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

VESTRY MEETING MINUTES

Monday, April 22, 2019

Vestry Present: Liz DeGaynor, Treat Harvey, Pamela Njai, Dan Pearson, Kelly Ryan, David Shumate, Freda Tucker, Bynum Walter, Callie Woods, Chapman Williams

Clergy Present: the Rev. Jonah Kendall, the Rev. Sally French, the Rev. Jill Staton Bullard

Guests present: Charlie Steel, the Rev. Harriette Sturges, Alexa McKerrow, John Yeatts

Call to Order The regular monthly meeting of the vestry of St. Philip's Church convened on April 22, 2019 at 6:01 pm in the St. Philip's library, the Rector being in the chair and the Kelly Ryan serving as Clerk. Jonah Kendall opened the meeting with a prayer.

Reading The rector led a reflection on stewardship, meditation no. 8. "Faithful Servant." Doing What is Right, [One-Minute Stewardship](#) pp. 46-47.

Minutes (See Dropbox) Dave Shumate requested changes to the first bullet, and deletion to the third bullet of the March 25, 2019 Vestry Meeting minutes. Dave also requested the correction of a typo on the second page. Liz DeGaynor moved to approve the minutes with these changes. Bynum Walter seconded the motion; it was approved nem. con.

Treasurer's Report (See Dropbox) John Yeatts presented the report.

- March was a reassuring month in terms of pledge revenue. Total pledge revenue was around \$76,000, more than budgeted. A few line items were over budget – music, copier, Durham CAN. Overall expenses were a little more than expected, but it was overall a good month.

- The bookkeeper has been reviewing the cash on hand. Expect a proposal next month about a better plan.
- IT security: It cost \$8,000 to repair problems that occurred in March. We have a great insurance policy to cover it with a \$1,000 deductible.
- Surplus sitting on the balance sheet: We want to maintain some transparency with what we are doing with the \$27,000.
- Pamela Njai raised a question about whether the new tax laws would affect people's abilities to fulfill their pledges. John said it was unclear; we budget to shave about 2 percent off the pledges. David Shumate suggested that the changes likely would have affected the pledges, not the ability to fulfill them.
- Bynum Walter moved to approve the Treasurer's Report. Dan Pearson seconded the motion; it was approved nem. con.

Old Business

Stewardship Team Brief Update: Treat Harvey deferred the substance of the report until after the next stewardship working group meeting. She suggested that when we think about helping people to feel connected here we recall the power of the Holy Week **experience at St. Philip's, with people returning for multiple services.**

New Business

Jonah invited all of us to enter into a period of discernment with the number of significant items on the agenda.

Jacqueline Harris Estate Bequest

- Charlie Steel was present as an attorney, not as a chancellor. Jill Bullard and Harriette Sturges were present to share information about Harris' will. They are serving as executors of her will.
- Jill Bullard explained that Jackie saw St. Philip's as both her home and her family. She has left her house and land to St. Philip's along with half of her estate. If the market holds, her estate will be \$6 million or more, plus the house and lands.
- Jill Bullard has served as power of attorney since about 2017 to help keep Jackie safe and cared for. Work has been underway for the past 18 months or so to stabilize and repair the house.
- Charlie reported that her bequest represents many years of frugal living and income from her and her husband's medical practices. She had expressed concern about preserving the house, and the land that they were associated with for 50 years. Jackie wanted restrictive covenants on the land to prevent it's being developed. She gave the property as a conference and retreat center; if that was not possible, she specified that the property could be sold and proceeds given to

the vestry. She spoke about the possibility of the property being used as an ecological laboratory.

- The remainder of the estate is an unrestricted gift.
- Dan Pearson asked about timing on the balance of the estate. Charlie Steele said it usually takes 2-3 months to clear an estate tax return, which is filed nine months after death. It will probably take a year to 15 months for the estate to be concluded.
- Jill Bullard reported that an IRA will distribute to the two main beneficiaries, which will put about \$68,000 in St. Philip's account in about three months. Harriette Sturges reported that Jackie was very interested in children's having a place – maybe an environmental center. She wanted a fence to prevent children from getting in the creek.
- Jackie's ashes will be interred on the property. There will be one flat stone to mark the plot.
- Liz DeGaynor asked for clarity about whether the house would be the retreat center; Charlie said yes, but added that it would have to be modified greatly to fulfill that role. It will be a great responsibility for the vestry to carry out her wishes and steward this gift. Harriette Sturges said you can add to the house but you can't build anything new. Liz DeGaynor would like clarity about how we are going to preserve her wishes so that later vestries will be able to honor them. Charlie Steele pointed to the carefully worded will as well as the restricted covenants. Treat Harvey wondered whether a conference center meant an overnight situation; Charlie Steele said it would be at the discretion of the vestry. Jill Bullard noted that we will need to investigate the rules about overnight accommodations. Kelly Ryan asked whether the audience would be people of all ages; Harriette Sturges said yes; the retreat center could be for families or "forest bathing."
- Kelly Ryan asked what kind of structure would be needed to receive and maintain the gift; Charlie Steele said it would be up to the vestry to determine how to do that. Treat Harvey asked whether the cash gift was restricted and whether it could be developed as a fund to maintain the land. Is it meant to be denominational? Charlie Steele suggested that, in keeping with Jackie's wishes, it would likely be open to anyone. But Jill Bullard noted that would be the vestry's decision.
- Sally French asked about the value of the land and house; Charlie said it had not been appraised, and noted that the restrictions would suppress the fair market value. The tax value is about \$855,000. Callie Woods asked about the timeline; can we start planning now, even if it will be 12-15 months before the estate and taxes are completed? It would be negligent not to begin planning. Jonah said the house and the property is already St. Philip's; we already have oversight of it. Further changes to the house have to be done in concert with us. Jill Bullard noted that we need to make the land and house secure. An electronic fence is

being put in and a security system is in place. Pamela Njai confirmed that there were no estate taxes on it; Charlie said yes.

- John Yeatts noted that our current endowment is \$3 million. This bequest will triple that. This puts the gift in perspective.
- Callie Woods asked what is funding ongoing repairs; it is coming out of the trust, Charlie noted.
- Jonah asked what about the status of the items in the house. Charlie Steele reported that Jackie had a number of artifacts from native people. She wanted them to go to the Hood Museum at Dartmouth, but they were not interested. Most of the furniture and items have been removed and will be sold at auction in Hillsborough. There is a piano Lewis has reviewed and believes can be refurbished.
- There are some specific bequests to secular people and a Siberian husky society, Urban Ministries, etc.; those total less than \$1 million, about \$614,000.
- Freda Tucker asked about maintenance being in place; Jill Bullard said there is not a maintenance system. The HVAC and electrical systems have been checked and fixed.
- Sally noted that there is a lot of information to digest; how do we handle the more immediate needs? Charlie said Jill and Harriette have those items covered; St. Philip's needs to develop a process to manage the proceeds as they come in. Freda Tucker suggested that the vestry take a field trip to the land. Bynum Walter noted what a staggering gift this is; she urged us to be deliberative and not rush this process. Dan Pearson noted the debt of thanks we owe Jill Bullard and Harriette Sturges for the tremendous work they are doing to manage the estate.
- Jonah suggested we return to this at our next meeting, to begin our discernment. He wondered about how we ought to share this with our congregation. When we received a substantial gift from Hildgard Ryals. we made it public and celebrated it. Charlie Steele noted that it is at the discretion of the vestry; he urged us to share the faith behind this gift in a meaningful way to celebrate her life and this gift. Jonah suggested we discuss how to share this at our next vestry meeting. Dave suggested a general announcement soon – even as soon as the next Sunday. Should this section of the agenda be private? Jonah suggested only sharing that we had received the house, the land and a substantial financial gift.

J2A Report and Publishing Proposal

Sally reported on the revision work of the J2A curriculum that she led alongside Liz DeGaynor. Two of the three phases are virtually complete. Sally reached out to Church Publishing as Leader Resources has been disengaged; Church Publishing responded right away. This program, a developmental approach to youth formation, doesn't exist elsewhere in the Episcopal Church. Church Publishing has offered to publish the curriculum, with 12 percent royalties on the new revised curriculum. The revisions committee unanimously supported this arrangement with Church Publishing (CPI). The

request is for the vestry to support Jonah and Charlie Steele's negotiating this contract. We also need to terminate the relationship with Leader Resources. Charlie Steele noted that we can give notice before July 1 and the contract will terminate by the end of the year. We are in the process of applying for a trademark and copyright for the lessons. There is concern about how Leader Resources may respond to our disengaging them. Church Publishing has also provided a complete marketing plan. Jonah endorsed this approach. Dave Shumate made a motion to pursue negotiations with CPI. Dan Pearson seconded the motion; it was approved nem. con. Dan Pearson made a motion that Jonah and Charlie Steele pursue ending the Leader Resources contract. Callie Woods seconded the motion; it was approved nem. con. Treat Harvey asked for clarification about what Leader Resources might do; Charlie Steele said he can't say for sure, but expressed some concern.

Global Missions

Freda Tucker presented a request for permission to host the annual Liberian fundraising dinner on October 19, 2019 in the Parish Hall. Bynum made a motion to approve this request. Liz DeGaynor seconded the motion; it was approved nem. con.

Communications Position

Kelly Ryan presented the draft job description for a fulltime Minister for Communications, which was developed under the leadership of Sally French and Rebecca Hix. Treat Harvey suggested we do make a bullet point specifying that the person does support development/stewardship. Sally noted that such a focus might require some tradeoffs in other aspects of the work. Bynum Walter would like us to add a specific number of years of experience. Jonah invited vestry members to send Kelly Ryan questions and feedback by May 12, in advance of the next communications committee. This will be contemplated at the next vestry meeting.

Introduction to Environmental Stewardship Ministry

Alexa McKerrow presented a new idea for an environmental stewardship ministry and requested the vestry's support in its establishment. The ministry would be structured around praying, learning, acting, assessing and advocating. Alexa McKerrow requested that the vestry accept a gift of \$10,400 from Dr. Jacqueline Harris to participate in a composting project and other priorities identified by the committee. Dan Pearson inquired about the ongoing funding for this ministry; Alexa McKerrow said it would depend on what the committee would like to do going forward, and funding requests would go through the regular budgeting process. Jonah suggested we defer a decision until the May meeting about the gift. Jonah noted that while the Ryals Committee is distinct from this ministry, he wants to clarify how we manage two pools of funds. Vestry members raised questions about ongoing funding needs. Liz DeGaynor made a

motion to establish an environmental stewardship ministry. Bynum Walter seconded the motion; it was approved nem. con. The matter was referred to the finance and executive committees.

Junior Warden's Report (see Dropbox)

Dan Pearson invited questions about his written report. Bynum Walter made a motion to accept the report. Liz DeGaynor seconded the motion; it was approved nem. con.

Senior Warden's Report (see Dropbox)

Bynum Walter provided a revised RFP for the campus study. She also provided a revised list of firms to which to share the RFP. Bynum Walter asked for the vestry to authorize distribution of the RFP on May 1. Dan Pearson asked about the goals and objectives of the proposal. Bynum Walter explained the importance of understanding how much our land can accommodate going forward. John Yeatts asked how much this might cost. Bynum Walter said she expects it to cost \$10,000-\$12,000. Dave Shumate made a motion to approve the report. Dan Pearson seconded the motion; it was approved nem. con.

Rector's Report (see Dropbox)

Jonah reported that the 2019 Easter attendance numbers, including the Vigil, were 770. (The previous number was 743.) Jonah offered a special thank you to the vergers, musicians, choir, flower guild, cooks, altar guild and others who made Holy Week memorable. Jonah reported that the budget process begins in May. Jonah noted that Sally's sabbatical begins on Saturday and she will return in August. Jonah also reported that Urban Ministries of Durham will be renovating its kitchen; they have asked whether we will host breakfast six days a week (they would not have access to the Parish Hall on Sundays). He would like to extend that to them; we don't yet know the dates. He will report again later when he has more details.

Pastoral Concerns

The clergy and vestry presented pastoral concerns. During Sally's sabbatical, the regular pastoral care email will be suspended. Prayer list additions can be sent directly to Janice.

Dismissal and Adjournment Sally offered a closing prayer. The rector adjourned the meeting at 8:52 p.m.

Respectfully submitted, based on minutes taken by Kelly Ryan,
Marjorie Miller, Clerk