

**St. Paul's Episcopal Church
Wilmington, NC
Vestry Meeting Minutes
December 9, 2024**

Present: All Present.

Absent: No members are absent.

Fr. Lee called the meeting to order at 6:00pm and opened the meeting with a prayer for Barbara Ellington Bank's birthday.

Approval of the November Meeting Minutes

Denise Sheehan made a motion to accept the November minutes, seconded by Carol Field and the minutes were unanimously approved, after making one amendment.

Rector's Report

- Advent greetings to the Vestry as we continue in this season of preparation and waiting for the Feast of Christmas. I call your attention to the various services, concerts, and special events. Attendance is great. It always is in Advent and there have been several newcomers and visitors. The Bishop will come for his annual visitation on the morning of April 6, 2025, which is the 5th Sunday in Lent.
- As emailed to you a couple of weeks ago, Bella Dolande is no longer working at St. Paul's. We are moving forward with Isaac sitting in the chair three days a week. Brendan is doing the liturgical components of the bulletins on Tuesday mornings. We have volunteers in the chair on Tuesday afternoons and Friday. Isaac is learning some of the admin, including scheduling, bulletins, and enews and I am very happy with the way things are going. We do this now because we are going to be pushing forward with a fuller time position in finance as Diane has let me and the finance leaders know that she is ready to retire. We are hoping to have that position filled early in the new year with Diane cross training this person through the early spring.
- Annual Reports - It is the time of the year when ministry leaders, many included here, are to think about and prepare annual reports. These are compiled and put into a document shared with the congregation at our annual meeting. Please consult with others on your committees and teams and please provide a report to the admin email address by January 13, 2025
- Personal Update - on a personal level, I report to you that I was not accepted into the Ed.D program at UNC Chapel Hill. There are various possible reasons why I was not accepted, but I am simply trusting that this is not where the good Lord wants me to be focused in 2025. With my work on the parish level, moving towards the renovation project, feeding and nourishing a growing congregation, and the work the Standing Committee has as a Bishop Search unfolds, not to mention my responsibilities to my family, I am convinced that there is not a ton of room right now for an advanced degree. God is in control.
- I attended and participated in an ordination last Friday night in Jacksonville. I was struck by the following vow that a priest makes. Will you persevere in prayer, both in public and in private, asking God's grace, both for yourself and for others, ***offering all your labors to God***, through the

mediation of Jesus Christ, and in the sanctification of the Holy Spirit? Offering all your labors to God... that is the part that stuck with me this time. Last time it was the Bishop's admonishment that "In all that you do, you are to nourish Christ's people from the *riches of his grace*, and strengthen them to glorify God in this life and in the life to come." I suppose the two are related but coming off the initial disappointment of not being accepted into that program, I am more and more convinced that my labors are to be offered elsewhere, in the parish, with the Standing Committee, doing the work that God intends for me to do, and offering all of it to God... I might add that as the priesthood of all believers, might we all reflect on what it means to offer God's grace to all, both for ourselves and others, and what it means to offer all of YOUR labors to God. In your life, in your ministry at the church level, and in the world.

- Speaking of the Bishop Search, a call for nominees for the Bishop Search Committee will be forthcoming. I will share with you a bishop search timeline. Michael Singer is doing a great job administering this transition. The process takes approximately 18 months to complete. It began before the bishop publicly announced his retirement. The aim is to have an election at next November's Diocesan Convention with a consecration in April/May 2026. I can go into further detail if you would like.
- Reminder: December 16 Jingle & Mingle

People's Warden Report—Steve Haughey

Parish Hall and Church

- Flores & Foley provided their report on the Parish Hall Roof on Wednesday November 6. The report has been circulated for input/comment. Projected cost for repair is \$25,780. Gaylord Racca met with the Wardens and the GNP on Thursday November 21 to review their findings and recommendations.
- A lighting specialist from Capital Electric was on site on Thursday November 14 to discuss lighting issues in the NAVE.
- Met with SYKES Cleaning on Thursday November 14 to review the current cleaning schedule and if changes are needed as the move to the OC progresses. We will receive a price increase in 2025 from \$1400/month to \$1425/month. Per SYKES, this our first increase in 3 years.
- The chairlift at the double door entrance was reported as out of order as of Monday November 18. DLS was contacted. Repairs were completed on Wednesday November 20.
- Submitted 2025 Operating Budget and Capital Expenditure Requests on Wednesday November 20.
- Southeastern HVAC performed semi-annual maintenance on most of our systems in the Church and Parish Hall on Friday November 22. They will return on Tuesday December 10 to finish condenser cleaning of some units and address the OC units.

Ormond Center

- SENTINEL attempted to re-install the security system on Tuesday November 5. A board in the access control panel was not functioning and had to be replaced. Estimate from SENTINEL is \$1,850. The current 'active' codes will need to be re-entered into the system.
- -SYKES conducted a cleaning of the OC on Thursday November 14.

- -Southern Sign has been asked to provide a mock-up of the new signage for the OC.

Parish Activities

- About 75 parishioners, friends and family packed 12,558 meals for “Rise Against Hunger” on Saturday November 2, in less than 2 hours!
- About 50 people attended the Children, Youth and Families Pot Luck Dinner on Sunday November 3.
- EYC Lock-in was Friday night November 8.
- St. Paul’s “In-Gathering” and Fall Picnic held on Sunday November 17.
- 2024 “Angel Tree” and “Stockings for Seniors” will begin Sunday November 24. Angel Tree gifts need to be returned by Friday December 13.

Grant Update

- Members of the Grant Committee for the Diocese of Eastern North Carolina Foundation Board visited St. Paul’s on Monday November 4 for a tour and to discuss our Grant request.

Looking Ahead

- Advent Wreath Making on Sunday December 1 at 9:30 AM.
- Advent “Lessons and Carols” on Sunday Evening December 1 at 5:30 PM.
- EYC “Parents Morning Out” on Saturday December 7 from 9 AM to NOON.
- St. Nicholas Luncheon for our Blessing Box Angels and Neighborhood Guests on Wednesday December 11 following our 12:10 PM Service.
- Handel’s “Messiah” performed by the Choir of St. Paul’s with the North Carolina Baroque Orchestra and Featured Soloists on Friday December 13 at 7:30 PM.
- EYC Christmas Caroling and Pizza on Sunday December 15 from 4-6 PM.
- “Blue Christmas” Service on Wednesday December 18 at 6 PM.
- Christmas “Lessons and Carols” on Sunday December 22 at 5:30 PM.

Treasurer’s Report—Scott Sheble

As of 11/30/2024:

- Total income is \$756,505.86 which is 87.8% of the approved 10/9/2024 budget.
- Total expenses are \$749,793.95 which is 87.0% of the approved 10/9/2024 budget.
- This leaves a net income of \$6,711.91.
- The Endowment Fund total reflects \$1,016,781.11 and the balance of the Reserve Savings Account is \$187,522.46.

Lisa Sanders-Park made a motion to accept both the 12/9/2024 Operating Fund Monthly Treasurer's Report and the Capital Campaign Pledge Summary/Income & Expense Report, seconded by Phillip Weiss and was unanimously approved.

Scott also provided Draft #1 of the Operating Fund Budget Changes for 2025.

Membership—Lisa Sanders-Park

No updates at this time.

Capital Campaign—Fr. Lee/ Scott Sheble

- Pledges for years 2024-2027 total \$1,472,272.90.

- As of 11/30/2024, \$547,590.66 of the 2024 pledges have been received, leaving \$138,829.91 still to be collected.
- Total income (gifts, pledges) total \$2,029,153.51 which is 81% of the 2.5M and 58% of the 3.5M goals.
- Total expenses (Generis contract, Ormond renovations, Architect fees) total \$125,456.01.
- As of 11/30/24, the Capital Campaign cash balance is \$1,006,650.95.

The Capital Campaign Pledge Summary/Income & Expense report was accepted as noted above (Treasurer's Report) and unanimously accepted.

Design Development

Fr. Lee reports that he is waiting to hear from Gray Hudson, Project Architect, by the end of the year regarding "deliverables" on the renovations to St. Paul's.

Stewardship—Denise Sheehan

Here are the pledge figures as of December 5, 2024 and comparison with last year at this time:

2025 Pledges: \$542,858 from 128 households (down \$8,452 from last year, but an increase of 8 household pledgers)

2024 Pledges: \$551,310 from 120 households

Thank you notes were distributed to the Vestry for writing to parish members who have pledged for 2025. They are due by the January Vestry meeting. Denise asked that you let her know when you have finished them.

New Business

- Greg Kutrow has accepted the position on the Endowment Board previously filled by Karen Day, whose term is ending. Greg has a background in retirement financial planning. Steve Haughey made a motion to accept Greg Kutrow's new position, seconded by Lisa Sanders-Park.

- **Rationale for Proposed Changes to the Endowment Board's Policies & Procedures.**

The EB has been working on proposals for changes to the *P&P*, its Governing Document since early in 2023. Prior to that, the most recent revisions, spearheaded by Laura Padgett, David Tousignant, Tom Matthews, and Geoff Losee, were done in 2019 and approved by the Vestry in 2021.

Our proposed revisions are meant to address four areas of potential confusion:

1. **What is the relationship of the Board to the Vestry?** After much discussion, the EB followed Bill Anlyan's strong suggestion to identify itself as an "**Advisory Board**" to the Vestry and remove any language implying a totally independent role in management of the funds in the Endowment.
2. **Is "Advancing Funds" permissible?** The current language is ambiguous. In reality, beginning with the aftermath of Hurricane Florence in 2018, the Vestry has requested the EB to advance funding for several projects in anticipation of third-party payment such as from FEMA or the Lehto Foundation. On all occasions, the Vestry promptly

reimbursed the Endowment Fund when the third-party payment arrived. The proposed revisions would allow for advancing funds in these very limited circumstances, but still would prohibit loans from the Fund to cover shortfalls in the Operating Budget.

3. **What should be the threshold for stopping withdrawals from the Fund?** The Fund has two totally distinct components. Roughly 70% of the Fund is held as a true Endowment and labelled the “Unrestricted” portion. The consensus of the EB since its inception has been that the initial balance in this Unrestricted portion should not be invaded. The remainder of the Fund represents balances in nine separate “Designated Funds,” each with its own governing documents. Only two of the nine were set up as actual Endowments (Berry Altar Fund and Smithwick Nursery Fund), with provisos that the initial investment not be invaded. After extensive review of Endowment Board minutes and Bank records, Bob Crafts, an Asst. Treasurer in 2019, determined that the balance in the entire account at inception was \$853,678.98. Our proposal would set a different threshold of \$500,000 for the Unrestricted Fund, at which point withdrawals would cease. As of 11.30.2024, the Unrestricted balance in the Fund is \$696,853.25, well above that threshold.
4. **Gift Policy.** The current wording in the Gift Policy implies that it controls any and all gifts made to St. Paul’s. The proposed new language makes it clear that the Gift Policy in the *P&P* only applies to gifts that are specifically made to the Endowment Fund. It also sets a higher threshold of a minimum gift/bequest of \$50,000 to establish a Designated Fund in the Endowment.

- **Adopting the Rector’s Housing Allowance**

Whereas The Reverend Caleb J. Lee is compensated by St. Paul’s exclusively for services as a minister of the gospel; and whereas St. Paul’s does not provide Fr. Lee with a rectory, therefore, it is hereby Resolved, that \$50,000 out of Fr. Lee’s total compensation is hereby designated to be a housing allowance; and it is further Resolved, that the designation of \$50,000 as a housing allowance shall apply to calendar year 2025 and all future years unless otherwise provided.

David Tousignant made a motion to accept the Rector’s Housing Allowance, seconded by Carol Field and was unanimously approved.

- **Mutual Ministry Review**

Anne O’Dell, Rector’s Warden, announced that she will be conducting “end of year reviews”. These are not performance reviews but are meant to gain insights and provide an opportunity for feedback.

Examples of questions may include:

Is the church living into its mission?

Have there been any changes?

Are we meeting needs and are we aware of issues that need to be addressed?

- **Vestry Nominations Report**

The Nomination Committee, composed of Ashley Eason, Anne O’Dell, Lisa Sanders-Park, Tori Cannon and Fr. Lee, have identified 4 candidates for nomination to the 2025 Vestry:

Karen Day
Cecelia Peers
Frank Wolf
Tori Cannon

Old Business

Nothing at this time.

David Tousignant moved to adjourn the meeting, Steve Haughey seconded and the meeting was unanimously adjourned at 7:23pm.

To close the meeting, Steve Haughey offered a Collect for the First Sunday of Advent.

Respectfully submitted,
Tori Cannon
Vestry Clerk