

ST. LUKE'S EPISCOPAL CHURCH

Vestry Meeting Minutes

September 10, 2015

Vestry Present: Rev. Sandi Kerner, Ben Bruno, Jon Brew, John Rick, Cindy Coleman, Elizabeth Forrest, Stew Wolfe (via video).

Vestry Absent: Peter Boone, Rick Cole, Anne Larrick.

Guests Present: Rich Wolkiewicz and Greg Dunaway (Treasurer)
Church Trustees Peggy Sincock and Betsy Wilton
Mike Kerr, CEO of the Funds for The Diocese of Virginia

Opening Prayer: Rev. Sandi Kerner opened the meeting with prayer.

Introduction: Ben Bruno and Rev. Sandi Kerner introduced our distinguished guest, Mike Kerr, CEO of the Trustees of the Funds. He has a bachelor's degree from the University of the South and an MBA from the University of Richmond and is a certified financial planner. The Trustees of The Funds is an investment company related to the Diocese of Virginia but which offers investment management to any Episcopal entity in the Commonwealth of Virginia.

Mr. Kerr provided multiple handouts with statistics of endowment funds (attached) which included questions and answers such as "what is a church endowment fund?", "what are the benefits of an endowment fund?", "what is the difference in an unrestricted fund, a temporarily restricted fund and a permanently restricted fund". He also talked about the possible uses for endowment funds. As fiduciaries of the funds we are tasked to preserve equity for future generations. As a church we should not rely on endowment funds for operating expenses but rather for outreach.

After Mr. Kerr's lengthy presentation there was time allotted for questions / discussion from vestry and the Trustees. Betsy Wilton had reviewed the current Trust Agreement for Endowments and reported that our current investments are very conservative. She reiterated that the role of a trustee as a fiduciary is to produce income and to preserve for future generations.

John Rick asked Betsy if her understanding of the agreement was that the document gives the trustees authorization to transfer money to the vestry if requested. She answered yes.

Ben Bruno spoke about the generosity of our parishioners when a need arises such as replacement of an HVAC system or other building maintenance needs. He said he would like to find a way to encourage giving to funds that could be used for outreach, scholarships, music programs, etc.

Mr. Kerr stated that the average percentage of spending per year is 4.5% of average 16 month market value (principle) from interest. This can increase or decrease depending on performance but it is a benchmark that gives a vestry the ability to budget earlier anticipating payout of funds.

Rich Wolkiewicz said he endorses Mike Kerr as a professional. Mr. Kerr currently serves 130 of the 360 churches in Virginia. The Trustees of the Funds is chartered by the S.C.C. as a fiduciary, not a financial manager. Their mission statement is to be an economic engine for mission in Virginia.

Mr. Kerr stated that if we choose to use his services that he would report on a monthly basis by email on the status of funds by the 22nd of each month. He would provide a summary report, a management performance report and a unitization statement prepared by SunTrust.

Jon Brew asked the vestry “what is our overall strategy and what are our goals?” He stated he felt there needs to be better communication between vestry and the trustees.

Elizabeth Forrest stated that she will be serving a Financial Chair for the next vestry year and will set a meeting with Greg Dunaway, Treasurer, herself, Trustees Peggy Sincok, Betsy Wilton and Larry Lyons, Ellen Houser and Sally Silvy.

Greg Dunaway stated that he had 95% of the information needed to email quarterly reports on the endowment funds to the vestry. The outstanding questions / issues remaining pertain to a number of restricted accounts which include one- time projects. He stated there are also some grey areas regarding memorial restricted accounts. Currently we have approximately \$10,000 with no documentation as to how the money can be used.

MOTION PASSED: The vestry voted to approve Minutes of the August 20, 2015 meeting.

Rector's Report (attached)

Rev. Sandi Kerner mentioned that a new committee has been formed: "The St. Luke's Historical Society". Members serving on this committee are Suzanne Day, Betty Handy, Steve Larrick, Dan Jones, Connie Harriss and Pauline Mitchell.

Sr. Warden's Report: (attached)

Ben stated that a nominating committee is needed and recommended the three vestry members who will rotate off plus Rev. Sandi Kerner and himself make recommendations for candidates to present to the congregation on Sunday, November 29, 2015.

Jr. Warden's Report (attached)

The new HVAC system has been installed.

Commission Reports:

Fellowship:

A committee meeting was held the hour prior to this vestry meeting.

Communication: (attached)

Youth/Adult Christian Formation: (same as last month)

Adult Opportunities: Prayer and Share for women. Holy MOCS for men. EFM will be starting in September. There are currently two new people interested. The Adult Forum will resume on September 20th. Maureen Benway is lining up programming. Rev. Sandi Kerner plans to share our work on visioning with the Forum. The Forum members will continue to make meals for The Gathering every third Sunday.

Youth Opportunities: Camp Chanco – 7 youth attendees, one family (family paid their own way).

Bible School – *Chronicles of Narnia* August 11-14 (Tuesday to Friday) was a great success! A large proportion of the students are not members of St. Luke's, so we feel that this is serving as a terrific outreach project. There were a total of 23 students; 10 youth helpers and 23 adults involved.

Sunday school begins September 20th. Catechesis for students grades pre-K to 5, Rite 13 for grades 6, 7 and 8. Journey to Adulthood for grades 8, 9 and 10. Young adults in Church for grades 11 and 12.

Confirmation for J2A students anticipated for fall of 2016.

Welcome to St. Luke's: No report.

Outreach: (attached)

Tentative date of September 27, 2015 at 9:00 AM has been set for a team meeting.

Finance: Attached

August expenses were less than income.

Reminder: Next vestry meeting change from the 3rd Thursday to 2nd Thursday.

- Thursday, October 8th at 7:00 PM.

Closing Prayer: All stood and joined hands praying the Lord's Prayer.

Meeting Adjourned: 9:27 PM.

Respectfully submitted,

Janet Tucker, Register