

Vestry Meeting
St. Francis By-the-Sea Episcopal Church
December 15, 2021

Present via Zoom were Nathaniel Boëchat, Junior Warden Sarah Everdell, Heather Ford, Bill Gould, Treasurer Kevin Hunt, Tyler Knowles, Senior Warden Milissa LaLonde, Clerk Chris Ramsay, Fr. Brent Was, and Lynne Yurosko.
Kate Mulrenin was absent.

Brent opened the meeting at 6:30 p.m. with a prayer.

The Vestry voted to accept the **minutes of the November 17, 2021 meeting.**

Treasurer's Report. – Kevin Hunt

Kevin reported on Finance through 2021.

Gross revenue to date is \$262,000, which is more than we'd budgeted for the year. Expenses through the year may well equal the expenses, better than we'd anticipated.

The Rector's Discretionary Fund is looking better than it was in November. Before January, pre-paid pledges for 2022 count as liabilities; as of January 1, they'll become income.

Kevin spoke with Terry Reimer (Canon for Finance and Stewardship); the Diocese is working on the resolution of the second draw of the PPP (Paycheck Protection Program) Loan; it doesn't look like that will come through until 2022.

The Flower Guild would like to transfer \$500 from the Flower Guild fund to the Discretionary Fund. The Vestry voted unanimously to do this.

A recent \$1,000 donation was made, \$500 to go to the Discretionary Fund and \$500 to Music. Carlton and Lorna said sufficient monies are in their budget, and they asked that this \$500 donation go to the Music Instrument Fund. The Vestry voted unanimously to do so.

As of today \$700 remains in Outreach Funds; all of the tags were taken from the tree so Outreach won't have to purchase children's gifts.

The 2022 Budget

Under Revenue, the Christmas Fair revenue line has been removed. All Other Income (41400) is mostly rent income from groups that use the church facilities. Flower Income (41500) is usually offset by Flower Expense (52238).

Electricity (52102) has been increased by 30% from last year because Versant Power has asked the PUC for that rate increase for 2022.

Cleaning Costs (52225) have increased \$2,500-3,000 over the previous year.

The budgeted Fire (52277) expense is \$4,400. The Finance Committee felt it better to not build extraordinary expenses into the budget – some non-annual expenses are more akin to Capital Expenses and should come from the Repair and Maintenance Reserve account, currently around \$28,000 after completion of the steeple project.

The Diocesan Assessment (52286) has decreased by \$2,400. This is based on 2020 data, and will probably increase next year.

Children's Ministry (53240) has increased with the hiring of a Director for ten months, as well as supplies.

The Annual Budget has projected a deficit of about \$46,000 for 2022. Downeast Spiritual Life Conference funds may well have to be used, as well as other funds. The PPP loans from the past two years will probably not happen for 2022. We have time to address this but we might have to use a significant portion of our assets, and will need to mitigate this as much as possible.

Discussion ensued.

We need to increase revenue; this is a very tight budget with not much if any room for reduction in spending.

A question was asked about Accounting Fees (52205). Lorelei Mckinnon of Searsport been our accountant since 2014. She supports Kevin, who functions as a treasurer rather than an accountant. Incidentally, there are no funds allocated to an CPA-level audit. We had our first audit in 2015, the second in 2018, and at some time we'll need to have another audit completed and it'll be about \$5,600.

Brent pointed out that the PPP loans and some reduced expenses related to the pandemic have masked much of the bigger picture. (1) Plate Income in 2019 was almost \$20,000; it was \$2,000 in 2020 and will be about \$9,000 in 2021. (2) The St. Francis Fair no longer brings in close to \$20,000 per year. (3) Brent's health insurance for a family is about \$33,000 compared to Claudia's \$11,000 for a single person. Added to the new Children's Ministry director, these are significant changes.

After the Fair was terminated, a Revenue Raising Committee to generate new ideas for fundraising was considered – we need to resurrect this committee.

Another capital campaign was discussed.

Sarah moved the Vestry approve the budget as written, subject to alterations later as needed. Bill seconded the proposal, and it passed unanimously.

Buildings and Grounds Committee - John Paul LaLonde

Johnson Controls does our fire alarm system. They're the only company in the state that deals with the SimplexGrinnell system we have. If we went with a different system, a different box as well as all the heads would have to be replaced. The control box by the back door is tied to all the fire detection devices in the building. It's an analog system which is now obsolete and parts are no longer made; if a component fails, the entire box would have to be replaced at that time.

An 2018 estimate to replace it with a digital box was \$3,800. Nothing was done. In May 2020, it was looked at again and a proposal submitted for complete replacement of the control box and all the individual alarm units – that proposal came in at about \$17,900. Nothing was done.

Johnson Controls came in early December 2021 and gave an updated proposal for replacing the control box only, not the entire system. The existing heads are compatible with this

new box. This was quoted at \$6,990. Building and Grounds recommends we replace the control box.

Our sprinkler system is inspected annually. Other components of this system should be inspected every five or ten years. This more in-depth inspection has never been done. In January 2021, Eastern Fire (Fire Protection Contractors and Engineers) did the annual inspection, and gave us a quote of \$5,900. An updated quote in December is “not to exceed \$6,700.”

The Buildings and Grounds committee recommends both replacing the control box with Johnson Controls and the in-depth inspection with Eastern Fire at a cost of roughly \$14,000, and taking those monies from the Buildings and Grounds reserve account. This would pretty much halve the funds in that account.

Bill moved we spend up to \$6,700 for the in-depth inspection of sprinkler system. Lynne seconded, and it passed.

Bill moved we replace the fire alarm detection panel at \$6,990. Chris seconded, and it passed.

Rector’s Report – Brent Was

The Vestry was asked to consider the following resolution:

“Whereas the Rev. Dr. Brent Was is employed as a minister of the Gospel by St. Francis by the Sea Episcopal Church, Blue Hill, Maine, which does not provide a residence for him, the Vestry resolves that of the total annual clergy compensation of \$82,680 paid to the Rev. Dr. Brent Was beginning January 1, 2022, \$24,000 be designated as a housing allowance within the meaning of the term as used in Section 107 of the IRS code of 1986.” Chris moved to accept this resolution; Bill seconded and it passed unanimously.

It was asked that the minutes be sent out closer to the date of the meeting, rather than just before the next meeting. Barbara is to be copied on this as well – she will post the unapproved minutes as “Draft,” to be replaced by the approved minutes after the following meeting.

Brent and Barbara will both take the week between Christmas and New Year’s off as a vacation week.

The Finance Committee has been considering a method to discuss finances with the congregation. Since work will continue on the budget, this will be addressed after more of the budget is finalized. Brent will announce the re-formation of a Revenue Raising Committee to replace the St. Francis Fair revenue, and ask for people with ideas to join.

Senior Warden’s Report – Milissa LaLonde

Our Epiphany bonfire is scheduled for January 6 at 5:30 p.m. Brent will offer a Eucharist at that time – with cooperative weather this will be outdoors; otherwise indoors followed by the fire. Insurance review doesn’t need to be addressed at this time – we do need to make sure the church is adequately insured.

The Vestry voted to ask Kevin to give to Brent, Barbara, Lorna, Carlton and Dick Doane the same end-of-year bonuses they were given in 2020. Chris moved this, Milissa seconded, and it passed unanimously. Milissa will communicate this to Kevin, and will let Chris know what the dollar amounts are.

Outreach Committee – Sarah Everdell

Leif Deetjen sent money to the church to sustain the Deetjen Campership – this should be a restricted account.

Discussion – should an Outreach Sustainability Fund be created? Traditionally, monies remaining at year's end have gone to the Discretionary Fund. Last year a grant was given for specific purposes; this money did not go the Discretionary Fund. Should the \$700 now in Outreach be transferred to the Discretionary Fund or should it be returned to Outreach? After discussion, the Vestry decided by consensus that it should be transferred to the Discretionary Fund. After ten years, Sue Grindle is stepping down as Chairman of the Outreach Committee. She also functioned as the secretary and managed the budget as well.

This might be the time for some re-alignment – St. Francis needs an Inreach Chair, and a Hospitality Chair. Perhaps we should seek a Coordinator of the Committee with a broader scope, rather than a Chair. Sarah and Brent will talk about this, and Brent will convene the January Outreach Committee meeting. Since some members of this committee hold jobs, this meeting might be held later in the day.

Education – Brent Was

Regina Christianson is starting her work with Children's Ministry and (depending on COVID), will start Sunday school in February.

Confirmation classes begin on January 9.

Tim Ensworth will start a six-week program on Jesus in visual arts following Epiphany.

In Lent we will do something around religious practice, possibly on conjunction with the Congregational Church.

The next Vestry meeting will be on Wednesday, January 19 at 6:30 p.m., and will be Zoom only.

The meeting was adjourned at 8:45 p.m.

Respectfully submitted,

Chris Ramsay, Clerk