

**St. Philip's Episcopal Church
Vestry Meeting
May 19, 2020
Minutes**

Present: Fr. Eric Mills, *Rector*, Bill Carney, *Sr. Warden*, Maitland Barnes, *Jr. Warden*, Paul Miller, Debbie Evans, Deborah Jordan, Tom Griffin, Harry Singley, Liz Halbert, Holly Meiners, Dave Ham, Mike Chase, Steve Russell

Guests: Lorraine Beamer, Dana Richardson, Don Halbert, Bill Bittenbender

Ex Officio: Bob Fuchs, *Treasurer*, Margaret Bearden, *Clerk*

Opening Prayer. Fr. Eric opened the meeting via Zoom with a prayer.

Minutes. The April minutes had previously been approved via e-mail.

Treasurer's Report.

**Treasurer's Report to Vestry
May 19, 2020**

Operating Budget	2020 YTD Actual	2020 YTD Budget	2020 YTD Variance	2019 YTD Actual	YTD Ac- tual vs. 2019	2020 FY Budget
Revenues						
Pledges	184,828	188,333	-3,505	185,088	-260	565,000
Flower Revenue	525	3,025	-2,500	2,500	-1,975	8,025
Identified Offerings	12,594	13,333	-739	8,860	3,734	40,000
Loose Plate	2,262	3,501	-1,240	2,890	-628	10,504
Parish Hall Rental	200	220	-20	280	-80	660
Miscellaneous Receipts	1,980	7,000	-5,020	5,402	-3,422	15,000
Unbudgeted Revenue	0	0	0	0	0	0
Total Revenues	202,389	215,413	-13,024	205,019	-2,631	639,189
Expenses						

Parish Staff	107,230	107,438	208	117,618	-10,388	403,124
Administration	9,156	10,451	1,295	10,016	-860	34,118
Property	23,479	27,064	3,585	24,364	-885	86,550
Vestry	21,233	26,760	5,527	22,387	-1,154	71,028
Faith Formation	435	1,075	640	1,062	-627	4,500
Outreach	2,500	3,000	500	4,365	-1,865	6,000
Parish Life	108	2,367	2,259	706	-598	6,950
Pastoral Care	249	1,092	843	439	-190	2,600
Worship	3,851	6,285	2,434	2,551	1,301	18,834
Unbudgeted Expenses	0	0	0	0	0	0
Total Expenses	168,241	185,532	17,290	183,508	-15,267	633,704
Net Total	34,147	29,881	4,266	21,511	12,636	5,485

Loans	End of Month Balance	12/31/2019 Balance	Change
Mortgage Payable	168,426	174,417	-5,991

Through April, St. Philip's has received \$856,969 of the \$1,373,843 pledged during the capital campaign for the new parish hall. Capital campaign pledges will continue to be paid through 2022.

2020 pledge statements and capital campaign pledge statements for those with outstanding balances were mailed in the beginning of May.

Activities for the 2019 audit are postponed during the pandemic quarantine.

Respectfully submitted,
 Bob Fuchs
 Treasurer

Bob noted that revenues are down year-to-date, and quarterly statements have been sent out. Lack of an assistant priest, altar flowers, and other limited expenses have affected the budget favorably, and approximately \$34k more in

revenues than expenses has resulted. An expected receipt of 95% of capital campaign pledges has been assumed for planning purposes; Bob will review the status of pledgers to determine if that assumption is still correct as some parishioners have died and some have left the church. The Treasurer's report was received after questions and discussion.

Strategies. Two strategies have been assigned with leaders named, as well as a Policies and Procedures task force, as follows:

In Reach

Holly Meiners (Chair)
Harry Singley
Mike Chase
Paul Miller

Campus Use

Debbie Evans (Chair)
Steve Russell
Tom Griffin

For the Policies and Procedures Task Force:

Deborah Jordan (Chair)
Liz Halbert
Dave Ham

(Note that some members of the task force may join a strategy.)

New Parish Hall. Bill Bittenbender received new cost estimates on construction of the new parish hall. Estimates have increased by \$336,672 due to inflation, an increase in square footage, and other factors, and the new estimated mortgage is in the \$600k range. This mortgage would pay off our cur-

rent mortgage, now at approximately \$168k. Impact to budget would be between \$1200 to \$1600 per month, less the \$1000 currently being paid for rent at the Nash administrative offices. We are able to use the current contract to demolish the Carr-Jorgenson building for an approximate cost of \$25k. Total cost of construction, including Safety and Security costs, is estimated at \$2.19 million.

We are working with Urban Design and Urban Construction under a Design Build model, authorized by the 2019 Vestry.

Senior Warden. Bill Carney presented a resolution regarding the construction and expected mortgage, not to exceed \$600k, which was passed by the Vestry. The resolution is attached to these minutes.

Junior Warden. Maitland Barnes thanked the group of men who cleaned the church campus last week, as well as those who put the shed together (Bryan Wester and the Forsyths.)

Safety and Security. The Safety and Security Committee (Bob Wright, Dana Richardson, and Rich Alt) presented a comprehensive study of security on April 28 to the Finance and Facility Board, covering fire, safety and burglary. Their recommendations included panic systems and video cameras throughout the campus. Three companies responded to a request for proposal, and the committee recommended a 5-year lease with Johnson Controls. Don Halbert reviewed his letter to the Vestry, which addressed concerns the Finance and Facility Board had regarding our ability to fund these costs. The recommendation of the F&F Board was to purchase the equipment using capital reserves, with maintenance and monitoring funded out of operating budgets each year. We discussed our overall financial situation at length and the impacts of COVID-19 on our parish. Because of current and future unknowns affecting budget revenues, Dana Richardson was asked to obtain quotes for total costs of the security system 1) with a reduced video camera system and 2) without a video camera system. The Vestry will review the proposal again after receiving requested quotes from the Safety and Security Committee.

Rector. Regarding worship status, Fr. Eric noted that North Carolina is currently in Phase 1 of re-entry into more normal community interaction due to the COVID-19 pandemic. We are waiting Phase 2 details, expected this week. Currently we are unable to conduct services because of restrictions. Discussion ensued regarding our current online video service, which has been favorably received.

Search for an assistant has been temporarily suspended. It is not expected to resume until late in the fall after COVID-19 restrictions have been lifted.

Closing Prayer. After a prayer by Fr. Eric, a motion to adjourn was seconded and approved, and the meeting adjourned at 7:40 pm.

Respectfully submitted,

Margaret Bearden, *Clerk*

Resolution, Construction of New Parish Hall and Administrative, Education Building

St Philip's Episcopal Church, Southport, NC 28461

Resolved that the Parish of St. Philip's, Southport, NC, Diocese of East Carolina ("the Parish") acting through its duly elected Vestry, does hereby determine that it is in its best interests to construct a new Parish Hall and Administrative/Education building on the lot known as 112 Dry Street. The Vestry in connection with such determination does find that this construction is in the best long term interests of the Parish, and that it has the necessary financial capability to complete this project. The mortgage needed to complete this project is not to exceed \$600,000.

FURTHER RESOLVED, that the Senior Warden is authorized and directed to seek the written consent of the Bishop, the Trustees and the Standing Committee by submitting a certified copy of this resolution and the additional materials required by the Standing Committee of the Diocese for its Advice and Consent, all as provided by the Constitution and Canons of the Diocese.

Adopted this 19th day of May, 2020.

William Carney, Senior Warden

Attest:

Margaret Bearden, Clerk of the Vestry