

**Minutes of the Vestry Meeting
Tuesday, September 13, 2011**

Present: Nelson Frick, Sue-Ellen Johnson, Beth Leonard, Holly McCullough, Larry Mendoza, David Mintz, *Junior Warden*, Grace Schmidt, *Senior Warden*, Wyn Schuh, Jonathan Trail, Bill Shreve, *Treasurer*

Vestry Members Absent: Beto Casellas, The Rev. Janet Wheelock, *Interim Rector* and Lavonne Bieber, *Clerk*

The Vestry meeting was called to order at 7:20 p.m. The meeting began with Prayer.

Item of Business #1 – August Minutes

Motion: To accept the August Vestry Meeting Minutes
Moved: Larry Mendoza
Seconded: David Mintz
Passed unanimously

Item of Business #2 – Treasurer’s Report

- a) Bill reported that Revenues for August were \$14,000 over budget largely due to the Champion school paying their facility use fees for the rest of the year in August. Operating expenses were below plan due to lower salary and benefits expenses, a credit for the preschool as the playground improvements were moved from operating expense to capital improvement, proper crediting of the rectory rental income, and timing issues. The result is \$22,044 more revenue than expense for August. (Note from Bill: A comparison of the August Balance Sheet and the one I gave you in July will not show this increase in cash. Because the July report was generated before I left on vacation, it did not include salary or Rectory mortgage expenses. When these were included in the final financial report, July expenses were up \$18,700 above what I reported). Cash flow into the general fund was about \$16,250 for the month. This partially compensates for the \$22,000 decrease in the general fund we saw in July. Total cash also increased by almost \$12,000. Revenues: Pledge was down \$700 for the month, but is still \$23,500 ahead of plan year-to-date. Building use is up because the Champion School paid up for the year. Plate continues to be far below what we budgeted. Expenses: Salaries and Benefits are about \$2000 below budget due to reduced hourly costs in August.
- b) Bill and Joanna Shreve are reviewing all of our restricted accounts to validate the balances and should have corrected numbers for most accounts by next month. In researching the accounts Bill discovered that we are unable to get account information for a CD (certificate of deposit) that was set up with Washington Mutual and taken over by Chase when Washington Mutual went out of business. Bill prepared a resolution that will authorize him, as the Treasurer of St. Timothy’s Church, to obtain paper copies of statements and/or access electronic records relating to this account and to obtain signature cards relating to this account so that they may be updated to provide access to the account by current church members as authorized by the Vestry.

Motion: To grant authorization to Bill to access St. Timothy’s Chase account records
Moved: Grace Schmidt
Seconded: Beth Leonard
Passed unanimously

- c) It was discovered that authorized signatories for our credit card machine (used for Rummage Sale, Oktoberfest, and Pentecost barbecue) are John Heltzel and Michael Diamond. Bill prepared a resolution to authorize Beth Leonard to “personally guarantee St. Timothy’s credit card account with Elavon and to remove John Heltzel and Michael Diamond”.

Motion: To grant authorization to Beth to be the guarantor of the Elevon credit card account for St. Timothy’s
Moved: Nelson Frick
Seconded: Holly McCullough
Passed unanimously

- d) Bill has been reviewing the Heritage Oak Fund Guidelines and Policies and had discussed them with the Chancellor of the Diocese and parishioner, Mike Drew, who was instrumental in getting the fund established. It has been confirmed that the Vestry has the authority to modify the fund at any time. Bill has proposed that he and a sub-committee get together and decide what changes they would like to propose to the Vestry. Beth and Nelson both agreed to be on the subcommittee.
- e) Preschool enrollment is down 27% from last year. The drop in enrollment represents a significant decrease in income for St. Tim's. It is projected that the net reduction in income that we need to absorb will be \$50,000 next year. There are a number of factors that could be contributing to the decrease in enrollment. Some ideas for boosting enrollment were discussed by the Vestry: more flexibility for age restrictions, more flexibility for hours and more marketing both inside and outside of the parish. Grace will talk more about marketing with Janet. Bill and Larry are interested in this, too.
- f) The 2010 audit was completed by Richard Smith and the report is available in hardcopy from Bill for anyone who wants to see it. The auditor included comments and recommendations for setting up discretionary funds and guidelines for the disbursement of funds in the restricted accounts. Bill also noted that we need to manage our Payroll and Benefits records better. The Vestry agreed that these responsibilities should be added to the Parish Financial Administrator job description. He also noted that we need to tighten up our money counting procedures. The Vestry asked for a short training session.

Item of Business #3 – Senior Warden

- a) Jonathan reported that the sub-committee discussed the feasibility of combining the two positions of Parish Administrator and Financial Administrator into one full-time position and decided to revisit this issue in 6 weeks. In the meantime, both positions will continue as part-time interim.
- b) Youth and Family Ministry position is posted on Episcopal Diocese of El Camino Real website. Position is 30 hours per week which includes full benefits. Holly and Wyn have started interviewing candidates.
- c) Bill is preparing the Pro-Forma 2012 budget.
- d) Grace, David, and Beto are almost finished working on the results of the Interim Mutual Ministry Review. One more staff person needs to be interviewed. Grace handed out copies of the August 2011 report in progress. A brief synopsis of the Interim Mutual Ministry Review will be published in the Word Weekly this Sunday.

Item of Business #4 – Facilities Report

Nelson prepared and distributed a detailed report "St. Timothy's tree survey and recommendations September 2011" which is the result of the surveys of all of our trees that were done by two local arborists. The Vestry agreed with his "suggested actions" to address the most critical tree issues immediately and assess how we could take care of some of the less critical work in a more cost-effective way (Men's Group, confirming if any of the tree maintenance falls under the responsibility of the adjacent Medical Office, finding low-cost stump grinding companies, etc.) It was decided that we should allocate funds from either the Capital Improvement or the Tom Parks Memorial Fund to immediately take care of the Heritage Oak tree and the two dead and dying Ash trees right outside the Guild Room windows. Nelson will follow-up with the arborists and get more information from them about acquiring a city permit to remove the Ash tree that is not yet dead. It was also recommended that we communicate to the members of our parish that we are taking measures to preserve our Heritage Oak Tree which should greatly increase its longevity.

Motion: To allocate no more than \$6,000 in funding for tree services to take care of the most immediate issues

Moved: Holly McCullough

Seconded: Jonathan Trail

Passed unanimously

Item of Business #5 – Oktoberfest

Everyone reported on their Oktoberfest Teams and it looks like we are in good shape. The main concerns at this point are that we need to get more auction items and sell lots more tickets. Beto has a huge assignment so others may need to step in and help him. Jonathan has agreed to be bartender.

Item of Business #6 – Anything else

- a) Vestry members gave thanks for our many blessings.
- b) Jonathan will send the Vestry an email regarding the upcoming Stewardship campaign and will need our help with the campaign.
- c) Jonathan recommended that we consider what the Vestry's priorities are for our Rector search and communicate them to the Search Committee.
- d) We agreed that Bill will do a brief money counting session for Vestry and all other money counters before the October Vestry meeting. The training will be from 7:00 to 7:30 and the Vestry meeting will follow beginning 7:30.
- e) Bill passed around the 2012 Vestry money counting schedule for Vestry members to sign up for their monthly assignment

There being no further business the meeting adjourned at 9:40 p.m.

Motion: To adjourn

Moved: Larry Mendoza

Seconded: David Mintz

Passed unanimously

Respectfully submitted,

Sue-Ellen Johnson, Vestry member