St. Philip’s Episcopal Church  
Vestry Meeting  
July 12, 2016 • 4:00 p.m.

Present: Rev. Meg Finnerud, Rector; Ruth Smith, Sr. Warden; Doug Stone, Jr. Warden; Mo Beers, Bill Bittenbender, Maryann Darzano, Barbara Edwards, Ricky Evans, Fallon Pearce, Dana Richardson, Sharon Sands, Marty Younts (Geoff Gersen, excused)

Rev. Reggie Simmons, assistant priest; Rev. Lowe Davis, pro-tem chaplain to the Vestry; Jane Edwards, Vestry clerk; 63 parishioners/visitors

Call to Order, Opening Prayer -- Bill Bittenbender called the meeting to order at 4:07 p.m.

Rev. Lowe Davis opened the gathering with prayer followed by an explanation of the Eucharist. She stated that the Eucharist was between a priest and a worshipper and it is a priest’s obligation to pass someone by under certain circumstances. Bill Thorpe shouted, “That’s unacceptable!” and asserted his opinions. He was called out of order. Rev. Davis concluded her remarks, noting that this action was not uncommon and that she had denied herself Communion in times of personal conflict. Rev. Davis said she would be available after the meeting to talk in further detail.

Approval of Minutes – Minutes of May 10, 2016 Vestry meeting were approved with the request that the job description of the Finance Committee be attached and typographical errors be corrected. It was also noted that the $535 that remains in the Deacon’s temporary restricted fund has not been expended.

Minutes of June 14, 2016 Vestry meeting were approved.

Ruth Smith asked that the minutes of the short, non-regularly scheduled Vestry minutes on April 15, 2016 and June 8, 2016 be considered. She was referred to the meeting agenda item of old business where the actions of those meetings will be covered.

Treasurer’s Report – Jacquie McNutt resigned as treasurer. Dana Richardson acknowledged her contributions. In absence of a treasurer, Dana Richardson offered information.

- 2015 Capital campaign revenue (account 1-000828) is under temporary restricted funds.
- Finance Committee will review 2016 data, but its progress is stalled until the 2016 budget is approved.
- Dana recommended that the 2016 budget, as presented in the May 10 Vestry meeting, be approved. Marty Younts moved and Doug Stone seconded this recommendation. Motion passed.
- Dana is looking at 2016 financial details, but a treasurer is needed to oversee the day-to-day financial operations such as data entry.
Marty Younts moved, Maryann Darzano seconded that Bob Fuchs be appointed as part time bookkeeper to enter data. Bill Bittenbender stipulated that this would be a temporary appointment. Motion passed.

Bill Bittenbender stated that the Finance Committee must become more active. Lorraine Beamer, parish administrator, said that she has been entering data and paying bills and all payments are up-to-date. She is scheduled to attend ACS training in Florence, NC. Lorraine noted that she is correcting irregularities in entries.

Audit – Sandy Crumrine, CPA, of Earney & Company L.L.P., Certified Public Accountants, distributed copies of the 2015 audit to members and officers of the Vestry. Ms. Crumrine reviewed four sections of the audit: letter to the Vestry reviewing significant audit findings; financial statements for the year ended 12/31/15; letter about internal control; and recommendations. Ms. Crumrine made several comments, including the following.

- St. Philip’s ended 2015 with net assets. Ms. Crumrine reported that there were no significant difficulties in dealing with management in performing and completing the audit. She noted that challenges have been the changes in “players” and the fact that we are dealing with 2015.
- Books are “in pretty good shape.”
- Cash position, mostly of designated funds, was very strong.
- St. Philip’s is well above average in giving.
- Statement of cash flows shows slight decrease in cash from beginning to end of year, mostly from donations and contributions. Cash spent mainly on payroll. Church had earnings on investments and a very healthy cash balance at year-end.

The CPA firm recommended improvement in internal controls in the following areas: segregation of duties; supporting documentation for disbursements; incorporation of auxiliary bank accounts; and development of a written investment and spending policy for reserve and endowment funds. Ms. Crumrine invited questions from the Vestry.

Marty Younts stated that the challenge will be maintaining enough funds to extend coverage for items like the assistant priest salary.

It was noted that throughout 2015 Bob Fuchs was treasurer. Reverend Meg Finnerud, rector, and Senior Warden Ruth Smith signed the management disclosure letter. Ricky Evans agreed to sign a form stating that the auditors were authorized to look at the St. Philip’s checking account. Bill Bittenbender stated that after the audit is finalized, signed and delivered digitally and manually to St. Philip’s, it will be placed on the website.

Reports

Sr. Warden -- Ruth Smith announced that Pat Prather had left St. Philip’s due to relocation out of Brunswick County. Ruth thanked Pat for her many years of service and stated that St. Philip’s would need to replace Pat as delegate to the Southport/Oak Island Interchurch Fellowship. The Mission Fund Committee also needs to be appointed.
Ruth stated that Doug Stone, Rev. Meg and she will meet with the bishop on August 3. Ruth mailed a letter to him to update him on St. Philip’s. Ruth reported that the Bishop said the Vestry is responsible for overseeing all aspects of St. Philip’s. The Finance Committee ought to provide direction and day-to-day oversight, reporting regularly to the Vestry. Ruth asked the Bishop to help St. Philip’s to develop trust and to gain understanding of the nature of being a “true” Episcopalian.

Marty Younts asked about the Bishop’s Ascension Day letter and follow-up on his recommendations, including engaging an experienced mediator. St. Philip’s is waiting to hear about his support. Ruth said the Bishop is pleased with the Vestry’s signed pledge to resolve issues. Ruth will continue to follow up with the Bishop.

People need to be appointed to the Mission Fund.

Ricky Evans was approached by Downtown Southport, Inc. (DSI) about placing a bronze statue, 3 to 4 feet tall, of Meezie Childs on St. Philip’s property. Costs of approximately $10,000 would be covered by DSI. The statue will be on a cement base and will be the first in a series of several statues erected throughout Southport. Maryann Darzano asked about statue vandalism and maintenance of statue. Debbie Evans, St. Philip’s parishioner who serves on the DSI board, will pass on our questions to the board. Marty Younts moved that we accept the statue and determine where it will be placed once we have more information. Ricky Evans seconded and the motion passed.

Ruth distributed the Vestry Person of the Day schedule.

**Junior Warden** -- Doug Stone presented a written update. Work continues towards completion of the new magnetic door locks. Key fobs are due within a couple of days after which doors will be operational within a few days. Even with the heavy rainfall in Southport, the leaks in the narthex bell tower have subsided. Necessary associated repairs are still on the list. The grounds continue to improve. Heavy rains revealed a leak in the parish hall roof over the bathroom/kitchen area. This will be addressed.

**Commission Reports** – Being as written Commission reports were submitted, Bill Bittenbender asked that Vestry members limit their verbal reports to significant highlights.

- Marty Younts announced that Bojangles will donate chicken for our reception for Rev. Reggie Simmons. Martha Meyers organized meal delivery to the Simmons family. Please sign up on the website.
- Congregational Development – Fallon Pearce requested that all parishioners wear name tags to church to help the Simmons family learn who we are.

**Old Business** – The following approved motions in previous meetings were affirmed:

- Unanimously-passed motion made 4/15/16 authorizing relocation of the Parkhill House at an estimated cost of $14,000.
• Unanimously passed motions made on 6/8/16 to appoint Doug Stone as Junior Warden, Geoff Gersen as the Vestry-appointed member of the Finance Committee, and Jacquie McNutt as Treasurer.

Jacquie McNutt has resigned as treasurer.

In reference to Jim Belvin’s question at the last Vestry meeting about St. Philip’s fiscal position and other issues, the question was posed if Geoff Gersen had responded. Dana Richardson said the entire congregation should hear the response. Geoff Gersen wrote an article for the most recent issue of The Philippian.

New Business
• Bill Bittenbender said he and Doug Stone prepared the first draft of the bylaws revision and emailed electronic copies to the members and officers of the Vestry. Vestry will discuss this draft at the August meeting and vote on a final draft at the September meeting. A final draft of the revised bylaws will be distributed by 10/1/16 to the entire congregation for final vote before approval by the congregation at the annual meeting.
• Dana Richardson reported that Jacquie McNutt tightened up roles, responsibilities, policies and procedures for the Finance Committee (to be renamed Finance Advisory Committee) and wrote a new committee job description. Dana will distribute the new job description and asks that Vestry members read, review and vote by email to the vestry clerk for inclusion into records. Bill Bittenbender said that, according to North Carolina statutes, an electronic vote must be unanimous in order to be valid.
• Marty Younts requested a discussion of the St. Philip’s “hostile” work environment. Bill Bittenbender said that topic may come up in executive session.
• Corrections to May 10 meeting – No funds are budgeted for Stop Hunger Now; $800 is allocated for Stephen Ministry.
• Bill Bittenbender welcomed Rev. Reggie Simmons to the meeting, and Rev. Meg invited Reverend Reggie to speak. Vestry members introduced themselves and their roles on the Vestry.

Reverend Reggie stated that he, his wife Kim and two children, Savannah and Winston, were happy about their welcome at St. Philip’s. “We are excited and grateful and looking forward to doing extraordinary things among you.” Reverends Reggie and Meg have been in conversation for several months.

Rector’s report was passed over.

Other business -- Bill Bittenbender opened up the meeting for comments and questions from the parishioners in attendance.

Jim MacCallum said he was offended by rejection of someone at the communion rail. He expressed concern about Vestry resignations, lack of a treasurer, and loss of members. Praying that we can resolve these matters, he made a plea for immediate resolution. “We have an opportunity to do better.”
Loraine Armstrong stated that there is interest and concern in where we are going, and we have the right to hear about the refusal of communion at the altar.

Dick Lee – “Reggie, welcome. We’re really a nice group of people.” Dick said he’d never heard of communion being denied. He referred to the Last Supper and the disciples becoming the choice of Christ. “We are Christ’s children. I want everybody who wants to come to the table and kneel down, to be able to take communion.”

Bob Dzubak talked positively, joyfully about the successful move of the Parkhill house in spite of a lot of road blocks: we couldn’t have a key; movers were not received properly; we worked around dates and church events. He appreciated Doug Stone and Bill Thorpe for all their work, explaining that the Parkhill house was significant in his family history.

Chuck Pollock – “We love our church. I have a great deal of faith in the people of this church that I deal with.” He explained that he attends 8 o’clock service. “People are happy. We are not losing people in droves. This church is in great shape. I want us all to come together at church communion. I want it to stay like it is and I think it’s healthy.”

Gene Meyers stated that he liked everyone being welcome at the Communion rail, and added: “Meg did this for a reason that she felt was in her bounds.”

MJ Martin – “I am troubled and disturbed by people’s alienation and hurt and that very little is being done to reconcile people’s feelings. I am devastated. I am going to miss this parish. Too much bad, hurtful karma here. I am sorry. It’s breaking my heart.”

Priscilla Wheeler – “We leave church with our sins forgiven. Something was forgotten about this.”

Maryann Darzano talked about her leaving the Catholic Church to join the Episcopal Church and how her family was accepted at the communion rail in the Episcopal Church.

Frank Darzano reviewed the number of people who have left roles in the church and have resigned from the Vestry. “Something is wrong. We need to do some soul searching.” He asked about the bylaw revision process and said he would like to have input. We need to look at how the elections to the Vestry are handled at the annual meeting. (Bill Bittenbender said we will seek input from the congregation for the bylaws).

Peter del Sol talked about the improvements in the financial accounting system since 2012. In 2015 this process stalled. Peter questioned the accounting software and services that St. Philip’s uses and the fact that no stewardship campaign was conducted in 2015. He recalled when he served on the Vestry and was in charge of stewardship. Weeks of presentations at each service, pledge card mailing to all parishioners, notices and articles in bulletins and The Philippian all culminated in October on pledge Sunday.

Loraine Armstrong appealed to the Vestry to take parishioners’ concerns seriously.

Martha Meyers read a message that she wrote based on Job that conveyed the message of loving membership in the church. “I choose to be the good in the church.”
Tommy Younts said he is distraught about what is going on in the church and the refusal of communion for Bill Thorpe, his friend and neighbor.

Bill Thorpe expressed his shock over Reverend Meg’s refusing him communion. He stated that he had talked on the phone with the Bishop of the Episcopal Diocese of East Carolina who agreed that Bill should not have been refused communion. Bill named several areas of concern, including the financial status of St. Philip’s in 2016 and the Vestry’s lack of follow-up on the Ascension Day letter from the Bishop that arrived at the church May 5.

Rev. Lowe Davis offered again to stay after the meeting to speak about the role of the priest in the church.

Tom Griffin expressed his distress over the denial of communion and quoted scripture from Luke about turning the other cheek.

Barbara Edwards read the prayer for church unity from The Book of Common Prayer. She emphasized, “Unless we pray, nothing is going to happen.”

Bill Bittenbender called the Vestry into executive session, ending the formal portion of the meeting. Next Vestry meeting is Tuesday, August 9 at 4:00 p.m. in the Parish Hall.

Respectfully submitted,

Jane Edwards, Vestry Clerk