

St. Andrew's Vestry Minutes

Date: 3/12/2019

Members Present: Christina Ford, Kevin Lowe, Peter Chamberlain, Andrea deCarle, Scott Strouse, Steven Smith, Tom Dauler, Kathryn Yahner, Greg Loviscky, Connie Puckett, Bruce Cramer
Fr. Jeff Packard, Deacon Joe Delauter

Members Absent: Jason McCloskey

Guests:

Clerk: Rick Hoover

Call to Order: 7:02 p.m.

- Opening Prayer– Fr. Jeff
- Note: The job description for the Treasurer was revised to reflect the current responsibilities of the job, and the description was distributed to vestry by email from Fr. Jeff. After some revision, the vestry accepted the job description by email vote. For the record, Fr. Jeff introduced a formal motion as noted below.

Motion: Fr. Jeff – Approve the job description for Treasurer as distributed by email prior to the vestry meeting (Attachment I). Motion carried with no abstention or dissension.

Motion: Peter Chamberlain; Steven Smith 2nd – Accept the minutes of the February 19, 2019 vestry meeting as corrected. Motion carried with no abstention or dissension.

- Rector Report – Fr. Jeff
 - See Attachment II
- Committee Reports
 - Outreach – Steven Smith
 - Stewardship – Kathryn Yahner
 - Pledge update – 149 pledges were reported at the annual meeting totaling about \$401,000
 - Since the meeting, 7 more pledges have been received – still about \$13,000 still outstanding (awaiting about 9 pledges)
 - About 10 people making regular pledges online

Motion – Christina Ford, Steven Smith 2nd - Ministry Fair for 2019 will be scheduled for Sunday, September 8, and include all ministries. Motion carried with no abstention or dissension.

- Treasurer Report – Fr. Jeff
 - Reports distributed electronically prior to meeting
 - Nothing unusual reported
- Committee liaisons
 - No current liaisons requested a change for 2019

- Adult Formation—Christina Ford
- Children and Youth Formation—Andrea deCarle
- Evangelism/Newcomers—Scott Strouse
- Finance—Steven / Christina Ford
- Outreach—Steven Smith
- Parish Life—Kevin Lowe
- Pastoral Care--Tom Dauler
- Property—Connie Puckett
- Planning & Development—Jason McCloskey
- Stewardship—Kathryn Yahner
- Worship— Greg Lovisky
- Fr. Jeff – Treasurer position
 - Job description finished and approved by vestry (see motion above)
 - Interviewed a very qualified candidate
 - Job has not been posted yet

Motion: Steven Smith; Peter Chamberlain 2nd – authorize Treasurer to conduct transactions for the pooled diocesan funds. Motion carried with no abstention or dissension.

- Fr. Jeff – Vestry personnel items
 - Clerk of the Vestry
 - Vestry recognized the efforts of Rick Hoover, who served as Clerk of the Vestry since 2008, and who resigned because he and his wife are moving out of the area.
 - Kevin Lowe volunteered to serve as Clerk of the Vestry

Motion: Kathryn Yahner; Connie Puckett – appoint Kevin Lowe as Clerk of the Vestry. Motion carried with no abstention or dissension.

- Peter Chamberlain resigning – will be getting married and will leave the area
 - Someone needed to serve the 1 year remaining in Peter’s term
 - Fr. Jeff nominates Michelle Hamilton to serve out Peter’s term; she has agreed

Motion: Peter Chamberlain; Scott Strouse 2nd - appoint Michelle Hamilton to fill vacancy created by the departure of Peter Chamberlain to serve the remainder of his term on vestry (1 year). Motion carried with no abstention or dissension.

Motion: Steven Smith; Kathryn Yahner – appoint Christina Ford as chair of Adult Formation Committee. Motion carried with no abstention or dissension.

- Tom Dauler – request that the clerk write a description of duties/functions of the Pastoral Care Committee
- Bishop’s Visit – Fr. Jeff
 - Official visitation will occur on Sunday, March 24, at both the 8:00 and 10:00 services
 - Prior to her visit, Bishop Scanlan requested vestry respond to a questionnaire
 - Most of the responses are indicated below for reference
 - Engaging in God’s Mission
 - Best experience of mission in last year
 - Out of the cold
 - Community café

- Special services Christmas Eve services, Vigil service, Lessons & Carols
 - Hosting numerous 12-step groups
- 3-5 needs of people in community
 - Sobriety
 - Food
 - Housing
 - Community/gathering
 - English as second language
- How helping to address needs
 - See above
- Resources that would help congregation meet these needs
 - Funds
 - Students
 - Info distributed throughout the diocese
- Missional projects outside of local area
 - Mission trips
 - Crop walk
 - ERD
- If funding were available, what would we like to begin
 - Second priest
 - Campus ministry/presence
 - Air conditioning
 - Plumbing
 - Physical plant repairs/improvements
- Congregational identity and collaboration
 - What does vestry consider to be congregation's gifts
 - Open our doors to community
 - Open to cooperating with other churches
 - Volunteering
 - Welcoming
 - Good financial position
 - Interfacing with other Episcopalian or ecumenical members in your area
 - OOTC (Out of the Cold)
 - Community café
 - IHS
 - Campus ministry cooperation
 - Lutherans – healing service
 - Safety initiatives
 - Training for Safeguarding God's Children
 - Life After Loss
 - Parishioner's ministry – contacts through ecumenical organizations
 - Benefits/detriments experienced in collaboration

- Expanded reach of St. Andrew's
 - Community goodwill
 - Top reason(s) lead parish to collaborate
 - Social responsibility
 - Security issues
 - Larger impact
 - Expect to do more with neighbors in future? What?
 - Building relationships
 - IPL (Interfaith Power and Light)
 - Respond on a scale of 0 to 9 (0=never, 9=often)
 - People have visited closest neighboring church – 7
 - Sense of what is happening in our convocation – 2
 - Sense of convocational identity – 1
 - Sense of what's happening in other parts of diocese – 4
 - What happens in other parts of convocation is important to us – 5
 - What happens in other parts of the diocese is important to us – 5
 - What information does St. Andrew's want to communicate to other parishes
 - Interest in building relationships
 - Recommendations for increasing a sense of diocesan identity?
 - Organized events
-
- **Next vestry meeting – Tuesday, April 9, 2019, 7:00 p.m., room 324**
 - Closing prayer - Fr. Jeff

Adjourn 9:40 p.m.
 Respectfully submitted,
 Rick Hoover, Clerk

Attachment I
Position Description
TREASURER

St. Andrew's Episcopal Church
State College, PA

Scope

The Treasurer is responsible to oversee the financial affairs of the church in accordance with established policies and guidelines of the Episcopal Church using sound business and accounting practices. The Treasurer is an officer of the Vestry of St. Andrew's and serves at the pleasure of the Vestry. The Treasurer is responsible to the Rector and takes guidance from the Finance Committee and the Investment Committee. As compensation for the part-time work of the Treasurer this position receives a salary that is reviewed and set annually. It is expected that this position will require an average of fifteen hours per week. Overtime is not contemplated or paid for this position. The work of the Treasurer is year-round.

Duty 1 – General Accounting and Bookkeeping

- Process invoices and check requests for payment, distributing them for proper approvals and correct account codes.
- Enter all financial distribution details in the electronic General Ledger.
- Post transactions correctly to the appropriate accounts, consistent with the approved budget and other special accounts.
- Prepare checks or online payments for expenses.
- Record automatic withdrawals.
- Record weekly income received from Financial Secretary (or confirm that amounts were correctly transferred).
- Reconcile monthly, quarterly, and annually with Financial Secretary summaries.
- Keep accounts for non-operating budget church programs, including Youth Ministry Fundraising, Offerings held for others, and Community Café.
- Prepare monthly financial statements preferably in time for the Finance Committee meeting, but no later than the Vestry meeting (second Tuesday).
- Prepare summary of monthly financial activity for the parish newsletter.
- Provide reports to staff organizations and committee chairs who have responsibility for portions of the operating budget or other specialized funds.
- Maintain files of paid invoices in an organized system.
- Maintain accounting records in accordance with Federal and Canon Law.
- Monitor cash flow in all accounts.
- Move funds among accounts to ensure that funds are available for paying invoices.
- Update fixed asset files from capital expenditures.
- Reconcile all church bank accounts by the 10th of the month. Provide access so that another staff person can also reconcile the primary church account.

Duty 2 — Endowment Account Maintenance

- Reconcile investment statements. If necessary, allocate changes in funds to the endowments included in a fund.
- Prepare quarterly investment report of all endowments.
- Forward new endowment deposits to the investing agency and request funds from endowments as approved by Vestry.

Duty 3 — Human Resources

- Maintain employee files, including clearances for church school teachers and youth group leaders.
- Provide information to employees on pension and benefit plans.
- Enroll eligible employees in appropriate pension plans.
- Serve as parish point of contact for external payroll processing.
- Provide pay information through an electronic interface for each pay period, three business days prior to pay date.
- Pay or distribute amounts withheld from employee pay.
- Make pension payments for employees enrolled in the church pension system.

Duty 4 – Collaborate with Rector, Vestry, Finance Committee, and other staff and committees

- Attend Finance Committee and Vestry meetings.
- Provide oversight to ensure that the Parish Financial Policies & Procedures adopted by Vestry are followed in all transactions and duties.
- Assist with the annual audit by organizing and providing files.
- Assist in the development of the annual operating budget.
- Monitor budget status and contact appropriate staff or volunteers if budgeted amounts are exceeded.
- Ensure that the church is not paying sales tax on invoices. Prepare exemption certificate as needed (PA Form REV-1220).

Duty 5 — Annual Reporting

- Prepare financial portion of Annual Report.
- Prepare financial portion of Parochial Report.
- Produce 1099s as necessary for services provided to the church.

Other Tasks

- Maintain insurance records.
- Complete training for Safeguarding God's Children.
- Other duties as assigned by the Rector.

Attachment II

Rector's Report to the Vestry
St. Andrew's Episcopal Church
Tuesday, March 12, 2019

1. Pastoral: 2 home/hospital Communion; 1 Funeral—Rader 3/9; 1 Wedding prep ongoing; 3 Baptisms 3/3
2. Average Sunday Attendance: 167 (182 when adjusted for weather Sunday)
3. Friday Film, Rector's Choice "Lars and the Real Girl," 2/22
4. Daughters of the King spring assembly, 3/1-2—attended dinner and board meeting Friday evening, and presented a program with the bishop on Saturday
5. Standing Committee, 3/5 & attended a half-day retreat, 3/8, along with the Commission on Ministry looking at the ordination process and more broadly leadership development in the diocese
6. Pancake supper, 3/5
7. Ash Wednesday 3 services, 3/6
8. Finance Committee, 3/6
9. Clergy Council, 3/7
10. Vital and Effective Leadership Institute (VELI), 3/12
11. Bishop McNutt Endowment: Ford McNutt attended a diocesan trustees meeting 3/7. I have not heard about their reaction to the plan to introduce this effort at the next diocesan council.
12. Parish Discernment Committee for Ted Christopher: The committee has met several times now. I don't expect a report from them until they complete their work.
13. Kevin Barron was granted postulancy on January 8.
14. Confirmation Class: I have two people attending classes regularly. There are two others who also may be presented for Reception into the Episcopal Church.
15. Kistler Trust: I communicated with the lawyer for the trust via email that we decided to approve the sale of the properties at the \$12,000,000 offer. He informed me that there are now at least two other companies bidding on the property. At that time, it was up to \$13,000,000. I haven't heard from him since. Seems like we are in a holding pattern. Regarding the question of whether we need to get approval of the Standing Committee for the sale of the property, through email I received the opinion of the Chancellor of the diocese, with the concurrence of the Bishop and the chair of the Standing Committee, that we do not need to seek approval for the sale.
16. Insurance Claims: The Church Insurance Company approved both of our recent claims. We will receive \$11,112.50 for the elevator repair and \$3,675 for the mini-split replacement. In each case there was a \$1,000 deductible.
17. Cost of monitoring telephone in elevator: Scott Luzier did some research for me. He was told by Vigilant Security (who monitors our fire alarm and panic buttons) that PA law requires us to have a telephone in the elevator. Vigilant will monitor an elevator phone for \$26 per month. Otis, the elevator company, will monitor the phone for no charge because we already have a maintenance contract with them. In either case, we would need to add a dedicated phone line which would cost \$25 per month. No word yet on how much the phone or its installation will cost. The Safety Committee's proposed budget allowed \$500 for the purchase and installation.
18. Strategic Planning: I am proposing that we do a book study together on the book "The Agile Church," by Dwight J. Zscheile. I have ordered books for all members of the vestry. Further, I am looking for a leader for our as yet unscheduled planning retreat.
19. Ongoing: Vital and Effective Leadership Institute (VELI)—monthly program I attend as a new rector in the diocese, for 2 years; Diocesan Standing Committee; Monthly Episcopal Clericus; Bimonthly Clergy Council with bishop; Bimonthly ecumenical local clergy group

20. Upcoming: Lenten programs starting this week—Bible Study Tuesday mornings; Taize, dinner and program on the Way of Love Wednesday evenings; and Stations of the Cross Fridays; Christina Ford preaching 3/31; Community Café Board of Directors, 4/7

Attachment III
Email exchange with diocesan staff regarding Kistler trust property

Note:

Chad Linder is the diocesan canon of finance and operations
Chuck Banks is the diocesan chancellor
Barbara Hutchinson is the chair of the standing committee
Audrey Scanlan is the bishop of the diocese

----- Forwarded Message -----

Subject:Re: Advice re: Property

Date:Wed, 27 Feb 2019 07:40:08 -0500

From:Barbara Hutchinson <bhutchinson@standrewsship.org>

To:Audrey Scanlan <ascanlan@diocesecpa.org>

CC:Charles Banks <cbanks@kicolaw.com>, Chad Linder <clinder@diocesecpa.org>, The Rev. Jeffrey A. Packard <rector@standrewsc.org>

Chuck's take on the situation makes sense to me. Thanks for checking in with us!
Take care,
Barbara

Mother Barbara
St. Andrew's Episcopal Church

On Wed, Feb 27, 2019 at 5:06 AM Audrey Scanlan <ascanlan@diocesecpa.org> wrote:
Good morning.

I concur with the Chancellor. And what a nice windfall.

Audrey

On Tue, Feb 26, 2019 at 4:12 PM Charles Banks <cbanks@kicolaw.com> wrote:
Chad & Jeff:

In my opinion, St. Andrew's interest in the trust as a beneficiary is a financial asset, not an interest in real property that would require Bishop and Standing Committee permission to transfer under Title II of the Diocesan Canons, Canon III(2).

Nevertheless, I'm copying the Bishop and Barbara Hutchinson, President of the SC, on this response, in case either of them has a different take.

Chuck Banks

From: Chad Linder <clinder@diocesecpa.org>

Sent: Tuesday, February 26, 2019 3:46 PM

To: The Rev. Jeffrey A. Packard; Charles Banks

Subject: Re: Advice re: Property

Chuck,

I am forwarding you this email chain between St. Andrew's, State College and me. Do you have any thoughts on the questions at hand?

Thanks

Chad

On 2/23/2019 9:10 PM, The Rev. Jeffrey A. Packard wrote:

Chad,

I did get a response from the lawyer, but he did not answer my question.

I do not believe the money will stay in trust after the sale.

There are no restrictions by the donor.

As I understand it, the trust should have been dissolved by now, and the asset distributed. I will let you know what the lawyer says.

I'm not sure what you mean by 'leverage.' If you mean, is the asset leveraged, as in is there debt against it, I don't know. If you mean does the parish have leverage over the deal, as in can we negotiate, then sort of.

We, and all parties involved, have to agree before a sale can go through. So, we could block the sale if we wanted to. But we are not involved in the negotiations.

By the way, the lawyer told me that there are two other companies now bidding on the properties. It's up to \$13M now!

Thanks for helping me think this through. How to we bring Chuck into this conversation?

Jeff

On 2/23/2019 6:30 PM, Chad Linder wrote:

Jeff,

I was thinking more about this today. It might be worth running this by Chuck Banks, our Chancellor. I'm curious if when the property is sold, the funds remain in a trust for the benefit of the parish. I am also curious if the proceeds retain any donor restrictions. Another thought is what kind of leverage might the parish have before signing the approval.

Thanks

Chad

Chad Linder
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Mobile: 717-968-5550

clinder@diocesecpa.org

On 2/23/2019 2:09 PM, The Rev. Jeffrey A. Packard wrote:

Chad,

I have emailed the lawyer for the trust and have not yet heard back from him. I was asking him how the deal would be done, whether the church would first be issued a deed or if, as you say, the trust will handle everything and issue us a check. I will call him next week if I don't hear back. I will have to let you know the answer to your first question.

The offer for the properties is \$12,000,000. Our share of that would be \$200,000, minus whatever fees or expenses need to come out of it. The other two one-third owners are real estate moguls in town. So I think we will avoid any agent's fees, but who knows what else may come out of it.

Thanks for getting back to me, Chad. I'll get back to you after I speak with the lawyer. I wonder if we do end up getting a deed before the transaction takes place if we will have to seek approval for the sale.

Jeff

On 2/23/2019 7:19 AM, Chad Linder wrote:

Jeff,

Well, this is a new one for me. Typically there are very few cases where a parish does not need approval for the sale of a property. I think it would be appropriate if this feel within that grouping. Could you just confirm the following:

1) I assume that the entire transaction is being managed by the Trustees of the Trust. Is that correct? In other words, the only thing your parish needs to do is sign a letter authorizing the transaction.

2) Did they provide you an estimated value of your portion of the sale?

Thanks much.

Chad

On 2/20/2019 11:13 AM, The Rev. Jeffrey A. Packard wrote:

Chad,

I am writing to you for an opinion on how to proceed with a situation at St. Andrew's. Fortunately, it is a good situation, not a problem. Also, I wonder if the chancellor would need to weigh in on this. So, if you think that would be a good idea, can you give me his contact info, please?

Here's the situation. St. Andrew's is a beneficiary of a Trust, called the Kistler Trust. The Trust is a one-third owner of two buildings in downtown State College. There are six beneficiaries of the Kistler Trust. We are named as having 5% interest in the trust. That's 5% of 1/3 of the ownership of the two buildings in question-- it works out to be about 1.67% of the total asset.

A company has made a handsome offer to purchase the two properties. The other two one-third owners wish to accept the offer. Of course, all beneficiaries of the Kistler Trust have to agree. Our vestry voted last evening to accept the offer and sell our stake in these buildings.

Here's my question: Do we need to get Standing Committee approval to sell our tiny stake in these properties?

In fact, we do not hold deed to the properties. As yet, we are simply one of the named beneficiaries of the Kistler Trust. So, I would argue that we are not really the owners of the property, and therefore there is no need to seek diocesan approval. In other words, this is essentially a financial asset that was bequeathed to the parish, not real property. What do you think?

Thanks,
Jeff

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