

St Philip's

episcopal church

worship • love • action
a church for all people

403 East Main Street, Durham, NC 27701
Phone 919-682-5708, Fax 919-683-1857
janice@stphilipsdurham.org

VESTRY MEETING MINUTES **Monday, December 16, 2019**

Vestry Present: Amanda Fratrick, Treat Harvey, Marjorie Miller, Pamela Njai, Dan Pearson, Kelly Ryan, David Shumate, Freda Tucker, Bynum Walter, Glenn Walters, Callie Woods, Chapman Williams

Clergy Present: the Rev. Jonah Kendall, the Rev. Sally French

Guests Present: John Yeatts

Call to Order The regular monthly meeting of the vestry of St. Philip's Church convened on December 16, 2019 at 6:17 pm at the home of David and Cyndy Shumate, the Rector being in the chair. Jonah Kendall opened the meeting with a prayer.

Minutes – (see Dropbox)

John Yeatts noted that the last bullet on page 2 under the Finance Report should be changed to state that we will be liquidating both bonds and securities.

Treat Harvey made a motion to accept the November 25, 2019 vestry meeting minutes that included her emailed edits. Bynum Walter seconded the motion; it was approved nem. con.

Finance Report (see Dropbox)

John Yeatts reported:

- 2019 pledge payment revenue for November was low. But the non-pledge revenue was favorable. Pledge payments are \$35,000 behind; this means we will need to receive \$95,000 in pledge payments during the month of December to reach our

2019 pledged contribution goal. He noted that although this is a high goal, we have received a comparable level of December pledge payments in the past.

- We agreed to ask Janice Glasser to send an email to all parishioners with a letter that John Yeatts will provide, notifying people of the current pledge deficit and reminding them to send in their 2019 pledge payments by the end of December. We will ask Janice to send this if she has not already sent out pledge statements.
- Callie Woods made a motion to approve the Finance report. Bynum Walter seconded the motion; it was approved nem. con.
- John Yeatts said there is a \$40,000 shortfall for a fully-funded 2020 budget. The finance committee will develop suggestions in January for closing the budget.
- In response to a question by Amanda Fratrik, he confirmed that the \$40,000 budget deficit does not include the expense of the communications minister, which we had planned to fund outside of the budget.
- John Yeatts emphasized that the 2020 budget is an aspirational budget.
- He said we will receive part of the larger financial gift from Jacqueline Harris' bequest in December, earlier than previously expected.
- Treat Harvey asked about the possibility of having a spin-off of a certain amount of the Jacqueline Harris financial gift to support the balancing of our 2020 budget.
- John Yeatts explained that we had originally planned to fund the communications position from the IRA gift.
- Callie Woods suggested using the money that wouldn't be spent if a communications person does not start right away to help meet the aspirational budget. If the budget is based on the assumption that the person would begin in January but that person actually does not start until a couple months into the year, then the money budgeted for salary and benefits for those months could be used for other purposes.
- John Yeatts reported that the finance committee recommends taking the distribution from the Jacqueline Harris financial gift minus the amount needed to pay off the mortgage to fund the communications position. This would allow us to set aside the IRA money. The suggestion is to put the Jacqueline Harris gift into a quasi-endowment and use proceeds to fund the communications minister position. He is seeking vestry endorsement for this approach.
- Sally asked whether this plan for funding the position would still work if, over time, the communications minister morphed into another type of position. John Yeatts affirmed that this funding plan would still work because a quasi-endowment has enough flexibility.
- John Yeatts asked the vestry to endorse the concept of liquidating the Jacqueline Harris financial gift upon receipt to pay the mortgage, then putting the \$3.2 million remainder into the market in a quasi-endowment.
- Amanda Fratrik made a motion to follow the recommendation of both the Finance Committee and the Investment committee to support this plan. Kelly Ryan seconded the motion; it was approved nem. con.

- John Yeatts affirmed that the finance committee had begun discussing how to pay ourselves back for the amount of the Jacqueline Harris gift used to pay the mortgage. He will report updates as that discussion continues.

Old Business

Elections Committee (see Dropbox)

Bynum Walter shared the list of eight people who have accepted nomination to the vestry. Treat Harvey made a motion to approve the slate of 2020 vestry candidates. Kelly Ryan seconded the motion; it was approved nem. con. Bynum Walter reflected on the good work of the elections committee and said that the slate of candidates seems to represent the diversity of St. Philip's in multiple ways.

Stewardship Update

- Treat Harvey expressed gratitude that there were 120 increased pledges and only 96 pledges that showed no change or decreased.
- The 2020 pledge total is up to \$726,000. John Yeatts commented that we are doing really well in our stewardship campaign to be striving to meet such a large and truly aspirational budget.
- Treat Harvey noted that only one of the people who pledged last year for the first time did not pledge again this year. We all agreed that this is remarkable.
- It is important to update the directory before the next stewardship season begins so committee members are working with updated parishioner contact information.

Harris Gift Financial Discernment and Discernment Committee

Recruitment (see Dropbox)

- Bynum Walter raised the question of whether we need an additional committee for discernment about the Jacqueline Harris financial gift. She pointed out that we already have an Investment committee that is enthusiastic and a Finance committee that has already been working on issues regarding the gift over the past year. She reminded us that the gift is very important, but we need to balance time and energy spent on it with other important church issues. It was agreed that another committee would add multiple but potentially competing viewpoints and would be more cumbersome than helpful. There was consensus for not creating a separate Jacqueline Harris Gift Financial Discernment Committee.
- Charlie Steele concurred, saying the use of the Jacqueline Harris financial gift is ultimately the vestry's decision. Further, he suggested a focus on this financial gift at the vestry retreat in February, 2020.

- Glenn Walters also agreed that we do not need another committee, but emphasized that the framework around communicating with the congregation is important.
- We agreed that we should inform the congregation about a clear channel for communication. Sally said she has tentatively scheduled Sunday adult forums in February to be on the subject of the Jacqueline Harris gift.

Pastoral Concerns

Sally shared pastoral concerns.

Dismissal and Adjournment Jonah offered a blessing prior to dinner and adjourned the meeting at 7:11 p.m.

Respectfully submitted,
Marjorie Miller, Clerk

Adendum: Continuing 2019 Budget until 2020 Budget is Adopted

In an email at 1:54pm on Sunday, December 22, 2019, Bynum Walter wrote to request electronic action on a resolution for the 2019 budget to be continued until the time the 2020 budget is adopted, since a budget was not adopted during the December 2019 vestry meeting. In keeping with the vestry's adopted policy for electronic action, she made a motion that the vestry consider electronic action.

In an email at 2:00pm on Sunday, December 22, Glenn Walters seconded the motion.

The motion was approved electronically (by email) nem. con.

In an email at 9:48am on Tuesday, December 24, 2019 Bynum Walter wrote to confirm good consensus for electronically considering a continuing resolution for the 2019 budget. She made a motion to adopt such a resolution to remain in effect until we adopt a budget for 2020. In an email at 10:01am on Tuesday, December 24, 2019, Treat Harvey seconded the motion. It was approved electronically (by email) nem. con.