



St. David's Episcopal Church & School
January 20, 2021
Vestry Meeting Minutes (via Zoom)
Approved 2.24.2021

Due to restrictions placed on in-person group meetings due to the COVID-19 pandemic, this Vestry meeting was held via Zoom.

Attending: Vestry members Rev. Mary Kay Brown (Rector), David Sheatsley (Sr. Warden), Rohit Dean (Jr. Warden), Tabatha Bragg, Jenkins Cooper, Keith Korin, Mike Martino, Jen Peiler and Anne Shively; Absent: Kondeh Greaves; Register Katherine Beckett-Goodwin, Treasurer John Mellish, Chaplain to the Vestry Carol Bonifant. Also attending: Liz Whitlock, Maureen Carey, Allan Steed, Marilyn Tracy and Jenifer Bluhm.

Opening Prayer: The prayers were created and said by Carol Bonifant, Chaplain to the Vestry.

A prayer for Inauguration Day was said. Then the prepared prayer was read.

Hebrews 13:5 NIV 5 Keep your lives free from the love of money and be content with what you have, because God has said, "Never will I leave you; never will I forsake you." [a]Thank You Father for Your Presence at our Saturday meeting. We knew You were there moving among us, speaking to us and through us. We trust You as You direct us in how You want Your money spent. We are grateful for the abundance You pour out on us. The fallen world we live in whispers; "you don't have enough to run St David's." We know better because nothing will thwart Your plans, and Your Glory shines brightest in our weakness. It is You Jesus we honor with our efforts, it is You who we trust, it is You who we worship! In the Name of Christ we pray, Amen.

Call to Order – Rev. Mary Kay Brown called the Vestry Meeting to order at 7:04 pm.

Parishioner Comment Period – Parishioners

- None.

Administrative Items

Decision: Approve January 20, 2021 Agenda – Vestry

Motion: Move to approve the January 20, 2021 Agenda.
Motion seconded and approved.

Decision: Approve December 16, 2020 Vestry Meeting Minutes - Vestry

Motion: Move to approve December 16, 2020 Vestry Meeting Minutes.
Motion seconded and approved.

Discussion: December 2020 GM and Trustee Reports – Allan Steed, Sr. Trustee & Liz Whitlock, GM

- The report was referenced to review. Highlights:
 - Loudoun CARES Act team completed purchases of equipment and scheduled cleaning of air ducts in all buildings to satisfy the grant requirements by December 31, 2020.
 - Met with installation contractor to evaluate new blown insulation option.
 - Helped to arrange Christmas poinsettias for virtual Christmas Eve services.
 - Completed connections for the organ to the recording system and updated documentation.
 - Repaired small toilet in Mercer Hall.
 - Evaluated loose boards at Mercer & placed screws to stabilize.

- Water in crawl space of Boslaugh building; need to evaluate installing additional sump pump which would require professional installation and wiring.
- Please be sure to double check that the Annex building door is locked upon leaving after use.
- Removed some downed tree limbs from the Cemetery.
- Property – placed ice melt and snow shovels around the campus for winter preparation.
- Pending request to install new sidewalk to allow for easier access to the Columbarium; need funding approved by the Vestry.
- List of open items listed in report.
- Question: What is requested for the sidewalk and what are the options? The old quote is \$2,700; perhaps line it with bricks. Take a closer look at the February Vestry Meeting.
 - Need Cemetery Fund Balance for knowledge of what is there. Will request from Lisa and provide with information next month.
 - Also suggested to consider a walkway to the Chapel Ruins.
- Question: What does it cost for burial services verses what is being charged? Liz is working on getting pricing; instead of bundling for burial services, will need to offer it separately; funeral homes would like the real estate as they do the rest of the services: headstone, open, close, etc. currently the services include everything: real estate, marker, digging the hole – costs more than what was paid. The cemetery sits on a granite slab, so often run into needing a backhoe. The church has 100 plots available to potentially sell. The funeral home estimates \$8,500-\$10,000 for the plot itself. We have several former parishioner plots pending. The plots only have four inches of space between them.
- A Cemetery overview (how it works, funded, etc.) will be provided to the Vestry at the Vestry retreat, and more information provided regarding the requests and costs for the requested projects will be provided for review and discussion at the February Vestry Meeting.
- Thank you to the Trustees and GM for all the work they are doing maintaining our campus.

Discussion: December 2020 Treasurer’s Report – John Mellish, Treasurer

- The overall financial performance of St. David’s was very good for 2020. Did especially well given the circumstances of the pandemic.
- Overview of the numbers located within the December 2020 Treasurer’s Report:
 - Pledge offerings for December 2020 were \$63,323, 88% of budget.
 - Year to date pledge offerings are \$764,116, 100% of budget.
 - Total Revenue in December was \$98,029, 65% of budget.
 - YTD Income is \$904,546, 100% of budget.
 - Non-pledged offerings for December were \$12,138, 78% of budget.
 - YTD non-pledged offerings is 85% of budget.
 - No loose cash for December. Loose cash offerings were 19% of budget for the year.
 - Expenses for December were \$62,362, 77% of budget.
 - YTD Expenses are \$866,819, 90% of budget.
 - We did very well with expenses for 2020.
 - Net Income in December was \$35,667, 52% of budget.
 - YTD Net Income is \$37,727, 0% of budget.
 - We were blessed to have our financials in good order in 2020 despite the pandemic impact.
 - Cash is \$253,310.

Decision: Approve December 2020 Treasurer’s Report - Vestry

Motion: Move to approve the December 2020 Treasurer’s Report.
Motion seconded and approved.

Discussion: Finance Committee Report – Mike Martino, Finance Committee Vestry Liaison

- The Finance Committee met virtually on Monday, 01.11.2021. Attending: Paul Buitrago—Chair, Rev. Mary Kay Brown, David Sheatsley, Liz Whitlock, Lisa Gager, Cecelia Cooper, John Melish, Buz Price, and Mike Martino (Vestry Liaison). The following was discussed:
 - New Paycheck Protection Program (PPP) – this new program may be introduced by Congress in the short term. Also discussed modifications to the FY 2021 budget.
 - Current finances – St. David’s ended 2020 in good financial shape considering all the things we had to contend with over the past twelve months. Overall, for FY 2020 Total Income was greater than Total Expenses, which is good. One reason we missed our December budgeted goal for income was due to the posting of the \$35,851 draw down for the FY 2020 budget. Without the draw down we would have been \$15,793 below our December budget for income. Total income for the year was short \$59,881 mostly due in part to a loss of \$29,808 in rental income. Also, Christmas collection was \$19,768 compared to our budget of \$14,750.
 - A/V expenses item #6304-00 ended the year 671% over the annual budget due to the purchasing of streaming technical equipment.
 - Property Protection item #6602-00 ended the year 135% over budget due to incurring costs of the Preschool insurance, increase in security costs, and fire alarm repairs.
 - Repair and Maintenance item #66050-00 ended the year 206% over budget in part due continued HVAC costs which finished the year 735% of budget.
 - Payroll Protection Plan (PPP) – The Accounting Administrator filed the necessary paperwork with our bank to change the PPP loan status to a grant. We are awaiting to hear from the bank that our request for change in status was accepted.
 - Preparation of 2021 Draft Budget – The Finance Committee developed a proposed 2021 Budget and was reviewed by the Vestry. A Budget Sub-Committee was established in November 2020 of Parishioner and Finance Chair Paul Buitrago, GM Liz Whitlock, Accounting Administrator Lisa Gager, Parishioner Buz Price and Sr. Warden David Sheatsley.
 - Audit Status—The 2017 and 2018 audits are complete. Once all looks good, the signed audits, attachments and response memo is provided to the Vestry to review and accept at the January Vestry Meeting. Once the motion to accept each audit is completed, the audits will be sent to the Diocese of Virginia Treasurer for review and filing. No update on the 2019 Audit request yet.
- The new PPP loan application was submitted Saturday night, 1.16.2021, for \$65,000. (Note in January St. David’s thought that we only qualified for \$65,000 but we changed the application and increased it to \$170,200 as soon as we found out that we could apply for more.)
- Question: Can the insurance for the Preschool be adjusted down to account for closure? No. We asked.

Discussion: Loudoun County CARES Act Grant – Mike Martino, Finance Committee Vestry Liaison

- The grant was for \$19,828 and was to be spent by 12.31.2020 with reporting provided by 1.4.2021.
- The paperwork was submitted and approved.
- A spreadsheet of the documentation of the CARES Act Funds for this grant was provided in the Vestry Package, referenced in the meeting and briefly discussed.

December 2020 Rector’s Report – Rev. Mary Kay Brown, Rector

- Christmas services were different and difficult not to be together Christmas Eve. Had 1,100 views of the Christmas Eve services. Thank you to Maureen, Sound Team, musicians and readers for making the services the best they could be.

- The Music vision team is working toward hiring a music director with the music program that is collaborative and use common resources. The position will be part time until after we open again.
- What are the priorities when we are not open yet? It will be at least May/Pentecost before the church will likely open. The priorities for the first half of the year are 1) part time communication person for social media, 2) Virtual Welcome Program development and 3) Assessment of a 9am Service Program.
- Worship planning is taking place: Easter, Ash Wednesday and Lent will all be virtual. Connections is the theme, starting some small groups – dessert or happy hour groups are a possibility.
- Pastoral Care would like to expand the team to touch everyone in the congregation again, and then work out how to stay in touch.
- Applaud the Men’s Fellowship who had 42 people on the call at last week’s meeting.
- Comment: Thank you for all you do Rev. Mary Kay!

Prayer: The prayer was created and read by Carol Bonifant, Chaplain to the Vestry.

2 Chronicles 7:14 NIV 14 if my people, who are called by my name, will humble themselves and pray and seek my face and turn from their wicked ways, then I will hear from heaven, and I will forgive their sin and will heal their land. O Lord it feels like we are in war, a moral war for our people and country. We know “In union with Jesus we are complete. In closeness to You Father we are transformed more and more into the people You designed us to be.” You and You alone make us complete. Not our jobs, our relationships or our accomplishments make us complete. Our identity in You Father insists we lack for nothing! We stand firm in our conviction that we are totally secure in all aspects of life. Nothing that happens to us in this fallen world can separate us from You! Your Glory fills us with unshakable conviction that “It is well with my soul” and “We are sealed as Christ’s own forever!” Fear no longer is a factor, trust is our banner and through the power of the Holy Spirit we march to the beat of our Master’s drum, Amen.

New Business

Discussion: 2017 and 2018 Audits – John Mellish, Treasurer

The audits and Response Letter were discussed. Edits for clarifications are needed for the letter: admin updates to the memo, update #1 response and #3 clarification on checks – issue has been addressed. A sincere thank you goes out to Jennifer Manning, Audit Committee Chair, and the audit team for all of their work and time in completing these audits!

Decision: Approve 2017 Audit and Response Letter with clarifications – Vestry

Motion: Move to approve the 2017 Audit and Response Letter with clarifications.
Motion seconded and approved.

Decision: Approve 2018 Audit and Response Letter with clarifications – Vestry

Motion: Move to approve the 2018 Audit and Response Letter with clarifications.
Motion seconded and approved.

Discussion: Status of 2021 Stewardship Campaign – Rev. Mary Kay Brown, Rector

- Pledge commitments are at about \$650,000.
- We have had an additional \$7,000 in new pledge commitments since our last discussion.
- We will continue to pursue year-round stewardship education.

Discussion: 2021 R0 Budget – Vestry

- The 2021 Budget was presented for Vestry approval and provided in the Vestry Package. The 2021 Draft Budget was also posted to the Web site for parishioner review and feedback prior to the Vestry Meeting.
- Changes to the budget:
 - \$500 was allocated for family fellowship which has not been active for a while (#6503-03). Move this allocation to church liturgical miscellaneous item (#6301-03).
 - Flowers were zeroed out, would like to account for flowers budget to cover the cost. For reference, flowers received a total of \$200 in donations for 2020. Increase the budget to \$500 for 2021.
- Question: We made the decision not to hire for the Assistant to the Rector position, can we put some support services in for Rev. Mary Kay? We have \$1000 for a supply priest to cover for Rev. Mary Kay if she is unable to attend 3-4 Sundays during the year.
- Comment: Would like to see a part time youth minister for consideration in order to designate more money for position support. We will be mindful as this is important.
- Question: What about a Seminarian to help out with a youth program? Last semester, our Seminarian was allocated 12 hours per week. It's not a consistent presence for youth.
- Comment – Rev. Mary Kay: If able to add money to the budget, consider raises or a one-time bonus for staff to recognize them for working hard. Realize funds are limited and a 2% COLA increase was accounted for in the 2021 budget.
- Concerned parishioner email: a parishioner expressed concerns about the 2021 Draft 2021 Budget published for feedback, that the budget did not have an allocation for a youth program position. It's very hard to address the youth program at this time.
- Maureen is connected with younger families and keeping them engaged (*Baking Through the Bible* is an example.)
- Met with the youth team and the few things they tried virtually during the pandemic didn't draw the kids.
- Have we looked at what other churches are doing with their youth programs? Yes. Maureen is involved with a group from area churches. Lots of discussions going on right now with other organizations, everyone is in the same boat in terms of addressing youth. One of the issues with virtually engaging youth is that they are not interested because most are virtual all week with school. Suggestion: Ask youth who would be interested and what would be interesting to them to get involved in a program.
- The Vestry needs to meet to discuss the youth need further, and respond to the concerned parishioner. Discuss further at the Vestry Retreat on Saturday, 2.6.2021.
- Rev. Mary Kay will come forward with a plan for an Assistant to the Rector position once we can afford it and can look into it more.
- The ideas are good to discuss and flush out to consider again at a later time. Will approve the 2021 Budget now and review it quarterly to assess where we are with income and expenses.

Decision: Approve 2021 R0 Budget – Vestry

Motion: Move to approve the 2021 R0 Budget as presented with two changes: add \$500 to flowers (#6302-00) and move \$500 from family fellowship (#6503-03) to church liturgical miscellaneous (#6301-03). Motion seconded and approved.

Discussion: Payment of 2021 Diocesan Pledge from the 2020 Surplus – Mike Martino, Finance Committee Vestry Liaison

When St. David's went from a mission to an established church, we agreed to submit an annual pledge to the Dioceses of Virginia. The Diocese asks each parish for a pledge of 10% of a church's annual budget. Based on this criterion St. David's would need to send over \$70,000 to the Diocese by the end of 2021. Also, there was the announcement made at the last convention that the Diocese will be taking a closer look at parish pledges in the upcoming years. Unfortunately, St. David's is not in a financial position to make a 10% submission for 2021. The FY 2021 Budget has \$12,000 included as St. David's 2021 Diocesan Pledge, which the Vestry approved on October 21, 2020.

An option the Vestry has at this time is to pay the full \$12,000 Diocesan Pledge and zero out this line item for the balance of 2021. This action has a twofold benefit for St. David's. First this action will convey to the Diocese our intent to honor our Diocesan Pledge (to the best of our ability) and secondly safeguard our obligation. The Vestry does not want to be in a position, should our financial condition change later this year, that would cause us to forgo our pledge to the Diocese. More importantly, this action will free-up \$12,000 that is currently in the FY 2021 budget. As the year progresses the \$1,000 each month (originally going to the Diocesan Pledge) will now stay in the Church's Operating Account.

St. David's is responsible for sending an annual pledge to the Dioceses of Virginia. At this time St. David's has a surplus of funds from its financial stewardship for FY 2020. A portion of these surplus funds can be used to meet St. David's annual pledge for 2021.

The procedure of reviewing the previous year's surplus annually and allocating it to items such as the Diocesan Pledge and Repair Reserve Fund for the forthcoming year sets the precedent for the Vestry to continue doing this moving forward.

Decision: Approve Allocation and Payment of \$12,000 for the 2021 Diocesan Pledge from 2020 Budget Surplus – Vestry

Motion: Move that the St. David's Episcopal Church and School Vestry instruct the Accounting Administrator to submit a check for \$12,000 to the Dioceses of Virginia for the 2021 St. David's Diocesan Pledge no later than January 31, 2021. The funds for this check will be drawn from the Church Operating Account. The \$12,000 (\$1,000 per month) listed for the Diocesan Pledge in the FY 2021 Budget may be distributed to other items.

Motion seconded and approved.

Discussion: Contribution to the 2021 Repair Reserve Fund from the 2020 Surplus – Mike Martino, Finance Committee Vestry Liaison

The Repair Reserve Fund is designed to accumulate moneys to finance the cost of capital repairs to and/or replacement of St. David's facilities and equipment. The St. David's Financial Policy (approved 3.2019) states that, *"It shall be the objective of St. David's to maintain the reserve fund at TBD-1% of the fully funded balance, where 100% means our reserve cash equals the amount of deterioration of the church assets. Should unforeseen circumstances result in a Reserve Fund balance falling below TBD-1%, the Vestry will bring the fund balance back to TBD-1% within three years. The Vestry feels that this level of Reserve funding reasonably protects the congregation from the risk of special appeals and excessively deferred maintenance that could significantly harm the ongoing operation of the Church."* Further, *"Funds may be authorized [by the Vestry] for the major maintenance, repair or replacement of capital assets in excess of \$5,000. A capital asset shall be defined as a readily identifiable asset with a cost of \$5,000 or more that has a useful life in excess of one (1) year."* Also, Moneys for the Reserve Fund in excess of \$50,000 shall be invested in the Diocesan Investment Account. All other moneys shall be accounted for in the in the Church Checking Account.

The FY 2021 Budget has no funds going to the Repair Reserve. The Vestry has an option to take \$23,667 of the surplus and place the funds in the Repair Reserve. By this action the Repair Reserve account will have a balance of \$39,276. Once this action takes place, the total Repair Reserve Funds can be transferred to the Diocesan Investment Account, which is an interest-bearing account, and currently has \$1,800 in this account. In so doing the Repair Reserve will be gaining interest with a balance of \$41,076.

In the past several years the Repair Reserve has been used more as an ATM or cash account than a reserve. At one time there was over \$250,000 in the Repair Reserve, however, a decision was made to not fund this line item that year. As a result, funds were used to make immediate (unplanned) repairs thus, leaving the Repair Reserve with a zero balance at the end of 2019. Currently, we have a balance in the Operating Account of \$15,609 for the Repair Reserve from 2020 budget contributions. The Trustee projected Repair Reserve contribution need for anticipated capital asset maintenance/repair for 2021 is \$150,000. (Re: Repair Reserve Forecast Spreadsheet provided 11.08.2020.)

The Repair Reserve Fund is designed to accumulate moneys to finance the cost of capital repairs to and/or replacement of St. David's facilities and equipment over \$5000 per the Repair Reserve Policy. In the FY 2021 budget the Repair Reserve line item is zeroed out, however there was a surplus from the FY 2020 budget. Thus, \$23,667 of the Church Operating Account can be used for the Repair Reserve.

The procedure of reviewing the previous year's surplus annually and allocating it to items such as the Diocesan Pledge and Repair Reserve Fund for the forthcoming year sets the precedent for the Vestry to continue doing this moving forward.

Decision: Contribute \$23,667 to the 2021 Repair Reserve Fund from the 2020 Surplus – Vestry

Motion: Move that St. David's Episcopal Church and School Vestry instruct the Accounting Administrator to move from the Church Operating Account the sum of \$23,667 to the Repair Reserve that currently holds a balance of \$15,609 totaling this line item to \$39,276. The Accounting Administrator will, in turn, take the amount of \$39,276 and deposit this amount in the Diocesan Investment Account in the name of the Repair Reserve Fund by January 31, 2021. The funds for this action will be drawn from the Church Operating Account.

Motion seconded and approved.

Discussion: January 24th, 2021 Parish Annual Meeting – Rev. Mary Kay Brown, Rector & David Sheatsley, Sr. Warden

- Thank you to all who are bringing this meeting together.
- Theme for this year will be Connection.
- One practice run has been held with the Sound Team, a second practice run will be done with a smaller group on Saturday. Katherine, David and Bruce will also walk a parishioner couple through how to log into the meeting and vote on Zoom on Saturday.
- The meeting is on Zoom on Sunday.
- We will have a Zoom Poll for the Vestry Election voting. The candidates for Vestry election for three 3-year terms are: Jenifer Bluhm, Jenkins Cooper and Anne Shively.
- We will let attendees know to stay on the same Zoom call for the Q&A session after the meeting.

Spiritual Discussion – Rev. Mary Kay Brown, Rector

- Our work is our worship.

Old Business

Discussion: Committee Updates

- Fundraising – Anne Shively/Keith Korin
 - No update.
- HVAC System – Rohit Dean/Liz Whitlock
 - No update.

Discussion: Recognition of Outgoing Vestry Member Mike Martino – David Sheatsley, Sr. Warden

During his 3-year term on the St. David's Vestry, Mike instilled in us the need to develop thoughtful plans, including the rationale and potential options, for consideration by the Vestry. Such plans allow the Vestry to make informed decisions before moving forward. Mike is a doer and made sure that things got done. The Safety and Security Plan and related installation of AED units are prime examples.

The item has no impact on the bottom line of the financial status and overall well-being of St. David's. However, it is important for St. David's, and especially the Vestry, to clearly recognize and acknowledge the hours Mike has dedicated to St. David's Episcopal Church and School through volunteering. Though this item has no bearing on daily operations, it is necessary for the overall physical and psychological well-being of Mr. Martino.

Decision: Approve one of three options in recognition of Mike Martino's three years of Vestry service – Vestry

The three options to consider are:

- Option 1: Recognize Mike for his service and reward him with a gift card for Amazon so he can quietly, and in the confines of his own home, purchase whatever the heck he wants. (Pending Jeanette's approval).
- Option 2: Recognize Mike with a hardy pat on the back and a round of applause, but no gift card.
- Option 3: Do nothing.

Motion: Move that the Vestry of St. David's Episcopal Church and School vote to approve Option 1, to recognize Mike Martino for his service and reward him with an Amazon gift card to be disbursed no later than midnight January 20, 2021.

Motion seconded and approved.

The Vestry Retreat will be on Saturday, February 6, 2021, 9am-1pm via Zoom.

The next Special Vestry Meeting is Sunday, February 7, 2021, 12pm via Zoom.

The next monthly Vestry Meeting is Wednesday, February 24, 2021 at 7pm via Zoom.

Closing Prayer: The closing prayer was created and read by Carol Bonifant, Chaplain to the Vestry. Jesus, all wisdom and knowledge are hidden in You making You relevant to absolutely everything. Help us Holy Spirit stay in communion with You as many voices are clamoring for our attention so they can persuade us to go in that direction. However, it is from Christ's perspective we want to discern our course. We want to be open to the mystery in the way You help us understand Your Word and perspective. At the same time, we want to recognize our own limitations, then we will find worship in all our efforts. To Him be all glory and honor and power, Amen.

Adjournment – Rev. Mary Kay Brown adjourned the Vestry Meeting at 9:05 pm.

Respectfully Submitted:



Katherine Beckett-Goodwin, Register

February 17, 2021

Approved Motions:

- Approved the December 16, 2020 Agenda.
- Approved the December 16, 2020 Vestry Minutes.
- Approved the December 2020 Treasurer’s Report.
- Approved the 2017 Audit and Response Letter with clarifications.
- Approved the 2018 Audit and Response Letter with clarifications.
- Approved the 2021 R0 Budget as presented with two changes: add \$500 to flowers (#6302-00) and move \$500 from family fellowship (#6503-03) to church liturgical miscellaneous (#6301-03).
- Approved St. David’s Episcopal Church and School Vestry to instruct the Accounting Administrator to submit a check for \$12,000 to the Dioceses of Virginia for the 2021 St. David’s Diocesan Pledge no later than January 31, 2021. The funds for this check will be drawn from the Church Operating Account. The \$12,000 (\$1,000 per month) listed for the Diocesan Pledge in the FY 2021 Budget may be distributed to other items.
- Approved St. David’s Episcopal Church and School Vestry to instruct the Accounting Administrator to move from the Church Operating Account the sum of \$23,667 to the Repair Reserve that currently holds a balance of \$15,609 totaling this line item to \$39,276. The Accounting Administrator will, in turn, take the amount of \$39,276 and deposit this amount in the Diocesan Investment Account in the name of the Repair Reserve Fund by January 31, 2021. The funds for this action will be drawn from the Church Operating Account.
- Approved the Vestry of St. David’s Episcopal Church and School implement Option 1, to recognize Mike Martino for his service and reward him with an Amazon gift card to be disbursed no later than midnight January 20, 2021.