

Vestry Minutes February 18, 2025

Present: Fr. Eric Mills, Al Snell, Senior Warden, Paul Bailey, Junior Warden, Rick Pearce, Ellen Burnett, Bill Happer, Marygrace Barber, Craig Allan, Ross Lively, Paul Palmer, Donna Foster, Tracy Baltz

Absent: John Kennedy

Ex officio: Chris Barber, Treasurer, Lorraine Beamer, Clerk

Fr. Eric Opened the meeting with a prayer.

Vestry Membership Update

A letter from Dorothy Haviland was read in which she resigned from the Vestry due to personal reasons. Dorothy expressed thanks for her time on the Vestry.

Tracy Baltz was introduced. She is willing to fulfill the term left by Dorothy Haviland's resignation. A brief introduction and question and answer session followed.

Craig Allan made a motion to appoint Tracy Baltz to complete Dorothy Haviland's term. Ellen Burnett seconded the motion which was passed unanimously.

Organizational Excellence

This will be a monthly part of the Vestry Meeting. Al Snell referenced a book by Shane Parrish discussing Clear Thinking for Decision Making. There are 4 important default behaviors that need to be considered when making decisions. Discussion followed.

Bill Happer will discuss this topic in March.

Parish Finance Discussion

Chris Barber, the new Treasurer discussed the treasurer's report to the Vestry. Topics covered were Approved Budget, Revenue to Date, Expenses to Date, and the Audit Discussion. Chris provided a macro-level description of the numbers in the Treasurer's report and described future considerations.

Rick Pearce made a motion to receive the Treasurer's Report. Craig Allan seconded the motion which passed unanimously.

Audit Discussion

An in depth discussion concerning the pro and cons of a CPA Audit vs. a diocesan review was presented by Chris Barber as described in the Treasurer's report.

Fr. Eric then explained the reasoning behind a CPA audit. Primary points included the Fiduciary responsibilities of the Vestry and the role of Finance and Facilities to manage the budget. Fr. Eric also discussed the need for a CPA Audit due to his retirement and the appointing of a new treasurer.

Al Snell presented the following information. That St. Philip's has not had a full audit of our financial position and our accounting practices. A full Audit is defined as being conducted by a Certified Public Accountant. Specifically: we are quickly reaching \$1,000,000 operating budget, we have not had a CPA audit since Fr. Eric became our Rector, new treasurer, new Rector. The Vestry Executive Committee, including Fr. Eric, have thoroughly researched audit requirements and best practices and have obtained estimates and have selected a viable, well qualified provided at a good price point.

Changes to the Bylaws Implementation guidance were proposed to clarify the role of the Vestry. *see attached**
Paul Bailey made a motion to clarify the implementation guide to St. Philip's Bylaws. Rick Pearce seconded the motion which was passed unanimously.

Discussion followed concerning the need for a full audit by a CPA. The authority to call for a full audit was established once the implementation guide to the Bylaws was passed unanimously by the Vestry.

Pursuant to good financial stewardship and responsibility, Rick Pearce made the following motion: I move that the Vestry approve a full CPA audit by Mr. James B. Jordan, CPA. (Approved auditor for the Diocese of Atlanta, Ga., and reviewed by Tess Judge, Treasurer for the Diocese of East Carolina). This audit should be done as soon as possible and covers the financial year 2024 of St. Philip's Church, The payment for this audit will come out of the Vestry budget, which has already been approved for the year 2025. The results of this audit, will be reviewed by the vestry and made part of the minutes, so that the parish may review. All recommendations will be reviewed and passed on for necessary changes to be made"

Paul Bailey seconded the motion which passed unanimously.

Al Snell will sign the contract for this audit to proceed. The cost of the audit is between \$9,000 and \$10,000. Final cost of \$12,000 is possible including unforeseen expenses.

Strategy Teams Overview

Strategy 3 - Ministry in Focus will describe the St. Philip's Swag.

Strategy 1 – Looking for Social Workers to help Michele Gore.

Parochial Report

The Parochial report for 2024 was handed out and reviewed by Vestry.

Craig Allan made a motion to accept the Parochial Report as presented. Donna Foster seconded the motion which passed unanimously.

The Parochial report will be submitted to the diocese.

Rector's Time

Fr. Eric is attending a CPG retirement seminar March 10 – March 12.

He will be in Wisconsin March 19 – March 31.

Fr. Eric left the meeting.

Warden's Time

Al Snell reported on the Rector Search update. He emphasized that currently there is a lot of thought and discussion occurring. He will try to arrange a meeting with Canon Stephanie (the bishop's representative) to talk about the process and next steps.

Al will keep the vestry and parish up to date on information as it becomes available.

Rick Pearce made a motion to adjourn the meeting. This was seconded by Donna Foster and passed unanimously.

Next Meeting March 18 at 5:30 PM.

Respectfully submitted

Lorraine Beamer - Clerk

Treasurer's Report to Vestry
February 18, 2025

Operating Budget	2025 FY Budget	2025 YTD Actual	2025 YTD Budget	2025 YTD Variance	January Actual	December Actual	Monthly Change
Revenues							
Pledges	802,836	150,346	211,273	-60,927	150,346	51,431	98,915
Flower Revenue	7,000	300	500	-200	300	1,980	-1,680
Identified Offerings	80,000	6,017	8,000	-1,983	6,017	21,577	-15,560
Loose Plate	15,000	683	1,200	-518	683	1,466	-784
Parish Hall Rental	1,200	100	100	0	100	100	0
Endowment Operating Inc	10,400	2,533	2,600	-67	2,533	0	2,533
Miscellaneous Receipts	13,000	1,624	2,400	-776	1,624	2,931	-1,307
Total Revenues	929,436	161,602	226,073	-64,471	161,602	79,485	82,118
Expenses							
Parish Staff	595,725	52,260	52,800	540	52,260	38,607	-13,652
Administration	34,460	2,962	2,865	-97	2,962	3,155	193
Buildings & Grounds	136,738	6,043	8,097	2,053	6,043	38,497	32,453
Vestry	39,000	5,669	14,083	8,414	5,669	233	-5,436
Diocesan Pledge	79,944	6,662	6,662	0	6,662	6,011	-651
Spiritual Resources	4,220	0	115	115	0	114	114
* Outreach	4,000	1,000	1,000	0	1,000	0	-1,000
Parish Life	10,605	605	870	265	605	1,253	648
Pastoral Care	3,100	89	2,350	2,261	89	0	-89
Worship	29,270	2,712	4,995	2,283	2,712	3,000	288
Total Expenses	937,063	78,002	93,837	15,835	78,002	90,870	12,867
Net Total	-7,627	83,600	132,236	48,636	83,600	-11,385	94,985

* The amount shown for Outreach is only the money moved from the operating budget to the Outreach Board for their use. The Outr

Mortgage	January Balance	December Balance	Monthly Change
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MIF Mortgage	419,152	419,152	0
Total	419,152	419,152	0

Revenues for January are greater than expenses by	\$83,600
Revenues for January are less than budget by	-\$64,471
Pledges for January are equal to budget by	\$0
and less than budget YTD by	-\$60,927 .
Expenses for January are less than budget by	-\$15,835

Respectfully transmitted

Christopher Barber
Treasurer

St Philip's Bylaws Implementation Guidance Revised 2/18/2025

Vestry Responsibilities

In accordance with the Diocesan Canons, the Vestry shall:

- Act as the Trustees of the Parish, and shall take charge of the property of the Parish,
- Regulate the temporal concerns of the Parish,
- Elect and call a Rector for the Parish and provide for the Rector's maintenance,
- Keep order in the Parish, and
- Act as helpers to the Rector or Priest-in-Charge in whatever is appropriate to the laity for the furtherance of the Gospel.

The Vestry maintains charge of parish property by:

- Exercising full fiduciary responsibility for all matters within the Parish in accordance with Canon Laws and Church Bylaws. Nothing in these guidelines removes or delegates that responsibility in any form. For matters of critical concern of the parish, the Vestry holds final decision-making authority.
- Having the Rector, Senior Warden, and Junior Warden attend meetings of the Finance & Facilities Ministry Board,
- Receiving the Treasurer's monthly report and entering the report into the Vestry minutes,
- Approving the annual operating budget,
- Directing an annual audit,
 - Budget for and determine the type of audit the parish will experience,
 - And direct the Treasurer to plan and conduct the annual audit in coordination with the Diocese and with the support of the Chair of Finance and Facilitates.
 - To honor the sacred trust as fiduciary, the vestry will order a full CPA Audit as defined in the Manual of Business Methods for Church Affairs will be conducted no less than once every five years under normal circumstances. If Diocese regulations are implemented that impose

a more stringent requirement, those shall be followed. If exceptional circumstances arise, other oversight requirements may be implemented at the discretion of the Vestry.

- Reviewing and accepting the annual audit and coordinating the response and follow-up actions to audit findings, and
- Designating the Senior Warden (Junior Warden in their absence) as the primary member authorized to sign legal documents and contracts.
 - The Senior Warden performs this function with the advice and consent of the Vestry.
 - The Vestry can delegate signature authority to another Vestry member or officer on an ad hoc basis.

The Vestry regulates temporal concerns of the parish by:

- Requiring that all clergy and staff report to the Rector,
- Establishing Ministry Boards (refer to attachments for the list of responsibilities for each Ministry Board),
- Approving the creation of each Ministry Board,
- Approving or assigning each Ministry Board's Chairperson and Deputy Chairperson
- Tasking the Senior Warden with attending the Rector/Ministry Board Chairperson and Communicator meetings
 - The Senior Warden will keep the Vestry aware of any developing issues that may require Vestry or Vestry Executive Committee action to resolve, and
- Requiring each Vestry member to stay informed of the activities and events of each Ministry Board and of the parish by reviewing the minutes of all monthly Ministry Board meetings and attending those Ministry Board meetings of their choosing.
 - If a matter of concern is noted, it should be addressed to any member of the Vestry Executive Committee.
 - If a potential legal or ethical issue or operational disfunction is identified, the Vestry Executive Committee will work with the Vestry and the Ministry Board having the potential legal/ethical issue for resolution.
 - If in the determination of the Vestry (based on Vestry Executive Committee recommendation), a current Ministry Board Chairperson is creating legal or ethical issues or operational disfunction for their Ministry Board, the Vestry is empowered to replace that Ministry Board Chairperson or dissolve the Ministry Board (Bylaws Article IV D).
- The Vestry elects and calls a Rector for the Parish and provides for the Rector's maintenance by:
 - Consulting with the Diocese of East Carolina and proceeding in accordance with the Canons of the Diocese of East Carolina, Title III, Canon 3.
- The Vestry shall keep order in the Parish by:
 - Providing final resolution for any challenges that cannot be resolved within Ministry Boards or among two or more Ministry Boards (Bylaws Article IV).

- Working with parishioners and clergy to seek a final resolution in the event that the pastoral relationship of the clergy is endangered.
- The Vestry shall act as helpers to the Rector or Priest-in-Charge in whatever is appropriate to the laity for the furtherance of the Gospel by:
 - Committing to individual investment of time, talent, and treasure into the ministry of St Philip's Church.
 - Assisting in matters of worship and fellowship as needed through ministry of presence.
 - Communicating with the Rector those pastoral concerns or other challenges of which members of Vestry become aware.

In addition to the canonical responsibilities described above:

The Vestry is responsible for Strategic Planning activities for the church by:

- Discerning and developing the strategic needs for the church for the next 1 to 5 years or longer,
- Leading the future planning, by incorporating other non-Vestry parishioners to assist the Vestry with future planning development and implementation activities as they are interested and as their time is available, and
- When the future activity is fully implemented (defined, populated, and budgeted), the Vestry and Ministry Board Chairpersons will determine to which Ministry Board or church organization the new ministry will be assigned.

Vestry Oversight of Ministry Boards

- Ministry Boards function on behalf of the Vestry. As such, the Vestry creates and delegates authority and responsibility to each Ministry Board.
- The Vestry must elect Ministry Board Chairs as well as Ministry Board Deputy Chairs, and the Vestry retains the authority to remove Ministry Board Chairs for cause. (Article IV D)
- The Vestry provides oversight of the Ministry Boards by:
 - Ensuring the adequacy of the structural components for each Ministry Board as defined by the Parish Bylaws,
 - Interacting with each of the Ministry Boards:
 - Rector and Wardens interact on a regular basis with each of the Ministry Boards via the monthly Minister Board Chairperson/Communicators Meetings
 - Each Vestry member has the duty to remain informed of the actions and plans for each Ministry Board as reflected in the Board Minutes or those meetings they choose to attend.
 - Initiating actions to resolve issues:

- Should a conflict or challenge arise concerning the structural components of any Ministry Board, the Vestry Executive Committee will initiate actions to resolve and gain Vestry approval for final resolution. (Article IV C)

Ministry Boards and Area of Responsibilities

- The Vestry delegates its authority to the following Ministry Boards to conduct their unique missions and ministries on behalf of the Vestry:
 - **Finance and Facilities**
 - To handle all matters relating to the financial health of St. Philip's church, including developing and managing budgets, monitoring and ensuring completion of annual audits, investments, debt; and to maintain the physical health of the buildings and grounds.
 - **Outreach**
 - To be God's hands and feet in the world and to show His love by sharing His gifts with all of His children in need.
 - **Parish Life**
 - To plan, develop and implement programs and activities that enhance, encourage and support the people of St. Philip's in collaboration with the clergy, the Vestry and members of the other 5 ministry boards.
 - **Pastoral Care**
 - To support the clergy and to provide for the pastoral needs of the congregation.
 - **Spiritual Resources**
 - To deepen our love of God and strengthen our love of others by building, enriching, and maintaining an informed understanding and practice of Christian faith and spirituality.
 - **Worship**
 - Grounded in God's word and love for all, we offer meaningful worship in a sacred space in the liturgical tradition of the Episcopal Church.

Ministry Boards are comprised of:

- The Ministry Board Chairperson, who is approved or assigned by the Vestry,
 - A Ministry Board Chairperson serves on a year-to-year basis for a maximum of ten years.
 - Their commitment is renewed annually following a discussion with the Rector and the Senior Warden to confirm that being the chairperson enhances their relationship with God and that the accomplishments of their Ministry Board is working towards fulfilling its Mission Statement.
- The Ministry Board Deputy Chairperson, who is approved or assigned by the Vestry,
- The Ministry Board Communicator, and
- A representative for each ministry within the Ministry Board.

Ministry Boards are empowered to and will:

- Establish the goals and directions for their boards that support the Church's vision and mission to include a vision and mission statement for their Ministry Board,
- Perform the day-to-day activities for those directions and to achieve those goals,
- Submit their request for funding for their ministries in the annual budget for the upcoming year,
- Manage their spending to not exceed their approved budget,
 - If, after the budget is approved, a Ministry Board determines that additional funds are required, the Ministry Board Chairperson must request approval from the Finance & Facilities Ministry Board to spend more than their approved budget and cannot do so before approval is granted.
- Conduct monthly scheduled meetings and publish minutes from those meetings within five business days,
- The Ministry Board Chairperson and the Ministry Board Communicator will attend the Rector, Ministry Board Chairperson and Communicator meetings,
- Ministry Boards are responsible for resolving their Board's issues,
 - If an issue arises between two or more Ministry Boards, the Ministry Board Chairpersons from the affected Ministry Boards should work together to resolve their issue.
 - If a resolution cannot be reached, the issue is referred to the Vestry Executive Committee who will work with the Ministry Board Chairpersons to achieve a resolution as soon as possible.

Eligibility for Vestry and Convention Delegate: (Bylaws Article VI B)

- **A communicant in good standing** is defined by the canons as: "A member who for the previous year has been faithful in corporate worship, unless for good cause prevented, and has been faithful in working, praying, and giving for the spread of the Kingdom of God.
- **Faithful in corporate worship** is defined in accordance with the national church canons which state: "All persons within this Church shall celebrate and keep the Lord's Day commonly called Sunday, by regular participation in the public worship of the Church, by hearing the Word of God read and taught, any by other acts of devotion and works of charity, using all godly and sober conversation." (Title II Canon 1, Constitution and Canons of the Episcopal Church)
- **Working** is defined as actively participating in the mission and ministry of St Philip's parish through the various ministries offered.
- **Praying** is defined as maintaining a spiritual discipline and practice throughout the week.

Giving for the spread of the Kingdom of God Is defined as becoming a giver of record for the operating budget of St Philip's Church as recorded by the Treasurer