

# St Timothy's Episcopal Church Danville CA Vestry Meeting Minutes

Wednesday, January 15, 2025 – Grace House

Update Date: January 17, 2024

Attendees: Pastor Todd, Dick Firth, Karen Anderson, John Yow, Cathy W, Teresa R, Eric Parnell, Liz Knape, Teresa C. Kim, Pastor Susan, Sally Shea Potts (substitute clerk)

## 1. Opening Prayer - Pastor Todd

Vestry shared their concerns and what they are praying for. Pastor Todd offered prayers

## 2. Review and Confirm Agenda

There were no additions to the agenda

## 3. Introduction of Guests

There were no guests

## 4. Recurring Action Items – Minutes, Treasurer's, Rector's, and Commission Reports

- a. Approved minutes from December 18<sup>th</sup> Vestry Meeting.
- b. Treasurer's Report, Balance Sheet, and P&L through December 31st, 2024, in that order.
- c. Commission and Other Reports
  - 1) Rector (Nothing to Report this month)
  - 2) Treasurer (Please Review Report & Financials)
  - 3) Administration
  - 4) Property
  - 5) Communications
  - 6) Outreach
  - 7) Fellowship (Nothing to Report this month)

Teresa K moved, Karen A seconded, and everyone approved the minutes, treasurer's report and the submitted reports.

## 5. Non-Recurring Action Items

- Approval of Proposed **2025 Budget**
  - Deficit budget for 2025 submitted by the Treasurer. The proposed budget again shows a deficit. This is the 3<sup>rd</sup> year of a deficit budget amounting to a total of \$250,000+.
  - 2025 budget is currently projecting a deficit of \$82,000.
  - Income from pledges is based on pledges received plus 7 – 10 pledges which a usually late. Dick says the number of pledging units is between 143 to 146.
  - Dick believes that unless we have a change in 2025, there will need to be significant budget cuts in 2026.
  - In 2024, there were surprise maintenance issues costing us \$180,000.
  - Suggestion: Evaluation at the end of Q2 2026 to formulate plans for savings so that they can be implemented by the beginning of 2026.
  - Dick wonders how much the vestry and parish understand the pattern of deficit.

- Results for 2024 were better than expected in January 2024.
- Current unallocated reserves are - \$469,000
- Pastor Todd – There has been a pattern of unanticipated expense of \$100,000 each year.
- Vestry seemed to be recommending giving the parish the bad news
- Diocese assessment increased \$17,000 in 2025.

Cathy W., Eric P moved and seconded respectively accepting the budget. The motion was approved unanimously.

## 7. Discussion Items

- a. Treasurer's Report (Narrative) and 2024 financial performance
  - 1) December Income was \$4000 more than budgeted
  - 2) YTD Income \$435 below budget
  - 3) YTD Pledge income was \$25,000 below budget
  - 4) YTD Net was -\$92,000 – which is \$37,000 less than the budget
  
- b. 2025 Vestry – per Pastor Todd
  - 1) Scott MacDougall and Kathleen Murphy have agreed to be 2025 vestry candidates
  - 2) We still need to find a 3rd vestry member candidate. A possible person will let Todd know by noon on Thursday.
  - 3) Todd asked that the vestry send suggestions.
  - 4) Per the bylaws, a vestry member cannot have 2 consecutive terms. It is OK to have only 1 year gap between terms
  
- c. Convention and Deanery Delegates
  - 1) Todd intends to ask the current delegates to continue

## 8. FYI

- **Annual Meeting**, February 2<sup>nd</sup> after the 10:00 service (only service on February 2.)  
After the meeting, the vestry will meet to elect Junior Warden, Treasurer and Vestry Clerk
- Vestry Retreat: February 7<sup>th</sup> starting at 6:30 pm and 8<sup>th</sup> starting at 9:00 am
- Current check signers will need to continue until the new signers are accepted by the bank.

- **Property**

- Grace House AC replacement (1) \$20,800. Grace House has 6 units. Only 1 AC has failed. The Overby rooms AC has parts that have been recently replaced, and it will need replacement soon. Replacement requires a crane. Renting the crane is expensive.
- The crane will damage property
- Heat Pumps are an alternative, but we would still need 6
- Karen has only talked to one company.
- Facility person is working out well. Easy to work with. Texts frequently Karen. She is concerned by Grace House cracks. She regularly walks the campus and turns off lights.

**9. Closing Prayer – Karen Anderson – prayer for Leadership**

## **EXCLUDED FROM OFFICIAL MINUTES – EXECUTIVE SESSION**

### Negotiations with **Building Kidz** –

- Building Kidz is a preschool and daycare. It operates 12 months/year
- Pastor Todd, Dick F. , John Y. and Eric P have been negotiating with Building Kidz.
- The proposed agreement has gone to the people who make the decision.
- Per the proposal, adapting the Noah’s Ark building for Building Kidz will cost the parish \$100,000+ in improvements- \$45,000 will come from Noah’s Ark reserves.
- Building Kidz will not have a significant impact on the parish budget in 2025, and the 2026 impact will be minimal.

The following was copied from the December 2024 vestry meeting notes

- St. Timothy’s and Building Kidz came to an initial non-binding agreement as partially shown below:
- Building Kidz would rent the preschool building for \$9,000/Month or \$108,000/year.
- Saint Timothy’s would fund half the cost of the installation of sprinklers (approx. \$50,000) and full installation of air-conditioning (approx. \$53,000)
- St Timothy’s would offset costs with \$45,000 in Noah’s Ark reserves.
- Additionally, Building Kids would improve the property spending approx. \$434,000 in capital expenditures.
- 5-year lease with two 5-year options.