

## St. Mark's United Methodist Church

### Guiding Council Meeting Minutes

November 21, 2022—6:30 pm—Zoom Teleconference

#### Members Present:

Administration: Betty Schiele, Anne Boyle, Sarah Vaughan

SPRC: David Harmon, Julie Marshall

Trustees: Laura Godwin, Justin Coffey, Rob Heare

Finance: Chris Franklin, Kendall Humphries, Kitty Ambers

Lay Leadership: Lynne Kelly, Mark James, Jon Ryan

Secretary: Dani Corrigan

**Staff present:** Justin White, Hannah Hopper, Kelly Chin

#### CALL TO ORDER (6:31)

Betty called the meeting to order and conducted roll call.

#### DEVOTION – Chris Franklin

Chris shared a devotional from Kelly McFadden. *Philippians 3:12-14 Brethren, I do not regard myself as having laid hold of it yet; but one thing I do: forgetting what lies behind and reaching forward to what lies ahead, I press on toward the goal for the prize of the upward call of God in Christ Jesus.* He shared that Thanksgiving was celebrated in October 1621 and it was not until Oct 1777 that all the 13 colonies celebrated. George Washington recognized it, but it did not become a tradition. It was not until Sarah Hale wrote letters to leaders for 40 years that Abraham Lincoln declared the first Thanksgiving in 1863. Since then, every President has celebrated Thanksgiving.

We learn from this story the importance of perseverance which relates to our faith as Christians. The Christian faith is described as a marathon, not a sprint. Each day we have choices to make and read our Bible. Paul reminds us Christians are made to persevere. We must look to God for a bigger plan and press on towards the call of Christ.

#### OPENING PRAYER- Chris Franklin

#### PRAISES (6:35)

- Justin White celebrated that today is David Harmon's birthday.
- David and Rebecca went to the game night and chili cook off and it was a fun night.
- Mark & Connie James' daughter, Jessica, is getting married next month to a wonderful man. Laura is in the wedding. Laura and Jessica met as children at St. Mark's.
- Dani assisted with Turkey Bag deliveries and the church collected 155 bags! St Mark's committed to 120. Service to Others decided to designate 10 bags for a similar program that the Chesterfield County Schools puts on for the homeless students and their families. They have an almost identical list of items. What a blessing St. Marks was able to give many families for the

holiday. As a former teacher, Betty is grateful for mission work “at home” as we support local mission work.

## **MINUTES (6:41) -- Betty Schiele**

The minutes for October 17, 2022, were reviewed.

- Mark had some questions regarding the 2023 budget clarified by Chris and Justin. Mark asked if it should be included in the minutes. Chris shared that this detailed information was not included in the October meeting, but he will include the highlights in his report later during tonight’s meeting.
- Laura made clarification for the Trustees report. CLC roof warranty was one year. The year has passed.
- Dani will add an addendum to the October minutes regarding the motion and vote that occurred via email for the new AV part time position.

Julie moved to approve the minutes for October 17, 2022, meeting with the above corrections to be approved. The motion was seconded by Sarah and was approved unanimously.

## **FINANCE (6:47): Reports in Google Docs**

Chris Franklin informed:

- October 2022 P&L Highlights:
  - Total revenue for the month was \$52,000.00. This is \$4,100.00 below budget and \$229 better than last year. Electronic giving and plate giving are lagging from last year. Advanced giving and rental income continue to be strong.
  - Total expenses were \$47,866.00 which is \$992.00 lower than budget and \$2,268.00 higher than last year.
  - Net ordinary income is \$4,530.00 which is \$3,000.00 lower than budget and \$2,000.00 lower than last year.
- Year to Date Highlights
  - Total income is \$550,406.00 This is \$15,000.00 below budget but \$27,000.00 better than last year. Electronic giving and plate giving are down. Advance giving and rentals are going well.
  - Total expenses were \$498,037.00 which is \$168.00 over budget and \$29,632.00 over last year.
  - Net ordinary income is \$52,369.00 which is \$15,000.00 below budget and \$2,000.00 lower than last year. The way we are recording capital campaign funds is making an overstated profit.
- October Balance Sheet Highlights
  - Total Savings: \$377,846.00
  - Total Assets: just over \$2 million
  - Mortgage: \$1,053,295.00
  - Total Liabilities: \$1,442,625.00
  - Equity: \$646,354.00

- Capital Campaign Fund
  - End of September Balance: \$147,603.00
  - October Receipts: \$5,556.00
  - October Disbursements: \$14,996.00
  - Balance: \$138,162.00
- Duplex end of October activity
  - September Balance: \$177,562.00
  - October Interest \$22.63
  - October Balance: \$177,585.00

## APPORTIONMENTS

Justin White informed:

- There are district level and state level apportionments. The amount for each church is based on what the church spends on ministry, not based on membership, missions, nor debt. The amount changes every year. The amount set for the upcoming year is lagging behind by two years, ie the 2023 apportionment is based on 2021 ministry budget. Our apportionment funds go to the following categories:
  - Conference Mission and Ministries:
    - This includes 13 campus ministries that are supported by the Virginia Conference. This includes VCU as well as the UVA campus that has been assisting with the recent tragedy.
    - All God's Children, a camp for children of incarcerated parents and Camp Rainbow Connection, a camp for adults with special needs. Stacy Roberts is the director for Camp Rainbow Connection.
    - Disaster response. Anne asked about difference between UMCOR and Disaster relief. UMCOR is international. This is more local funding.
    - Grants for churches.
  - Conference Service Fund
    - This covers annual conference expenses and board of ordained ministry.
  - District Superintendents Fund
    - Supports the work of eight District Superintendents. They merged from sixteen to eight which has saved over \$70,000.00.
  - Equitable Compensation Fund
    - There is a minimum salary requirement for full time clergy. Licensed Local Pastor is \$38,000.00 up to Full Connection which is \$45,000.00. There are churches that cannot make this compensation. For example, there is a church in Alexandria called Rising Hope. It is for homeless service. They have a food pantry and hypothermia shelter. That church is unable to pay for an elder minister and they had one for almost 30 years. This fund helps to support these churches.
    - The equitable compensation committee meets every year about these churches.
  - Church Extension and Development Fund
    - This provides funds for growth such as NLI which St. Marks has directly benefitted from. It also helps with new church starts.
  - Virginia Education Fund

- This fund supports Methodist Colleges and scholarships for Methodist students attending these schools.
- Active Clergy Health
  - Provides health care benefits for active clergy.
- Retired Clergy Health
  - This covers health insurance for retired clergy. We have five retired pastors that attend St. Mark's and this covers their health insurance.
- Episcopal Fund
  - This supports the work of the bishops which includes salaries, housing, expenses, and benefits.
- World Service
  - This fund supports missionaries working in other countries including their salaries and program expenses. These includes UMCOR and other worldwide programs.
- General and Interdenominational Fund
  - This supports working with other churches including the World Council of Churches.
- Ministerial Education
  - Supports thirteen seminaries through supporting the school and scholarships for students attending the seminaries. If there were a student from St. Mark's to be called to ministry they could receive a scholarship to attend. Pastor Justin shared that he benefitted from these funds as a student.
- Black College Fund
  - Supports funds to Black Colleges. All but two of these are in southeast which is our district.
- Africa University Fund
  - Three decades ago, the African Bishops asked the American churches to support higher education in Africa. Africa University is in Zimbabwe and the goal is to have students from all countries of Africa attend.
- Justin opened the floor for questions regarding apportionments.
- Anne asked how many churches in Virginia paid all of their apportionments? Justin said he would guess about half. Leadership has worked hard in the last year to try to bring expenses down. They understand the burden but also the value that it has. St. Mark's has not paid full apportionments in the last seven years which is as far back as Kelly is aware.
- The current goal is to increase apportionment giving by 10% a year. If you are not making progression in apportionments, then you cannot give you pastor a salary increase. The proposed 2023 budget for St. Mark's includes a 10% increase.

## **BUDGET 2023**

Chris informed:

- Highlights from the proposed budget for 2023
  - The last couple years Relevant has been included as a part of worship. It is now a separate line item.
  - \$52,000.00 for apportionments which is a 10% increase.
  - Total expenses budgeted for 2023 are \$718,925.00.

- Anticipating revenue of \$671,914.00 for 2023 which is a \$25,000.00 increase
- Hannah calculated the pledges turned in on November 20, 2020. The estimated revenue from pledges increased from \$608,000.00 to \$627,000.00 and \$10,000.00 to \$15,000.00 for anonymous donations.
  - There was a total of 93 pledges equaling \$353,000.00, which is an increase of \$20,000.00 from the proposed budget and changes the total revenue to \$696,000.00.
- There is a projected loss of \$23,000.00. There is \$84,000.00 for mortgage and interest that is included in the budget. This will be covered by Capital Campaign funds for upcoming years. It will eventually return as an expense, so it has been left in as a line item. The part time AV salary is \$15,000.00 from the SPR budget line that will be taken from the Duplex account. This creates the net for the year to be \$76,000.00.
  - If we get to a point in June when revenue is not there, or an adjustment needs to be made based on maintenance costs, then the apportionment payments can be adjusted. Kelly pays apportionments monthly. She is able to pay the amount without the 10% increase and add the additional 10% as the year goes on.
- Mark stated that we were unable to offer Pastor Fran a raise over her 6 years as we did not pay our full apportionments. Mark asked if we pay the 10% then would this allow for Justin to have the opportunity for a raise as it had previously been required to pay the full apportionments for pastor raises. Mark stated that apportionments funded by apportionments are important; however those funds can be used at St Mark's, especially in challenging economic conditions. Mark would like more information on churches disaffiliating, on the new bishop from North Georgia and changes within the Methodist church. Betty said the next meeting will be first Monday of December which will be earlier in the month meaning there will be less monthly business to allow more time for this information to be discussed.
- Betty stated that the apportionments will need to be paid throughout the year to make sure we have made the 10% increase so that we are eligible to give Justin a pay increase.
- Laura asked if apportionments are paid in 2023 then is Justin eligible for a raise in 2023 or 2024. Betty said he would be eligible for 2024.
- Laura asked for GC to view the budget from a Trustees perspective. Buildings and Grounds is the one budget that consistently goes over. \$127,000.00 does not consider raise of cost of service. It assumes the best-case scenario and does not include repairs for plumbing, roofing or kitchen or aesthetic changes. The cost of the workdays is in the budget. The most recent workday on November 5, only nine people attended. The workday occurred after GC proposed use of workdays to offset the budget for building and grounds however no Guiding Council members came. It needs to be decided if we want volunteers to focus on ministry or working on the church. The younger generation is here for events the family can participate in. Vision Council reports are always requesting more volunteers. Many of the volunteers who come to the workdays are aging and unable to do the physical labor. If childcare is an issue, then that can be provided but it will cost money. Culture of volunteerism will not solve the maintenance problem. Hannah provided an example of the window that needs work in the preschool. Ten years ago, we had members able to volunteer to help, now we do not. If we continue to be reactive instead of proactive it will cost us more. \$142,000.00 was asked for the buildings and grounds budget but it was lowered. The additional money will now be coming from the Capital Campaign maintenance fund. Ninety percent of things in the maintenance reserve fund will most likely need repair. The Trustees completed a walk through out the church, and they found 49 items that need to be fixed. Only 15 of these can be completed by volunteers. Some of these are

safety issues. We are increasing younger membership, but we need to care for our older members. We want them to be able to focus on ministry and not physical labor as they age. Laura does not agree that the proposed Buildings & Grounds budget is an accurate representation and stated that \$142,000.00 is more realistic. If we do not prioritize preventative maintenance, then it will cost more, plus people do not want to come to a church that is falling apart.

- Betty opened the floor to suggestions.
  - Chris said they are able to put what is more realistic than we are in a hole. We have to balance building needs versus ministry. It puts the budget in a difficult situation. How can we match our revenue with our expenses? We need to spend to get revenue.
  - Hannah shared that we need to be realistic about the needs of the church and also when Capital campaign is not available.
  - Chris reports disposable income is decreasing for many families. There will probably a year or two before things level back out. If we don't have the revenue, then we will not be able to cover these items.
  - Laura is worried that if we continue to "toe the line" including not giving staff raises for them to cover inflation. What is a realistic number of what it costs to run the church?
  - Kitty commented on the importance of having Hannah's updated numbers from the pledge. People who are giving to the Capital Campaign are not going to understand why they donated and things are not being fixed. She would like the true numbers to be presented including what is 100% apportionments and the maintenance budget.
  - Anne stated a big group of the people who previously participated in labor at the church are aging out.
  - Betty asked if there is a breakdown of the \$142,000.00 in a spreadsheet. Is it possible to have a prioritization of the breakdown? Hannah had broken it down and color coded for items that could be taken out. Betty is not able to do the volunteer work but she could help monetarily sponsor workdays. They may be something others who are not able to do the physical labor may be willing to give.
  - Justin said you either raise the money or you get the volunteers. The items they tried to cut are what tasks volunteers can do. To increase volunteer turnout there can be emphasis on picking dates ahead of time, providing childcare, and making an effort to get help. The maintenance reserve funds are for the items that are breaking, and it will help us to catch up.
  - Betty reported it that it does not sound like we are ready to vote on the budget at this time. The next GC meeting is December 5, 2022. The 2023 budget will need to be approved at that time.
  - Justin asked if the budget for worship budget could be approved tonight to allow staff to plan January prior to December 5.
  - Laura stated that \$142,000.00 would be a realistic Buildings and Grounds budget. This would allow for the Capital Campaign reserve to be held for true maintenance needs.
  - Kitty asked for donor adjustment which Hannah stated is \$628,270.00 with total revenue \$696,770.00 that includes rentals.
  - Kitty asked what the goal is for the net. Justin said it is 0%.
- Betty said it makes sense to be preventive for maintenance. Betty is recommending that Finance committee, Trustees and Hannah will meet to adjust the 2023 budget. Guiding Council will vote on the entire budget at the December meeting that is two weeks from now. Thank you to everyone who has been working on the budget. Thank you to Laura for stating what we needed

to hear. Betty has talked to many people who have not attended worship since before the pandemic and their comments are very positive as they return to the building.

- Anne is unable to make the meeting in December. She does not want to cut the apportionments so that the Pastor will be eligible for a raise in 2024.

### **TRUSTEES (8:01)- Report in Google Docs**

Laura Godwin informed:

- The nursery hallway is looking better. Mold remediation has been completed. Rob Heare's proxy made some great aesthetic decisions for the tiles. The goal is to be done by December 24.
- True Timbers removed a dead tree from the FACES house and trimmed branches in the courtyard. We are grateful for not having a hurricane this year, will be safer for next year.
- Room 202 has a large discoloration on the carpet from massive roof leak. The staff has been handling communication issues with the roofing company. Although the roof is out of warranty, the repair workers mentioned it is from the initial install. If you see a leak, please alert trustees right away, they are marking these on the roof. Kelly asked which roofers to keep an eye out for potential bill. It is NCI.
- Security cameras are installed.
- There was a recent water issue where the spigot was on and running one morning. We may want to decide if need for another security camera. If you get to church and there is water running, please turn it off.
- Church workday had nine volunteers and painting was done in the children's ministry hallway. Trustees are looking to have another workday in early spring.
- The thermostat in preschool has been replaced. The HVAC units in the sanctuary were working against each other. They are now insulated, and this should be resolved.
- There is a window in the preschool that needs repair. Kelly found someone to work on it. We own the preschool. The preschool staff communicate with the office staff regarding any repair needs.
- Flinn's completed the scope of the courtyard pipes. The pipes are old. They recommended preventative maintenance including flushing.
- Trustees made the decision to terminate the housekeeping group, Vanguard. There were multiple communications with the manager regarding issues. The changes were made for a few weeks and then the issues returned. There was a major issue in the men's bathroom in the CLC which they did not report to the church for about 6 weeks. The new cleaning company will be City Wide. The supervisor will be coming on site once a week. Unlike the other company, they will have set cleaning times. This will be better for the preschool as well. If you see something broken, even minor, please let a trustee know.
- GC members thanked Laura and the trustees for all they do. Laura thanked the office staff for all of their work with collaborating with vendors so the Trustees can work their full-time jobs.

### **VISION COUNCIL (8:13) - Report in Google Docs**

Sarah Vaughan informed:

- Dates and details are in the VC report. There are a lot of events for Christmas coming up.

- This Sunday following the services will be Decorate God's House. There will be a light snack lunch provided to volunteers. People can set up after both services, not just after 11 AM.
- Santa Drive thru is Dec 3. They need help with setting up.
- Next mission Sunday is in January. The October mission Sunday was a collaboration with Service to Others and Congregational Care. The children filled flood buckets, made animal toys for Sanctuary Rescue for the mission dinner, and made cards for homebound members.
- Trunk or Treat was very successful. There has been conversation about a "trunk closet" to allow for decorations to be reused in the next year for people who may not be as creative. They will be reaching out to the groups hosting mission dinners if they want to participate with a trunk next year.
- Wednesday night mission dinners are filled up through March. The December posting says November. Hannah will fix this.
- There are plans for a second Rise Against Hunger meal event at end of April since the all event was so popular.
- Game night and chili cook off had 40 people attended. It was recommended that may be it should be a January event when it is not as busy with church and school events.

Hannah and Kelly left the meeting 8:18

### **SPR(8:19)- reports in Google Docs (CONFIDENTIAL)**

David Harmon informed:

- New AV position:
  - On October 29. David sent out an email with a motion from SPR to create a new AV position and the vote was approved by email.
  - Pastor appointment request will be sent to District Superintendent Lee. David will be completing this to send in.
    - Lynne asked if the group needs to fill out paperwork regarding this. David will send an email out to the current GC and the new GC members. Lynne informed that in the past the new GC members will be invited to the December meeting.
    - In June there will be the pastor's professional evaluation which is different from the current appointment request.
  - Staff appreciation holiday lunch in December and gift. Pastor Justin and SPR plan to use \$2,000 from duplex fund to staff gifts. You can give through Breeze or Rebecca and David will be available at church the next two weeks.

### **ANNUAL CONFERENCE**

Anne Boyle informed:

- On October 29 at 9:00 via Zoom there was a special Annual Conference meeting. The purpose of this meeting was to vote on the three churches that wanted to close using the Paragraph 2549.3 of the Discipline. All were approved.



- The second part of the meeting involved 10 churches disaffiliating using Paragraph 2553 of the Discipline which allows churches to disaffiliate related to concerns on human sexuality. The report includes the list of the churches and how much they will have to pay.
- There will be three meetings next year to have opportunity to petition for disaffiliation next year. Paragraph 2553 will expire in 2023.
- Justin added that everything was very straight forward and there was no argument. It was lengthy because you are required to vote on each church individually. Hopefully General Conference will happen in 2024 for more direction.
- Anne's credentials were revoked since they had already changed over to the new Annual Conference representation after the Charge Conference, so she was not able to vote. Betty attended the Zoom meeting and voted.
- Anne opened the floor for questions.
  - Betty reported there was one person who was complaining about doing the meeting on Zoom. The leaders reported it saved a lot of money with doing Zoom meetings.
- Anne closed by saying she is not able to make the December meeting. She will miss everyone on GC. Wished everyone Happy Holidays. Thank you for allowing her to serve.

#### ANNOUNCEMENTS AND REMINDERS (8:34)

- Next meeting will be December 5, at 6:30 on Zoom
- Betty will be inviting the new members to join.

#### **CLOSING PRAYER AND ADJOURNMENT**

Betty closed with prayer. Betty adjourned the meeting at 8:35 PM.

Next Meeting: December 5, 2022, at 6:30 PM on Zoom.