doug Dykstra expressed concern that if the Reserve Fund were used for this it would leave the Reserve Fund at less than \$400,000, and he believed this to be too low. Junior Warden Rich Turner opined that the Reserve Fund seemed to be the only way forward. He asked if it would help if funds eventually used could be spread over a number of payments. Dykstra advised that if possible to do that, it would be preferable. Marcy Fisher made a **MOTION** that the Vestry waive, on a one-time basis, its rule that Reserve Fund not be used for an expenditure of more than \$60,000. The **MOTION** was seconded by Ken Patterson. All present voted in favor, and the **MOTION** carried. Tomás Montgomery then made a **MOTION** that the Vestry approve expenditure of up to \$115,000 for repair of the Satterlee Hall HVAC

system. Ken Patterson seconded the **MOTION**. All present voted in favor, and the **MOTION** carried.

**Executive Session on Budget Issue:** All non-members except the Director of Finance and the Secretary departed for the session. When this closed session ended, the open session resumed.

**Additional Discussion on Budget:** Rev. Meister offered that perhaps this would be a good time for the Vestry to share with the Parish its concerns regarding the 2016 Budget. Craig Albright agreed and suggested the Vestry begin now to identify easier budget cuts. A second fundraiser or campaign to be held later in the year was also suggested.

**Junior Warden's Report:** No written report submitted. Discussion set forth above.

**Senior Warden's Report:** No written report submitted. Senior Warden Deborah Potter reported that the Strategic Planning Committee is moving forward and dealing with outreach efforts.

**Rector's Report:** Rev. Meister submitted a written report (Attachment F). Rev. Meister reported that new white altar hangings, which are memorial gifts and were not purchased with funds from the Parish budget, have arrived and will be blessed at the All Souls Service in the evening of November 1. She noted that the 2015 Christmas schedule will be different from past years. She also reported on her meeting last month with the Bishop and lay leaders from St. Alban's, noting that it turned out the Bishop had been unaware of any previous problems or written agreements between the Cathedral and St. Alban's; she would report further on the meeting at the next Vestry Meeting.

Rev. Meister concluded the meeting at 9:50 pm with the Lord's Prayer.

Respectfully submitted,  
Tom Jansen, Secretary