

**St. Paul's Episcopal Church
Wilmington, NC
Vestry Meeting
October 10, 2022**

Present: The Rev. Caleb Lee (Rector), Bill Anlyan (Rector's Warden), Chip Carter (People's Warden), Layne Dupree, Ashley Eason, Matt Langley, Steve Martin, Anne O'Dell, Sally Pope, Denise Sheehan (Vestry Clerk), Tom Sramek, Rhonda Stroud, Meaghan Thomas, Judy Wilson (Treasurer).

Guest: Laura Padgett

Fr. Lee called the meeting to order at 6:00 pm and lead the vestry in prayer for the church.

Approval of the September Meeting Minutes

Bill Anlyan made a motion to accept the minutes from the September meeting. The motion was seconded by Anne O'Dell. The minutes were approved unanimously as submitted.

Before the presentation of the Rector's and Vestry Reports, Father Lee reported on the recent deaths and upcoming funerals of David Heath and Jazmine Shaw.

He then asked Laura Padgett to present the Endowment Board report to the vestry.

Endowment Board Report - Laura Padgett

Laura Padgett appeared before the vestry to ask for approval of several changes to the Endowment Fund Management policies and procedures. These changes are necessary due to the recent volatility of the stock market that has shrunk the endowment balance down to \$853,000 – which is \$57,055 below the “floor” set by the Board.

Changes have been made under “Investment Guidelines – Investment Objectives”. Section (c) has been added and now reads:

The Endowment Fund is established with the understanding and intent that at least a portion of the funds will be invested 'at risk' in carefully selected stocks, bonds, and mutual funds. It is understood, therefore, that during times when the stock, bond and mutual fund markets are reduced in value, the Fund value may be below the designated principal amount. See B.I.D. below.

Under “Distribution from the Endowment Fund, Spending Rules” a new section was added. A.3 now reads:

*As a result of the assets in the Fund being invested knowingly “at risk” (see A.V.B.2.c.), should the balance of the Fund fall below the designated principal amount (B.I.D. below), **the intent** of the establishment of the Fund is that no withdrawals will be made, barring serious financial straits of the church that threaten its continuance.*

“Intent” replaces the previous wording that the Board is “restricted” from withdrawing funds. Laura stressed that this only applies to unrestricted funds, not restricted funds which are designated for specific purposes.

Under Sections C and D, the wording “except as noted” has also been added.

*C, No portion of the principal amount of the FUND shall be “borrowed” or distributed **except as noted** in B.I.A.3. above.*

*D. The Investment portion of the FUND is not permitted to go below the designated principal amount of \$853,678.98 as designated by the Vestry on April 27, 2010, **except as noted** in B.I.A.3. above. With approval of the BOARD and the Vestry this threshold may change from time to time based on additional gifts and/or bequests from donors.*

The Endowment Board has made these changes to protect the endowment balance for use if the church is threatened by physical or spiritual forces. Finally, Laura reassured the vestry that even though the stock market is down by 25%, it will come back.

Father Lee and the Vestry thanked Laura for her presentation, and the Endowment Board for their dedication and hard work.

After Laura left, a motion was made to accept the Endowment Board changes. There was a call for discussion on the effect these changes would have on the ability of the Vestry to make budgetary decisions in the future. It was pointed out that in B of “Spending Rules”, the Endowment Board “makes the final decision regarding all such distributions”. It was agreed that more thought and research needs to be done regarding these changes, and the motion to table until the next vestry meeting was made by Steve Martin and seconded by Chip Carter. The motion was approved.

Rector’s Report

It feels like time is moving really quickly.

Attendance is solid. Every week, the church greets more visitors, with more people continuing to feel welcome and at home at St. Paul’s. The *Aging GRACEfully* series has coincided nicely with the start of the program year. Attendance at Sunday School for all

ages has been stellar. The rest of the fall will be packed with opportunities for worship, music, outreach, fellowship, and formation.

Fr. Lee called attention to the “Saints in the Street” event on October 29 from 3-6pm. It has been in the bulletin and on the E-news for a while. It is part Parish Picnic, part community outreach, part Halloween carnival, and part block party. As a way to be “*open doors, open hearts, open hand*”, St. Paul’s is hosting this event for the parish and for the neighborhood. Bounce houses, games, music, Off the Hook Barbeque, and YOU. We are asking parishioners to bring a side dish, according to the first letter in their last name. There will be more announcements coming, but Fr. Lee asked the vestry to please pencil in the calendar “**St. Paul’s Saints in the Streets on Saturday, October 29 from 3-6 pm**”.

Stewardship started off with a real bang this past Sunday with guest preacher, Stephen Mazingo. Bill Anlyan gave a great talk. Now we just have to get those pledges in.

St. Paul’s will continue exploring the topic of Racial Healing with the addition of three tours of WilmingtonNColor, followed by a debrief at the end of October. This is part of gearing up toward another round of Sacred Ground at the beginning of 2023.

The response to the Columbarium has been great. The first reservation is in, and appointments are being scheduled for those who have expressed interest.

People’s Warden Report – Chip Carter

Chip Carter reported it had been a busy month. The Gentlefolk of Noble Poverty (GNP) has been concentrating on some maintenance issues including landscaping, etc. The Ormond Center has a preponderance of leaves built up that needs attention. Likewise, a door is needed at the access point to the crawl space for that building. The steps and ramp need repair; the steps have some rotting risers.

Besides routine maintenance around the Parish House and Church buildings, we have been assisting the ladies of Pat Scherer’s group with landscaping tasks.

We are still awaiting the proposal from Kool Green Restoration & Waterproofing. Jay McDaniel has promised to provide a phased proposal. We may not get all needs met in this budget year, but we will get the most crucial ones done.

A new door has been ordered for the entrance to the “outdoor tool room” from the 16th Street side of the building. The current door has been there some time and is rusting through from the bottom.

The day before Tropical Storm/Hurricane Ian hit, the GNP, mostly Bob Belaustegui, David Tousignant and I prepared the facilities for the storm. That meant applying new weatherstripping to the Market Street doors, and turning off power to the HVAC and

other systems that would not be needed until the following day. This was done to prevent a power outage from damaging something or a power surge frying some of the wiring.

Cape Fear Surveying has been on the property this past Thursday and Friday for the needed survey- for the Long-Range Plan and for our use as well.

Finally, Chip reported that the parish kitchen dishwasher is broken. The control board burnt out - not surprising considering the machine is 24 years old. It will cost \$3500 to fix the dishwasher. The estimate to replace it was \$8500.

After much discussion, a motion was made by Steve Martin, and seconded by Layne Dupree, to request funds from the Endowment's Kitchen Fund to repair the dishwasher. The motion was approved.

Treasurer's Report – Judy Wilson (see attached report)

Judy reported that the total income as of September 30, 2022 was \$473,073.28 which is 69% of the yearly budget. Total expenses for this same period was \$466, 625.87 which is 68% of the budget. The Reserve Savings Account has a balance of \$94,532.17. Seventy-two percent of 2022 pledges are in.

The next six weeks will be most important in financial planning for the church. By the December meeting, the Finance Committee will have the hard facts on expense categories and pledges. The church will see the effects of the state of the Endowment Fund fairly quickly, although restricted funds will have to be distributed. The Endowment Fund total is \$828,378.83.

We have already received 2 pledges for 2023, and the earlier the 2023 pledges come in, the easier it will be to create a budget.

Stewardship – Anne O'Dell

The 2023 annual pledge drive officially began on Sunday, October 9. *Shining our Light* is this year's theme; the logo was featured on the bulletin cover. Bill Anlyan, Rector's Warden, was the first of four speakers to share his perspective on stewardship at the 8:00 and 10:30 services. During the remaining three Sundays of the month, three more parishioners have been invited to do the same. We are in the process of finalizing the speaker schedule.

The first of two mailings was sent at the end of last week. By now, people should have received the first letter from the stewardship team. A second mailing with a letter from Fr. Caleb and pledge materials will be mailed around October 20. As a fellow vestry member, Anne hoped that all vestry members would make a pledge and that these would be submitted early in the process. The stewardship team publishes a list of names of

pledgers on the website, and it sends a strong message when the congregation sees that the vestry fully supports the mission and ministries of our church.

Anne reported that the Stewardship Committee is monitoring payment rates – for the first 9 months of 2022, the rate was 72%. Statements will be going out to the congregation next week.

We understand that current economics are challenging, so if anyone has questions or concerns about the pledge drive, please contact Anne or Karen Day. If they are not able to answer your questions, or the questions are ‘above their pay grade’ they will refer you to the appropriate persons.

Human Resources/Membership – Meaghan Thomas

Meaghan thanked Sally Pope, Teresa Singer and Matt Langley for making the Ministry Fair a success. It was great to see new faces getting involved in different areas. The Newcomers’ event was well attended and well-received with forty people (26 new members and 14 vestry members). Bill Anlyan asked if there would be any follow-up with newcomers. Meaghan reported that dinner groups will start up in January 2023. The membership team will have to decide whether to follow the more traditional style dinner groups or a one-time quarterly event. She asked vestry members to consider hosting a dinner.

There is one more Membership/Human Resources Committee meeting for the year.

Facilities

Facilities Report is on hold until Gray Hudson presents the blueprints to the vestry.

New Business

Vestry Vacancy

Three names were put forward for consideration to fill the 1 ½ year term of a member who resigned for health reasons.

After discussion about all three highly qualified candidates, a secret ballot vote was taken. Brian Bruss is the new vestry member.

Old Business

Saints in the Street

Sally Pope asked for vestry members to attend and help at the Saints in the Street Event on October 29. She asked for volunteers to set up, greet and clean up. Sides and desserts will be assigned to the attendees from the church alphabetically.

At 7:44 pm, a motion to adjourn was made by Bill Anlyan, seconded by Anne O'Dell and approved by the vestry. Chip Carter closed in prayer from the Collect for Vocation in Daily Work.