

**Minutes of the Vestry Meeting  
St. Timothy's Episcopal Church  
December 12, 2005**

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Present: Patrick McCleery – *Senior Warden*, Gil Brady, Nan Fuller, Madeleine Gerdes, John Harrison, Annett Inacker-Trail, David Mintz – *Junior Warden*, Stephanie Phillips, Bill Shreve, Susan Slakey, Tom Stolarik, Tom Six – *Treasurer*, Lavonne Bieber – *Clerk* and The Rev.'s Kevin Phillips – *Rector* and Maly Adams - *Priest Executive*.

Absent: Sam Fouquet

There, being a quorum, the meeting was called to order at 7:15 p.m. after Evening Prayer.

**Item of Business #1: Acceptance of November 2005 Minutes**

Motion: To accept the November 2005 Minutes.

Moved: Susan Slakey

Seconded: David Mintz

Passed unanimously.

**Item of Business #2: Kevin's Resignation**

Kevin briefed the Vestry on his Call to resign from St. Timothy's to become the Rector at St. David's Episcopal Church in Ashburn, VA. Their current Rector is retiring. The Parish has 1000 members with a pledge base of 278. Kevin noted that St. Timothy's has had a steady growth over the last 5 years and he is confident in St. Timothy's leadership. Kevin's last day with us will be Sunday, January 15, 2006. He will start on February 1, 2006 at St. David's. Kevin announced that he has asked Susan Slakey to serve as the Senior Warden for 2006. Kevin will start transitioning things to Maly, while all decisions will be deferred to the Senior Warden. Kevin also noted that the Vestry would need to help Maly in finding someone who can assist her with preaching during the interim. We also need to make a decision on whether we want to sell the Rectory and split the amount with Kevin or do we want to buy Kevin's portion and keep it for the next Rector.

Motion: It is the Vestry's intentions to buy the Rector's portion of the Rectory at a fair appraised price.

Moved: Madeleine Gerdes

Seconded: Gil Brady

Passed unanimously.

**Item of Business #3: Treasurer's Report**

Tom reported revenues for November were \$12,385 (16.4%) over budget. Year-to-date revenues are \$63,717 (7.7%) over budget. This is due to pledge income for November being \$5,014 (10.4%) over budget and year-to-date pledge income being \$50,502 (9.5%) over budget. Plate and Holidays was \$1,559 over budget for November and is \$6,422 over budget for the year. Expenses for November were \$2,891 (4.1%) under budget. Year-to-date expenses are \$17,053 (2%) under budget. This is due to Salaries/Benefits, Office/Services, Rectory Maintenance and Evangelism being under budget. These were offset by Hospitality and Youth Program both being over budget. We ran a \$15,277 surplus versus budget for the month and an actual surplus of \$20,776. We have a year-to-date actual surplus of \$81,227 in the general fund and a cumulative overall surplus of \$62,558 in the general fund. Restricted fund balances were increased by \$779 in November. Cash summary, we took in \$21,555 more than we spent for the month.

Motion: To authorize Social Services to spend 4% (\$5,750) from the 2005 Budget.

Moved: Bill Shreve

Seconded: Madeleine Gerdes

Passed unanimously.

Motion: To transfer \$50,000 from the 2005 General Fund into a Capital Reserves Fund.  
Moved: Bill Shreve  
Seconded: Gil Brady  
Passed unanimously.

Motion: To accept the Treasurer's report  
Moved: Susan Slakey  
Seconded: Stephanie Phillips  
Passed unanimously.

#### **Item of Business #4: 2006 Budget**

Tom reviewed the second draft of the 2006 budget. It was suggested that we drop the percentage from 97% to 93%. It was also suggested that we add a line item in the budget for the Rector Search and purchase of the Rectory. The Finance Committee will revise and present the 2006 Budget in January for the Vestry approval. Maly reported that we have received 147 pledges in the amount of \$651,478. Last year the amount was \$625,708. We have received 12 new pledges so far.

#### **Item of Business #5: Vestry Nominations**

Maly noted we have 4 Vestry Members who are scheduled to go off in 2006. They are David Mintz, Patrick McCleery, Sam Fouquet and Madeleine Gerdes. Maly pointed out that the Rector can appoint one-year terms and asked if they would consider serving another year to keep continuity during the transition of finding a new Rector. We will discuss further in January.

#### **Item of Business #6: Rectory Succession Planning**

Bill reported that David Wilde, Stephanie Phillips and he have developed a Rector Succession Plan. Bill will forward the Plan to the Vestry for their comments. We will discuss in detail at the January Vestry Meeting.

#### **Item of Business #7: Clergy Housing**

Motion: The following motion was voted on via e-mail

Whereas, section 107 of the Internal Revenue Code permits ministers to exclude from gross income (in computing federal income taxes) a church-designated housing allowance paid to them as part of their compensation to the extent used for actual expenses in owning or renting a home; and

Whereas, the Rev. Kevin Phillips is compensated by St. Timothy's exclusively for services as a minister; and

Whereas, St. Timothy's does not provide Rev. Phillips with a parsonage; therefore, it is

Resolved, that the total compensation paid to Rev. Phillips for calendar year 2006 shall be at least \$103,704, of which \$49,450 is hereby designated as a housing allowance pursuant to section 107 of the Internal Revenue Code.

Whereas, section 107 of the Internal Revenue Code permits ministers to exclude from gross income (in computing federal income taxes) a church-designated housing allowance paid to them as part of their compensation to the extent used for actual expenses in owning or renting a home; and

Whereas, the Rev. Maly Adams is compensated by St. Timothy's exclusively for services as a minister; and

Whereas, St. Timothy's does not provide Rev. Adams with a parsonage; therefore, it is

Resolved, that the total compensation paid to Rev. Adams for calendar year 2005 shall be at least \$73,404, of which \$30,000 is hereby designated as a housing allowance pursuant to section 107 of the Internal Revenue Code.

Resolved that for the calendar year 2006 the Rev. William Messenger will have up to \$33,900 of any compensation he receives from St. Timothy's designated as a "parsonage allowance" under IRS regulations.

Moved: Susan Slakey

Seconded: Gil Brady

Passed unanimously.

There, being no further business, the meeting adjourned at 10:10 p.m.

Motion: To adjourn

Moved: Stephanie Phillips

Seconded: Susan Slakey

Respectfully submitted,  
Lavonne Bieber, Clerk