

Saint Mark's Episcopal Church
Vestry Meeting Minutes
August 20, 2024, 5:30 p.m. via Zoom

Members Present: Fr. Chris Jubinski, Diane Stewart, Tom Horan, Steve DeCaro, Diane Feil, Tom Hadlock, Marj Kulesa, Ashley McLean, Barbara Pettus, Steve Turner, Sandy Wyman, Tom Simson, Carol Fitton

Fr. Chris called the meeting to order at 5:32 p.m. with a Prayer about Music and asked for volunteers to offer a prayer at future Vestry meetings. Steve DeCaro volunteered for September's meeting.

Consent Agenda: A motion was made by Tom Horan, seconded by Diane Stewart, to approve the Consent Agenda, which includes the minutes from the May 21, 2024 and the June 18, 2024 Vestry meetings.

Audit:

Fr. Chris reported that we are in compliance with all audit requirements. The 2022 outside audit was conducted by Anthony Basile, CPA, and the 2023 review was conducted by the SMC Audit Committee.

Finance Report (by Tom Simson):

Tom reviewed the property value assessment of \$7.778mm for 40 Main Street as of July 1, 2023 received from the Town of Southampton, which is viewed as information only due to our non-profit tax status. The valuation was \$6.341mm as of July 1, 2022 for comparison purposes.

Bright Beginnings: YTD July Tuition receipts, which comprise the bulk of Bright Beginning's Income, were \$508.8K, up 18.3% compared to \$429.9K YTD July 2023, while YTD July Income increased 38.9% to \$650.7 vs \$468.4 YTD July 2023. YTD July expenses were \$501.9K compared to \$548K YTD July 2023, a drop of 8.4%. Tom noted that salaries comprise most of the expenses and these were down 9.1% from \$470K in 2023 to \$426.9K in 2024. YTD July 2024 Net Income is \$148.9K vs -\$79.7K in 2023, a dramatic turnaround. There was very good attendance at Summer School, so it has been successfully restarted. Tom highlighted the improving financial trend, but he also noted that the church has been picking up expenses since June 2023 that the school previously covered, including utilities and insurance. Tom also mentioned that the \$65K we loaned to Bright Beginnings last year has now been formalized as an asset on the SMC balance sheet (and therefore a liability on the Bright Beginnings balance sheet). So far \$50K has been repaid including \$30K in July. He expects the loan will be fully repaid in the near future.

SMC: Tom S reported YTD July 2024 Church Donations of \$101.1K vs \$163.6K a year ago, a drop of 38.2%. He mentioned that there was a major gift (approximately \$50K) in early 2023 that favorably impacted last year's Donations. Other Revenue increased to \$71K from \$4.1K in 2023, due mainly to rent from the Beinecke Building. For YTD July 2024, Salaries and Benefits Expenses were \$203.8K vs \$180.7K YTD July 2023. The July 2024 YTD Operating Loss of -\$217.2K compares to -\$160K in 2023, a decrease of 35.7%.

Tom reminded us that while we have started receiving \$10K/month rental income for the Beinecke Building, the real estate commission (paid upfront) is being expensed over 12 months at \$8K/month, which means we will start receiving the income benefit of the full \$10K/month rent beginning October 2024. Until then, we will essentially have net rent from the Beinecke Building of \$2K/month.

Barbara reported that the investment balance was \$898,688 as of July 31, 2024. Tom said there will be another \$100K draw for the balance of the air conditioning system repairs.

Fr. Chris thanked Tom for the gift of his talent and time as our Treasurer.

Capital Campaign: Barbara talked about resizing the capital campaign from initial discussions of approximately \$250K which included the large air conditioning repair expense, but in an effort to ensure the success of the

campaign, the revised goal would be in the neighborhood of \$100K and would cover the expenses of replacing the carillon, repairing the stained glass window behind the altar, and a small amount for the remaining organ expenses. The thought is to launch the campaign toward the end of the year after the stewardship campaign has wrapped up. We need a chair for the stewardship campaign.

100th Anniversary Celebration: Marj reported that she has arranged for the food as well as serving help for September 29, but so far there haven't been any RSVPs. Her concern is that she will need to confirm with the caterer by the first week in September, so time is starting to become short. It was suggested that an email be sent out solely on the topic of the anniversary celebration to focus attention on it. Since the service is also a confirmation service, mention was made of the expense for a confirmand's family to also attend the lunch. A couple possibilities were suggested including a lower price for children or a family price.

Announcements / Upcoming Events:

Fr. Chris mentioned we will be returning to our usual Sunday service format of two services at 8 and 10 a.m. beginning on September 8.

Closing Prayer and Adjournment: The meeting was adjourned at 6:22 p.m. with the reciting of the Lord's Prayer.

Next Vestry Meeting: Vestry meetings are normally held on the 3rd Tuesday of the month at 6:30 p.m. The upcoming meetings are scheduled for: September 17, October 15, November 19, December 17 at the Rectory, January 21, February 18, March 18, and April 15. The Annual Meeting is scheduled for May 4, 2025.

Respectfully submitted,
Carol Fitton, Clerk