

St. Paul's Episcopal Church
Vestry Meeting Minutes
December 8, 2025

PRESENT: The Rev. Caleb Lee (Rector), Barbara Ellington Banks, Steve Bucci, Karen Day, Carol Field (Rector's Warden), Steve Haughey (People's Warden), Anne O'Dell (Clerk), Cecelia Peers, Scott Sheble (Treasurer), Denise Sheehan, David Tousignant, Frank Wolf

ABSENT: Tori Cannon, Mait DuBois

CONSTRUCTION COMMITTEE: Mona Clites, William Gwathmey, Darren Jones, Rob Nipper

OPENING PRAYER: Fr. Lee called the meeting to order at 6:00 pm and prayed the Collect for Advent.

APPROVAL OF NOVEMBER MEETING MINUTES: A motion was introduced by Denise Sheehan and seconded by David Tousignant to approve November's vestry meeting minutes. The motion passed unanimously, and the minutes were approved as written.

RECTOR'S REPORT: Fr. Lee shared a brief personal reflection on the results of the diocesan election for bishop and assured the vestry of his well-being. He asked if anyone had questions, and hearing none he proceeded with his official report.

Worship has been fantastic. With the steady increase in attendance numbers, we are close to moving from a transitional size church (ASA 141-224) to a program size church (ASA 225-800). This is good news and could not have been achieved without the collective leadership and hard work of the vestry. A question was raised about the consequences of officially being a program size church. Fr. Lee explained that Church Size Theory is a well-established methodology used to help explain church dynamics in different size congregations. It has helped us to understand our challenges and manage growth using data, not emotion. On a national scale, being a program size church puts us within the top 20% of Episcopal churches based on ASA. At the diocesan level, the classification may gain us an additional convention delegate. Within the parish, it highlights the need to hire a full-time priest associate. The draft of the preliminary budget for 2026 includes funding for this position, with the hope that it will be filled by June 2026. See the Treasurer's Report for additional information about the preliminary budget.

James Green was ordained to the priesthood on November 23. He hopes to stay at St. Paul's for several more months to continue his training, provided the bishop has no objections. As a bi-vocational priest, James will continue his full-time work as an EMT; he will serve part-time at St. Paul's as his availability allows. James' compensation will follow the diocesan supply clergy model, though the exact details are still being decided. While this arrangement is not optimal given the growth in our parish, it provides a workable solution until we are able to bring on a full-time priest associate.

Fr. Lee has been in conversation with Cheryl Wagoner and separately with Bishop Skirving regarding Cheryl's future. It is likely that she will return to St. Paul's in January to serve as our deacon, but more discussion is needed. Cheryl will receive minimal compensation per diocesan policy which requires deacons (formerly unpaid) to be paid so, if desired, that they can participate in the church's benefit programs.

Isaac McDowell expects to complete his graduate degree in late 2026 after which he plans to seek secular, nonprofit work, likely in public health. While his departure from St. Paul's will not perfectly align with the desired onboarding of a new full-time priest associate, it will free up resources in 2027 to help offset the cost of the new position. Once the 2026 budget is approved, Fr. Lee expects to form a committee to assist with hiring a priest associate. Given the clergy shortage, it may be a challenge to find the right person in a timely manner.

Fr. Lee is working on his Christmas letter. He has also begun planning for the Annual Meeting, which is January 25 at 9 am. Vestry members are asked to consult the list of assigned reports and note the due date of January 12. Please also be advised that immediately following the annual meeting, there will be a short meeting of the new vestry to elect its wardens.

Fr. Lee's strategic vision for 2026 is taking form: Renewal, Rebranding, and Renovations. The details are under development and will include a new website that is more user-friendly for staff and parishioners. Following four years of sustained growth, this is an opportune time to reassess our identity as a church, particularly as we transition into newly renovated facilities. The new vision will be a major focus of the annual meeting.

The Pentecostal Church (IPUL) that uses our facilities on Monday evenings, has requested and been granted permission to move to Sunday evenings. This revised schedule will take effect at the start of the new year.

Stewardship update: on Sunday, we were at \$568,000; today we are at \$596,000 with 130 pledging units.

The vestry retreat is tentatively scheduled for February 7, possibly at St. Andrews On-the-Sound. Details to follow. Please also note that on Sunday, February 1 at 4:00 pm, there will be a choral evensong to honor the newest 1858 Circle inductees. Vestry members are encouraged to attend. On Sunday, February 8, we will celebrate the Kirkin' o' the Tartans, transferring the feast of Samuel Seabury, the first Anglican bishop in North America.

PEOPLE'S WARDEN REPORT-NOVEMBER 2025: (Submitted in writing prior to the meeting.) **PARISH HALL AND CHURCH**

- Met with Jimmie Spivey (Salt Rock Builders) on Tuesday November 4 to discuss changing out light bulbs in the NAVE.
- Following two days of extreme cold, Unit 10 in the Music Wing was not heating the Parish Hall on Wednesday November 12. Unit was fixed that afternoon.
- Southeastern HVAC completed our semi-annual maintenance on Monday November 24. All units in the Church, Parish Hall, and the OC were serviced. Only one item was found defective and replaced.
- Inactive and unused Entry and Alarm Codes were deleted during the month.

ORMOND CENTER

- The lock to the Admin Office would not open and Locksmith was called on Monday November 10. New lock and door handle installed.

GRANT UPDATE

- No update. Still expecting grant decision in early December.

LOOKING AHEAD

- Hoggard HS Concert on Tuesday December 9 at 7 PM.
- Handel's "Messiah" on Friday December 12 at 7:30 PM.
- "Blue Christmas" on Wednesday December 17 at 6 PM.
- Christmas Lessons & Carols on Sunday December 21 at 5:30 PM.
- Tallis Chamber Orchestra on Monday December 22 at 7:30 PM.

Steve Haughey reminded vestry members to RSVP to the Christmas "Jingle & Mingle" on December 15. Steve also shared that the Foundation of the Diocese of East Carolina denied our grant request for \$25,000 to repair the Market Street doors, citing more urgent needs from several other applicants with no other funding sources.

TREASURER'S REPORT: Scott Sheble presented the Monthly Treasurer's Report, which compares the proposed annual budget for 2025 to actual year-to-date figures.

For the eleven months ending November 30, 2025, St. Paul's reported total income of \$853,767, which is 87.2% of the total annual income budgeted for 2025 (\$979,000). Total expenses for the same eleven months amounted to \$821,784, which is 83.9% of the total annual expenses budgeted for 2025 (\$979,000). Net income as of November 30, 2025, was \$31,984.

Thus far in December, we have collected \$25,500 of the outstanding pledges reported on November 30, 2025. For 2025, we anticipate collecting 97% of the total dollars pledged, which is consistent with historical trends.

Other account balances as of November 30, 2025, were reported as follows:

Wells Fargo Investments (Endowment Fund)	\$1,044,945
First Carolina Reserves	\$100,425
Wells Fargo Special Gifts	\$58,470

Scott also reviewed the status of the capital campaign as of November 30, 2025:

Total Pledges (2024-2027+)	\$1,680,066
Total Gifts	\$639,472
Total Pledges & Gifts	\$2,319,538
\$2.5M	93%

We have raised approximately 93% of the \$2.5 million needed for Phase 1 & Phase 2 renovations. Outstanding pledge payments were as follows: \$0 for 2024; \$103,037 for 2025; \$411,854 for 2026; and \$166,667 for 2027+. The amount of outstanding pledge payments for 2025 was updated prior to tonight's meeting; it declined to approximately \$63,000 thanks to the receipt of several payments. Efforts continue to collect remaining outstanding pledges for 2025.

Since its inception in 2023 through November 30, 2025, the capital campaign has collected gifts, pledges and interest totaling \$1,705,614; total expenses amount to \$185,864 for net income of \$1,519,750.

Scott presented a draft of the preliminary 2026 operating budget for discussion purposes ONLY. Additional changes are anticipated as more detailed information becomes available. A vote on the budget will be taken at the next vestry meeting, allowing vestry members time to review the details.

Total income for 2026 is projected to be \$1,001,635 and assumes the following:

- \$42.5K increase in pledges & gifts
- No IRS Employee Retention tax credit
- \$57K additional funding from special gifts
- \$10K funding for Capital Campaign project manager (portion of Finance Manager salary)
- \$10K funding from reserves for Rector's sabbatical

Total expenses for 2026 are projected to be \$1,068,875 and assume the following:

- \$132.8K increase in Salary & Benefits, including a new priest associate, benefits for all staff & associated annual increases, COLA increases, initial funding of rector's sabbatical
- \$12.9K increase in operations, accounting for inflation and higher diocesan pledge
- \$10.2K increase in facilities, accounting for inflation and higher property and liability insurance

As a result of the administrative offices moving from the Parish House to the Ormond Center, insurance coverage amounts need to be reallocated. The finance manager plans to alert Church Insurance to increase coverage by \$100,000 at the Ormond Center and reduce it by the same amount at the Parish House.

Under the preliminary budget, there is a deficit of \$67,240. The finance office is considering other funding sources, specifically special gifts, and re-evaluating costs to reduce the shortfall.

We anticipate seeking funding from The Endowment in 2026 as follows: \$25,000 from the Unrestricted Fund for the youth minister; \$6,000 from the Hazel Savage Fund for the music ministry; \$12,000 from the Lehto Fund for annual organ maintenance; and \$6,000 from the Kauno Lehto Fund for annual scholarships.

With no further discussion, the Monthly Treasurer's Report was unanimously accepted. There was no vote on the preliminary budget as previously noted.

CONSTRUCTION COMMITTEE UPDATE:

Fr. Lee welcomed the construction committee to the vestry meeting at 7:00pm. Chairperson Mona Clites provided a brief update of the committee's activities since its last appearance at the special vestry meeting on October 26, 2025. The general contractor, Chambliss & Rabil, conducted onsite walkthroughs with key mechanical, electrical, plumbing, and structural partners to evaluate the full range of project needs and develop a cost estimate. The committee and Gray Hudson, the architect, reviewed the cost estimate and then met with Chambliss & Rabil to ensure that it was as comprehensive as possible, given the present state of the project. The cost estimate and recommended actions were presented to the vestry. The vestry was specifically asked to approve the following four items:

1. Confirm working construction budget of range \$2.1M - \$2.3M.
2. Approve the architect/engineers to proceed into the Construction Document phase as defined in their existing contract.
3. Authorize an asbestos/hazardous materials survey (estimate \$750-\$5,000).
4. Approve concept of early permitting of rear bathroom – this would require a permit and a contract with Chambliss & Rabil which the committee would bring to the vestry for approval.

After an informative Q&A session, the vestry thanked committee members for their hard work and the Construction Committee departed. The Vestry then moved to address the recommended actions. Steve Haughey made a motion to approve the four recommended vestry actions. Steve Bucci seconded the motion, and it was unanimously approved by the vestry. Fr. Lee will forward to the committee the 2023 Stature Engineering report as well as any existing hazardous materials reports related to the church or parish house.

COMMITTEE REPORTS: *(submitted in writing prior to the meeting)*

Membership: The Membership Committee is co-chaired by Karen Day and Lisa Sanders-Park, working closely with Head Usher and Head Greeter. We welcome newcomers and guide them through the process to membership. As well, Membership plans events to help old-timers forge new connections and to embrace newcomers into the church family.

TRANSFERS IN SINCE JANUARY 1, 2025: 23

PROSPECTS

Definition: Newcomers or visitors who have signed guest book or filled out a visitor card

of Current Prospects: 61, needs to be culled based on usher/greeter input about attendance

of Active Prospects: 17 (attend regularly and some even serve on committees)

EVENTS

- Monthly dinner groups: 34 signed up and assigned to 4 dinner groups. The season was kicked off at the Erways' on May 18. The four dinner groups have leaders and have met in June and July; August dinners are starting up.
- Occasional pop-up dinners: First pop-up dinners were held April 27 in three homes (Karen Day, Lynda and Ron Miller, Brian and Lisa Sanders-Park). 28 of the 62 who signed up participated. 29 have signed up for August 17. We did not get enough hosts to hold in homes so will be in groups of 8-10 in three restaurants.

Stewardship:

Denise Sheehan distributed packages to vestry members containing materials and instructions for writing thank you notes to households who made pledges for 2026. Extra supplies are available if needed.

Community Ministries: November

1. As reported last month, on November 1st we participated in Rise Against Hunger packing event.
0. Sent a check for \$1,000.00 to 2Share for last installment to cover operational expenses.
0. In view of the cancellation of the SNAP program and Food Bank shortages, committee agreed to send additional checks for \$500.00 to each of our partners dealing with feeding people i.e., Good Shepherd, Nourish NC, and Mother Hubbard's Cupboard
0. Date for St. Paul's to participate in a food packing event at Nourish NC changed from December 3rd to January 7th at 5 o'clock.

Human Resources: The HR Committee met to review end-of-year evaluation questions as suggestions for the Rector. After minor modifications, the questions were submitted to the Rector for consideration.

Children, Youth & Family:

December events for Youth Group include:

- December 7th: EYC @ St. Paul's 5pm-7pm Crofton's Pretzels
- December 14th: Children & Youth Christmas Caroling—a joint event with St. Andrews on the Sound. Caroling will take place at a nearby Assisted Living Facility where some of our church members reside. 4:30pm-7pm and Pizza will be provided.
- December 24th: Christmas Pageant

2026:

- January 7th: Nourish NC Packing Event @ 5pm
- January 11th: Wilmington Area Youth Event
- January 18th: EYC @ St. Paul's
- Winter Ski Trip scheduled on January 22nd-25th at Winterplace Ski Resort in West Virginia. Total cost is \$590.00 per person for transportation, cabins, lift tickets, rentals and meals
- February 1st: Lower Cape Fear Youth Gathering @ St. Mark's
- February 15th: Ice Skating
- February 22nd: EYC @ St. Paul's

December events for Children's Ministry include:

- December 6th: Parent's Morning out! 9am-12noon. Several activities are planned for kids while allowing parents to Christmas shop or enjoy "free time" -- Volunteers are welcome to help with children! (Preschool-5th grade)
- Christmas Eve @ 5:30pm Service: Children's Presentation of the Nativity
Rehearsal on the 23rd between 2pm-3pm

Ongoing Events:

Sunday School and EYC Coffee & Conversations will not be held on December 21st and 28th due to Christmas break.

- Coffee & Conversations continues on Sundays from 9:30-10:15am in the Gym Conference Room for students in grades 6-12. This is an opportunity to study God's word and to explore ways to apply it to our lives.
- Children's Sunday School from 9:30-10:15am in the Children's Wing.
- "Touch & See" is offered to Preschool and Kindergarten children.
- "Weaving God's Promises" is available to students in 1st through 5th grades.
- Children's Choir 11:45am-12:30pm. This choir is open to children of all ages and experiences.

Nominating Committee Report: The nominating committee is pleased to announce the slate of candidates who have agreed to stand for election to the vestry in January 2026: Rhonda Stroud, Leon Tillery, Brad Van Amberg, and Shelley Jonik. The candidates will be announced to the parish before Christmas. Other nominations will be accepted beginning in January and up until two weeks before the annual meeting.

NEW BUSINESS:**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 2026 and all future years unless otherwise provided.

David Tousignant made a motion to approve the Rector's Housing Allowance; it was seconded by Frank Wolf and unanimously approved.

Endowment Board Appointment and Reappointment

The Endowment Board has one open seat. Steve Bucci made a motion to approve the appointment of Carol Field to her first term and the reappointment of Bill Richards to his second term on the Endowment Board. The motion was seconded by Barbara Banks and unanimously approved.

Request of \$25,000 from the Endowment Board

The Endowment Board has funded the youth ministry position for two years; we are requesting a third and final year of support. Karen Day made a motion to request \$25,000 from the Endowment Board to fund the youth ministry position in 2026. The motion was seconded by Cecelia Peers and unanimously approved.

OLD BUSINESS:

None.

With no additional business before the vestry, the meeting was adjourned at 7:58 pm.

Respectfully submitted,

Anne O'Dell,
Clerk of the Vestry