



St. David's Episcopal Church & School

February 15, 2023

Vestry Meeting Minutes

Approved 3/15/2023

This Vestry meeting was held virtually via Zoom.

Attending: Vestry members: The Rev. Susan Pinkerton (Interim Rector), Katherine Beckett-Goodwin (Sr. Warden, Register), Margot Culhane, Rohit Dean, Mike Gibson, Tanya Kerr, Jen Peiler, Dave Schmidt and Jim Tracy. Additional officers attending: Chaplin to the Vestry, Carol Bonifant, and Treasurer, John Mellish. Also attending: Meg Antwi, Maureen Carey, Sharon Easley, Marilyn Tracy, and Allan Steed. Mathew Verghese and Richard Easley attended for the Discernment Committee update. Karen Knox attended for the discussion of the Parochial Report. Paul Buitrago attended for his presentation on HVAC Financing Options.

Opening Prayer: Offered by Carol Bonifant, Chaplain to the Vestry.

Transformation at St David's continues under the power of our One True God! We know Father that as we are transformed much transition goes on at the same time. Transition is a fancier word for change! Wow, that word can stir up all sorts of responses; uncomfortable, scared, excitement, hope, reluctance, even resistance, can name a few. As we trust Your Vision Father for St David's we find Peace. Trust is an outcome of Holy Transformation. We greet this process with deliberate submission. You are leading us into a richer walk. As St David's is refined, she reflects You more clearly. Empower us to bring new capable staff into our office. Whisper to volunteers to hear Your call to serve, be it for the Vestry, Trustee, or any leadership position. Help each of us to be open to something new and different You have put in our path. Never let us forget Holy Spirit that this is Your work, we are simply blessed to be part of it. In the Name of Jesus we pray, Amen.

Call to Order – The Rev. Susan Pinkerton (Interim Rector), called the Vestry Meeting to order at 7:04 pm.

Parishioner Comment Period - Sharon Easley Parishioner

- Sharon asked why St. David's doesn't collect racial / ethnic data on parishioners.
- Karen Knox reported that the old St. David's database didn't collect this type of data so when transferred over to the new database this data wasn't available. This is new data being requested by the Diocese of Virginia for the 2022 Parochial Report.

Administrative Items

Discussion: February 15, 2023 Vestry Meeting Agenda – The Rev. Susan Pinkerton, Interim Rector

- Are there any adjustments to the agenda? None.

Decision: Approve February 15, 2023 Vestry Meeting Agenda – Vestry

Motion: Move to approve the February 15, 2023 Vestry Meeting Agenda as presented.
Motion seconded and approved.

Discussion: January 18, 2023 Vestry Meeting Minutes – Register/S. Easley

- Are there any comments? None

Decision: Approve January 18, 2023 Vestry Meeting minutes as presented – Vestry

Motion: Move to approve the January 18, 2023 Vestry Meeting Minutes as presented.
Motion seconded and approved.



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Discussion: 2022 Parochial Report – Karen Knox

- Methodology used this year is the same as previous years. The worksheet shows where the data came from.
- Information contained in the parochial report is based on St. David's Realm database and reports from appropriate personnel.
- Numbers dropped slightly.
- Total active individual records in the St. David's ACS database categorized as "Clergy" or "Parishioner" is 867.
- Total Members Reported Last Year: 481
- Average Weekly Attendance: 116
- Easter Attendance: 396
- Christmas Eve and Christmas Day Attendance: 570
- Worship Conducted: In-person indoors (funerals, LEM visits), In-person outdoors (Wiggle Worship, Messy Church), Virtual (Compline, Morning and Evening prayer) and Hybrid (live-streamed Sunday services)
- Total Sunday and Saturday Evening Eucharists: 87 Hybrid (Sunday in-person services are livestreamed)
- Susan+ thanked Karen for her work on producing this report.

Decision: Approve 2022 Parochial Report – Vestry

Motion: Move to approve the 2022 Parochial report as presented.

Motion seconded and approved.

Discussion: Vestry Nominations – The Rev. Susan Pinkerton, Interim Rector

- Susan+ will be chairing the committee with the help of outgoing Vestry members.
- Susan+ and Katherine have reviewed the first list of potential candidates.
- Hoping to have a slate of nominees by mid-March.
- Please send names of good candidates to Susan+.

Discussion: Office Manager Transition Plan – Jim Tracy

- Liz Whitlock is leaving her position as General Manager (GM).
- After discussions with the Wardens and Susan+, Jim Tracy will step in on an interim basis for a period of no longer than six months. Jim is volunteering his time so it will be no cost to the church. He will be onsite Tue-Thurs.
- The GM position will become a part-time position, probably with the title "Operations Manager" or something similar.
- The position description will be written and reviewed in mid-March.
- Jim is working with Liz on transitioning the various responsibilities.
- Both the General Manager and Parish Administrator positions are being evaluated to determine what replacement staff is needed by St. David's at this time.

Discussion: Property Deed amendment – Katherine Beckett-Goodwin, Sr. Warden

- Marilyn Tracy and Chris Smith have resigned as trustees leaving one active trustee for the property deed.
- Hoping to have a second or third person next Vestry meeting for the property deed.
- Working on this, will report more at the next Vestry meeting.



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Committee/Ministry Reports

Ministry/Worship & Children & Youth Ministry - Maureen Carey, Lay Pastoral Assistant and Director, Children & Youth Ministry.

- Maureen reported that there are several events coming up for Lent which starts on February 22.
 - Shrove Tuesday.
 - Carol Bonifant, Susan+, and Maureen are doing “Ashes to Go.”
 - The men’s group is helping out on Shrove Tuesday – thank you to them.
- Morning Prayer is being offered Tuesday, Thursday, and Friday at 10 am. And Evening Prayer is being offered on Saturday at 6 pm.
- Sunday School continues with consistent participation; 3 new children last week (1 family).
- Shifting youth group time to Sunday 4 to 6 pm, twice a month to start.

Stewardship Update - Co-Chair, Margot Culhane

- The total pledged amount has decreased from \$545,570 to \$541,770.
- The total number of pledges remains the same; this is due to one of the automatically renewed auto-pledges being rescinded, one new pledge, and one prior pledge being reduced.
- Currently we have 115 pledges for an annual total of \$541,770.

Discernment Committee Update – Mathew Verghese, Co-Chair

- Survey instrument is complete and is in the process of being entered into Survey Monkey.
- The survey will include questions about demographics.
- The Committee is planning to meet with Susan+.
- Mike Gibson commented that it seems the committee is moving very slowly and deliberately. Susan+ noted that this slow pace helps the congregation with the transition. When it comes time to welcome the new Rector, the congregation will be ready. She thinks two years is a good pace.

Financials

Discussion: January 2023 Church Organization Treasurer’s Report - John Mellish, Treasurer

- This month is pretty easy to review since the monthly report and the YTD are the same.
- January revenue came in at \$53,699 (103% of budget) which was 7% higher than December 2022.
- Expenses for January were \$60,926 (92% of budget) and 27% lower than December 2022.
- Total expenses were (\$5,400) less than budgeted for January.
- Net Income for January was \$3,001 to a budget of -\$7,483 (-40% of budget). Our variance for January was \$10,484.
- Church cash in the operating account is \$246,175.

Decision: Approve January 2023 Church Organization Treasurer’s Report

Motion: Move to approve January 2023 Church Organization Treasurer’s Report as presented.
Motion seconded and approved.

Discussion: Preschool 2023-2024 Budget – Meg Antwi, Preschool Director



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- Meg presented a summary of items impacting the 2023-24 Budget for the preschool.
- Programming has changed slightly.
- Enrollment is almost at 100%.
- Tuition has increased by \$5.00 for most classes.
- Insurance increased by approximately \$7,000.
- Cleaning fee increased to \$17,500.

Decision: Approve 2023-2024 Preschool Budget as presented.

Motion: Move to approve 2023-2024 Preschool Budget as presented.
Motion seconded and approved.

Property Items

Discussion: January 2023 Trustees and GM Property Report – Allan Steed, Trustee

- Allan went over the highlights in his report.
- New flooring project in Adult Education room is complete.
- Thank you to David Schmidt on his presentation on NPV for the HVAC replacement.
- Mercer Hall (School):
 - Keller gave a proposal for drainage mitigation along the West property from the Office building along the School to the South end of the Church property.
 - Receiving proposals for a new front door for the school building - Ranges of three quotes so far are \$18K, \$15K and \$13K but not all are apples-to-apples so working to clarify scope with bidders and choose the best option.
 - The School reported that the main door, doorbell was not working. We checked the battery and determined that the device was dead and ordered a replacement from Home Depot. (Ended up replacing the whole unit, not just the battery.)
 - The School asked us to consider replacing our current basic door bells with RING Doorbells, so we have started looking into that possibility.
- Boslaugh Hall (Church Office) - The new carpet for the office was installed the week of 1/23.
- We have a new columbarium engraving company - HW Parker & Sons. Jeff Parker did the engravings for our lost loved ones whose funerals were held at St. David's in 2022.
 - Gisela Burley
 - Bruce Johnson – Internal inside Church (Husband of Bobbie Johnson)
 - Kelly Nutwell – (Wife of Richard Nutwell)
 - Rebecca Steed – (Mother of Allan Steed)
 - Richard (Dick) Trainor
- Maureen discussed the issue of safety at the Annex which is being used at night and there is no security. Could we look at getting some cameras, or the Ring doorbells for the Annex?

Discussion: Preschool Front Doors

- St. David's has received three proposals for replacing the front entry doors of the Preschool.
- Due to the urgent action needed from the Vestry on the approval of spending the funds on the doors replacement (urgent safety issue), Jim Tracy will send out to Vestry an overview email, with the three quotes received, of the need for the doors to be replaced ASAP, for the funds to come from the Repair Reserve Fund, and a vote taken by email.



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- The email vote on the expenditure will be ratified at the March 15, 2023 Vestry Meeting.

Discussion: HVAC Financing Options – Paul Buitrago

- Paul provided a PowerPoint presentation on the two best options prepared by the Finance Committee for funding a replacement HVAC system.
 - Leave existing mortgage loan in place, taking an additional, separate mortgage to finance the HVAC system. (Option 1)
 - Refinance the existing mortgage loan and take cash out for the HVAC project, essentially combining the two into one loan. (Option 2)
 - Or do nothing and revisit the issue in 6 months to a year.
- The value of the property is \$4,125,000 (from 2016 appraisal), this is probably higher now which means St. David's has plenty of collateral for a loan.
- Existing mortgage is \$374,614 (as of 12/21/2022) with an interest rate of 4.5% and a monthly payment of \$10,607. This is scheduled to be paid off in just under 3 years on 2/5/2026.
- Proposed 2nd mortgage Option 1 = \$1,120,000
- Proposed cash-out and refi Option 2 = \$1,415,000
- Balance of existing loan at June 2025 will be \$83,413.
- Geothermal option for HVAC replacement is eligible for a \$300,000 subsidy; the geothermal project cost is estimated at \$1,000,000.
- Closing costs and interest expense (during the interest only period) will be around \$120,000 for either option.
- **OPTION 1: RECOMMENDED BY FINANCE COMMITTEE**
 - 2nd mortgage \$1,120,000
 - Interest only 1 year, 9 months followed by 25 year amortization with 10 year balloon, assume project start date of Sept. 2023.
 - Existing loan balance on 1st mortgage will be \$290,701 at start of project
 - Loan balance expected to be \$820,000 in June 2025 after \$300k subsidy is applied
 - Monthly payment on \$820,000 is \$5,537 at 6.5% interest
 - For 8 months we would also still be paying the \$10,607 for the existing mortgage, total monthly outlay (for both payments during these 8 months) would be \$16,144.
- Option 2:
 - Combined mortgage \$1,415,000
 - Interest only 1 year, 9 months followed by a 25 year amortization with 10 year balloon (assume project start date of Sept. 2023.
 - Amortization starts June 2025 (Note: slide says August, which is a typo)
 - Loan balance expected to be \$1,115,000 in June 2025 after \$300k subsidy is applied
 - Monthly payment would be \$7,765.
 - With this option, in an attempt to avoid paying \$85,000 (amount that would be paid during the time there were two loans – in Option 1) it would cost an additional \$298,150 in interest.
- **Finance Committee Recommends Option 1**
 - **Saves money in the long term (\$298,150)**
 - **Provides more flexibility**
 - **Allows us to take advantage of government subsidy**
- Allan asked about the other expenses discussed previously [to wrap into the HVAC Modernization Project such as fixing the leaky doors and windows], will these be included in the financing? > Current discussions of financing have not included these expenses.



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- Katherine noted that the energy consultant reported that if we don't make the improvements outlined in the analysis report (such as leaky doors and windows), we would not be able to realize the cost savings estimated with a geothermal (energy efficient) HVAC system.
- Paul noted that the financing options afford flexibility. The \$300k subsidy could be used for these other expenses. Mike noted adding additional expenses would take another process for approving additional costs.

Decision: Approval of Option for HVAC Replacement System Financing

Motion: Move that **IF and when** the HVAC Geothermal Replacement System Project is approved to move forward, Financing Option #1, as presented by the Finance Committee, will be utilized.

Motion seconded and approved.

Prayer for Discernment – Was offered by Carol Bonifant, Chaplain to the Vestry.

We need You right beside us Jesus for Discernment to be revealed. Without You it cannot happen! It is rigorous work to keep Your Word close to our heart, to pray continuously, to seek the congregations needs as well as wants, while navigating due diligence from all sides of the issue but mostly, trusting the Holy Spirit to guide us through wise encouragement! Grant our Discernment Team Joy as they faithfully serve You in finding our next clergy. Show them how to often celebrate the intimate transformation taking place in their lives and work. Thank You Father for calling each Of them to this special work. In Your Name we pray, Amen!

Interim Rectors Report – Rev. Susan Pinkerton

- Susan+ reported she continues her meetings with parishioners, staff, the Wardens and Vestry members. Eventually she would like to meet with all of the parishioners.
- Sabrina and the office staff are working on a new, cloud-based, website based on the Realm platform. They will send out screen-shots to the Vestry to see what it looks like.
- During Lent there will be an 8am Eucharist followed by "Coffee and Donuts" adult education opportunity.
- Susan+ is meeting with the Worship Team monthly.
- Jen Peiler and Maureen are working on a brochure for Easter Season to publicize all of the services/events.
- Karen has located 2 options for the May Vestry Retreat, they are working on finalizing the location.

Wardens' Report – Katherine Beckett-Goodwin, Sr. Warden

- Wardens will be supporting Jim and Susan+ during the transition of the Operations coordination position.
- Katherine announced she is stepping back from [some] responsibilities as Sr. Warden. [*Further clarification provided later:* This means stepping back from some of the previously expected heavy-lifting attributes (time, planning, administration, etc.) of the traditional St. David's Senior Warden position. Katherine will continue as Sr. Warden of the Vestry through the end of her current term through April 2023, and until a new Sr. Warden is elected (per Canons). Handing off the heavy lifting pieces to Rev. Susan gives Katherine a much-needed break, and gives others more opportunities to volunteer. Katherine will continue to focus on the financials in addition to supporting the transition work with Jim for operations as needed.]

Closing Prayer: The prayers were created by Carol Bonifant, Chaplain to the Vestry.

St David's is being transformed, changed, and lovingly fashioned into a new church. As your leaders we greet these adjustments with confidence, honored by Your individualized touch to our lives. Show us how to invite others into this Holy Adventure. Without reservation we roll up our sleeves to do whatever it takes to bring Your will about! In the Name of the Father, the Son, and the Holy Spirit we pray, Amen.



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Adjournment – The Rev. Pinkerton, Interim Rector, adjourned the Vestry Meeting at 8:29 pm.

NEXT VESTRY MEETING – March 15, 2023 at 7:00 pm (Hybrid Meeting)

Thank you to Sharon Easley for taking notes and providing the draft Vestry Meeting Minutes for 2/15/2023.

Respectfully Submitted:

Katherine Beckett-Goodwin
Sr. Warden & Register
St. David's Episcopal Church & School
March 8, 2023

Motions & Items of Note:

Approved: February 15, 2023 Vestry Meeting Agenda

Approved: January 18, 2023 Vestry Meeting Minutes

Approved: 2022 Parochial Report

Approved: January 2023 Church Organization Treasurer's Report

Approved: 2023-2024 Preschool Budget

Approved: Financing Option #1 as presented by the Finance Committee will be utilized **IF and when** the HVAC Geothermal Replacement System Project is approved to move forward.