

Special Vestry Meeting
9/2/18 12:30pm

Present:

Ann Pearce
Yvonne Amanor-Boadu
Katie Dempsey
Marian Fuller
Mary Sier
Joe Barbercheck, Treasurer
David Littrell, Senior Warden

Absent: Candie White, Michael Donnelly, Tom Snyder

Fr. Patrick opened the meeting at 12:35 with the “On Sunday” prayer.

O God our King, by the resurrection of your Son Jesus Christ on the first day of the week, you conquered sin, put death to flight, and gave us the hope of everlasting life: Redeem all our days by this victory; forgive our sins, banish our fears, make us bold to praise you and to do your will; and steel us to wait for the consummation of your kingdom on the last great Day; through the same Jesus Christ our Lord. *Amen.*

The meeting continued with some time for the vestry to review the *August Budget Memo* prepared by Fr. Patrick. The 8-year *P&L/BS* document was also distributed.

Fr. Patrick laid out two main lines of inquiry:

- Short-Term: How to address low liquidity to continue operations?
- Long-Term: Discovering and naming the “whys” of all this to communicate to the parish and to run full-force into this year’s stewardship.

The floor was opened for question and discussion.

Joe gave options for short-term relief including a single large draw or developing a report of predicted financial position at the end of September to predict potential smaller draw or draws. Later discussion asked for that predictive work to be done, but favored a larger endowment draw.

Ann reminded the vestry that this has been a perennial problem at St. Paul’s and at churches in general. Others reflected that in other contexts, this has been solved by individual large donors providing timely gifts. Ann worried that communication about this topic should be intentional about casting this as opportunity in light of recent successes and not as “doom and gloom.” Yvonne reminded the vestry that Fr. Patrick had been predicting this in recent annual meetings and that we’ve finally come to that moment, echoing Ann’s desire to cast present difficulty in light of present success (Capital Campaign). David shared a desire for positive casting.

Ann added that the endowment is important, but this is also what it's here for. The vestry needs to communicate that and encourage giving to the endowment; maybe a specific campaign. "Everybody likes a goal."

Marian wondered about the state of some of the restricted funds, especially the Happy Kitchen. Wondered if the Happy Kitchen should "pay back" the operations fund to account for building usage. (The Restricted Checking has \$8585.59 ear-marked for Happy Kitchen). Discussion followed and there was general agreement that setting up plans for such in the future is probably a good idea, but that retroactively moving money from Happy Kitchen isn't ideal.

Ann reminded the vestry that they HAVE to develop a plan to communicate to the congregation. "We are the leaders, we have made this decision." Fr. Patrick suggested that the balance of draw made, the whys, and the plan should be expressed in a Stewardship Kick-Off letter sent by the vestry instead of the campaign chair. Ann agreed to work with Fr. Patrick on that letter. A "final" draft will be distributed on September 12th for the vestry to sign.

The vestry discussed that the truth of deficit operations is that it is an income-side problem and that should be named. If the Annual Giving campaign provides less-than-hoped-for results, the finance committee should work on communication of what continued deficit operation will look like in terms of endowment health or staffing.

Moving to the main question of how to support ongoing operations, Joe said the main decision is whether to draw to pay the budgeted deficit (\$35,000) or to draw based on the predicted deficit (perhaps larger). Ann countered that a draw should be big enough to be felt by the congregation and to spur the conversation (\$50,000). Joe felt like the vestry should stick at or below the 8% growth the Endowments received last year as a total draw (approximately \$43,000). Ann made the motion to draw not more than 8% from the total endowment (Operating and Housing) and to place it in General Checking to cover ongoing operations. Mary seconded. The motion passed unanimously.

Joe assumes that Sunday giving will cover operations ahead of the September 12 meeting and will bring a report of what 8% might look like and how the vestry can assume it will impact operations for the rest of the year. The vestry will receive that report and the passed draw resolution for ratification as a full vestry on September 12th.

The meeting adjourned before 2pm.