

Finance Committee Meeting

October 14, 2025

Present: Paul Bailey, Jim Belvin, Bill Coffin, Mother Betty Glover, Rick Pearce, Karla Platt, Tom Propst, Al Snell

Absent: Clay Fairley

The meeting began at 10am with an opening prayer by Mother Betty

Meeting packets were distributed which contained agenda, September minutes, September Statement of Financial Position, and September Statement of Financial activities MTD and YTD.

The September minutes were reviewed and approved. A discussion ensued regarding the \$130k returned from the Diocesan Foundation account and deposited into the United Bank Money Market. The Finance Committee will determine the ultimate disposition of the \$130k at a future Finance Committee meeting.

Rick Pearce noted there were no material changes or items to review on the Statement of Financial Position. On the Statement of Financial Activities, Bill Coffin noted that both MTD and YTD Pledge revenue was behind budget by \$13.5k and \$35.6k, respectively and asked what the process was to remind members to stay current with their pledges. Mother Betty suggested adding a gentle reminder to the green announcement flyer in the weekly bulletin. In addition, Tom Propst offered to let Bill Coffin have Stewardship's Ministry in Focus slot at the October 26 service. Rick Pearce added that typically 20% of the final pledge revenue is received in the fourth quarter.

There was discussion around the favorable variance in YTD personnel and much of it was due to Father Eric's retirement, no Asst. Priest and the timing of hiring of Part Time Sexton and Facilities Coordinator. There were some mapping issues within the 2025 budget for these 2 positions that will be addressed in the 2026 budget.

Bill Coffin noted that YTD Actual for Cleaning Services was \$0 vs \$16k budget. Al Snell commented that this service is no longer being contracted outside with the addition of a Sexton.

Bill Coffin asked what the Financial Management expense under Vestry was for and Al Snell noted it was related to the external CPA audit and ongoing consulting services.

Tom Propst inquired what was included in Misc Receipts and Karla Platt replied it was a temporary placeholder for unapplied receipts at month-end (i.e. Flowers, men's breakfast and progressive dinner). Al Snell added this could include non-contribution income from

the retail-like sale of St Philip's t-shirts. Karla Platt stated the account is reconciled to move funds to the appropriate category. Paul Bailey inquired if the Sunday counters properly identify funds placed in the loose plate and Karla said they completed a sheet with appropriate descriptions. Karla Platt added that the Misc Receipts and Misc Expense were both included as Audit Comments and these accounts are reconciled and cleared out in a timely manner.

Bill Coffin and Rick Pearce updated the Committee regarding the processing of Endowment distributions. The General Endowment and Moore CofC/Annex Maintenance Endowment distributions should be 1% of the rolling 12-month quarterly average. The Q1 and Q2 distributions were calculated but never executed and the Q3 distribution is now due.

The Outreach Endowment distribution for 2024 and prior was the actual amount of interest and dividend income received in the year by the Outreach Endowment fund. This amount for 2024 was calculated to be \$8,337.76 and was never executed/disbursed. The Outreach Endowment distribution policy was amended in 2025 to be similar to that of the other Endowment distributions. No quarterly Outreach Endowment distributions have been executed in 2025. The Outreach Committee is requesting the 2024 funds as well as 2 quarters in 2025. In 2026 there will be 4 distributions received (Q4-2025, Q1-Q2-Q3-2026).

Adding some layer of complexity to this process is that these Endowment funds were transferred from Vanguard to Schwab (participating in the Episcopal Foundation of the Diocese of East Carolina). To request a distribution, the calculation would come from the Treasurer/Finance Committee, go to Vestry for approval then to the Diocese with appropriate documentation. The Diocese would then instruct Schwab to send a paper check.

As Schwab does not have the historical quarterly averages, Bill Coffin and Rick Pearce are scheduling a call with the Diocesan Investment Manager, Teresa Osborne, to determine the best way to obtain the catch-up balances. It is unknown if the Diocese would accept prior quarterly balances from Vanguard or if they wish to base it off of Q2 and Q3 Schwab balances. The goal is to agree on a plan/calculation that can go to the Vestry next week for approval, then back to the Diocese. The process/timing of future distributions will also be discussed.

Al Snell was ok with this approach. Jim Belvin stated the process sounded consistent with endowment guidelines.

NOTE: subsequent to the Finance Committee meeting a call with Ms. Osborne has been scheduled.

Rick Pearce, Karla Platt and Bill Coffin would look at the allocations and reconciliations of all fund balances with investment account balances.

Regarding the status of James Jordan ongoing work, Rick Pearce mentioned Karla Platt was going to attend 2-day REALM training next week.

The Committee agreed to continue the second Tuesday of the month schedule for the remainder of 2025 and for 2026. This puts it one week ahead of Vestry. The November 2025 Committee meeting falls on holiday; the Committee decided to meet on Monday, November 10 at 2pm.

Tom Propst for Stewardship mentioned the 2026 campaign is on schedule; mailings are going out this week. Tom Propst added that no targets were given this year, no ask for a specific amount or percentage increase. Al Snell noted that last year the campaign articulated what the Church was doing to justify the increased ask; Jim Belvin thought it was helpful to provide a target but that this year's campaign was a good one. Mother Betty wanted to be sure Stewardship talks about the many ministries and the good work they are doing.

Jim Belvin for Endowment noted he would be speaking to the congregation on November 9 regarding how they can support St Philip's with an endowment. Jim Belvin has identified individuals to approach for one on one discussions. Jim Belvin added that one endowment was withdrawn.

There was no Investment update.

Rick Pearce provided a 2026 budget update and thought expenses would be lower than 2025 budget due to Rector transition and no Asst. Priest.

The meeting adjourned at 11:30am.

Respectfully submitted,

Bill Coffin