

Vestry Meeting Minutes, 2/27/24, in person at St.John's

Those present: Anne Baker, Kathy Butler, Tom Butler, Elaine Chapman, Nelson Crandall, Win Fernald, Liz Lindsley, Amma Eliza Linley, Joanna Phillips, Jon Showalter, Susan von Schmacht

Guests: John Melvin

Those absent: Vibeke Orsini, Antonette Wood

ACTIONS:

1. Email Bishop's office regarding consent agenda item 5.c. - Kathy
2. Take check signing resolutions to banks (consent agenda item 6) - John Melvin
3. Write new bookkeeper job description - Jon and Nelson
4. Submit Parochial Report - Amma Eliza
5. Convene new Rector Housing Committee, report back at April Vestry meeting - Joanna, Anne, Elaine
6. Update website pages or identify what needs to be updated, status at March Vestry meeting - Amma Eliza, Win, Tom, Liz, Elaine, Jon, Joanna, Anne, Nelson, Bart Coddington, Andy Carter, Chrys Sparks, Susan

MINUTES:

6:34pm Amma Eliza opened the meeting with prayer. Win asked us to share what has made us happy this month as a form of check-in. For formation time, Win led us in Lectio Divina using the Transition Team's Prayer.

Consent Agenda: Jon moved that the Vestry approve all eight items on the consent agenda, Liz seconded. It was unanimously approved. These items are:

1. Accept Retreat Notes (not formal Vestry minutes)
2. Approve January Vestry Minutes
3. Accept Draft of Annual Meeting Minutes (formally approved at next year's annual meeting)
4. Approve Endowment distributions directly to ACYP (Aptos Community Youth Program)
5. Approve 3 resolutions from Nelson (see exact wording in Nelson's email, 2/21/24):
 - a. Distributions from Endowment Fund can be paid directly to Aptos Youth Program bank account
 - b. Provide reimbursement of kitchen expenses with coffee hour fund balance to Antonette Wood without documentation
 - c. Inform Bishop we will keep \$3,000 of interest received from Diocese in accumulated surplus
6. Approve 3 check signing resolutions from John Melvin
 - a. Add Andrew Pudan as authorized signer on Wells Fargo checking account
 - b. Add Andrew Pudan as authorized signer on four Santa Cruz County Bank accounts
 - c. Remove Katie Camacho and add Kelly Balisteri as authorized signer on Santa Cruz County Bank Cub Scout Pack account

7. Appoint John Melvin as ASUC (Architecture and Space Use Committee) Chair
8. Reappoint Anne Baker, Matt McCabe, and Jon Showalter to ASUC

Interim Pastor's Report: Amma Eliza provided a brief update, since Christmas, it's been non-stop work with baptisms, memorials, stewardship, annual meeting, Mardi Gras, Ash Wednesday, Lenten Series, etc. In the Lenten Series we have 65 people broken into 7 groups meeting in people's homes. We will again have a St. Patrick's Day corned beef and cabbage dinner, right after Sunday service, for \$15, to eat at church or drive thru and take home. Holy Week and Easter planning is almost done. Assuming we don't have another Interim Priest assigned to us for May and beyond, Amma Eliza is lining up supply clergy through August and planning the liturgy. Elizabeth Sanchez, manager of the Helpful Shop resigned due to difficulty in securing affordable housing. She is moving to Portland, Oregon. For the next two months, Diane Scofield will take back the job of manager until we can hire another manager. Amma Eliza is doing the Diocesan Anti-Racism training and is a mentor for new incoming clergy. She hasn't gotten to the administration of the required Praesidium Safe Church training and could use some help. The email issue we have been experiencing where the church group emails tend to get routed to spam folders may get resolved by changing the group email addresses, but these are listed everywhere. Amma Eliza is looking at a computer consultant to help us with this and some other technical issues.

Warden's Reports: Win asked for volunteers to count on Easter Monday. St. John's will be a voting site this weekend, with set-up on Friday (3/1), voting Saturday through Tuesday (3/2-5). For Sunday service, will pull the partition closed to wall off the voting equipment, with voting starting at 1pm. Have moved AI Anon from Sanctuary to the Youth Center for Monday.

Treasurer's Report: Nelson passed out the January statements and asked for questions. He responded to a question about COPA and AFC dues, these were approved by the Vestry last year. PG&E decides when to take our money out of our account, so some months there is no expense and others are doubled up. Solar power hasn't affected our rates yet, it's not yet connected to PG&E.

In response to a question, Assistant Treasurer, John Melvin, confirmed that there was approximately a 3% return on Wells Fargo investments, as these are CDs, although right now it's at 5% annual interest. Previously the Vestry said we wanted zero risk, so that's why we have CDs. The Finance Committee determines where to invest for the Building Fund. The Rebele and Mikkelsen Endowments are invested with State Street Global Advisors through the Episcopal Church Foundation, in accordance with the donors' wishes.

For electricity and gas, we budgeted a little less than last year, it should be fine once the solar kicks in. Gas should be the same usage, but it really depends on the weather. We have two water bills, outside and inside water (which includes the fire hydrant).

Nelson then spent some time going over the two financial statements to educate the Vestry on what they are seeing so that they can properly understand the numbers. If you want to know

what we spent, look at the Activities vs Budget statement. If you want to know how much money we have on a given date, look at the Financial Position statement. Modern bookkeeping uses a double entry system, for example, when we write a check, it appears as an actual expense on the Activities statement and money in the checking account (an "asset") is reduced on the Financial Position statement. The Financial Position statement has two parts, (a) Assets and (b) Liabilities and Net Assets. The total assets (what we have) equals the total liabilities plus the net assets (what we decided to do with the money).

The January Activities Statement has three headings, January Actual, January Budget, and Annual Budget. The January Budget doesn't necessarily equal one-twelfth of the Annual Budget as Realm allows us to budget by month. Some annual bills are budgeted in a certain month. The first line under Revenues, Existing Resources, is non-income dollars used to balance the budget (using our savings). The eight digit number that starts several of the lines is the accounting number. The core account code is the first four digits, the department code is the second four digits. Looking at Fundraisers, Nelson didn't know of other fundraisers, so 4140-0000 has a \$2,000 budget. He will add another line for the St. Patrick's Day dinner. The Helpful Shop tithe of \$567 wasn't yet received, it was paid in February. Looking at the next section, Expenses, under Altar Consumables, this is mostly wine and candles plus some small stuff. Non-consumables are in Gifts, such as altar linens. We can create line items for new things.

For the Statement of Financial Position it is always good to ask "Why?". Under Assets, we have three checking accounts, three investment accounts and receivables from Helpful Shop and ACYP. Fixed Assets are recorded at cost (they don't go up or down for depreciation or appreciation). We will be able to add the solar assets. Under Liabilities, we have four credit card holders and pass-throughs for South Sudan. The Net Assets under Internal Ministries Funds shows money currently in the fund. We can use this amount plus our budget. Next is External Ministries, like the Community Project Fund. There are also Expense Reserves and Clergy Discretionary Accounts. For example, the value of the Rector Discretionary Account should equal the money in the Rector Discretionary checking account. For the Investment Accounts, Nelson looks at the monthly report from Wells Fargo which reports the fair market value to get the value of the account. For the endowment fund, the Vestry can decide what to spend the earnings on, but we don't touch the principal. The Nelson Special Fund was established by Bob Nelson and can be used for a curate or at Bob's discretion. The St. John's Curate Fund contains money leftover from the last curate. Amma Eliza mentioned that CDSP now funds curates for two years in a parish, so we may not need our curate funds. In parentheses next to the name of the fund is the stock ticker identifier, such as Schwab SWTSX. Looking at page 2, you can see we have 1 share of PG&E stock so that we can accept stock as gifts, but as soon as we receive it, we sell it, leaving the 1 share of PG&E stock. At the bottom of page 3, the Unencumbered Cash is mostly money from previous years. 3901 Current Surplus or (Deficit) should match Activities vs Budget Statement Net Total (which it does). 3902 Working Capital Reserve (aka Float) is money set aside so that we don't bounce checks. 3903 Accumulated Surplus (or Deficit) is money not set aside for any purpose.

Nelson reports that the parish is looking for a new bookkeeper and would like a job description to post. We may need the Personnel Committee. Jon said he can get a description for a bookkeeper. Nelson and Jon will work together on it. The Finance Committee would do the job interview.

Parochial Report: Amma Eliza passed out the draft Parochial Report for review. She thanked Sherrie DeWitt and Nelson Crandall for preparing the majority of the report. This report is due on March 1st, either to the National Church or our Diocese, Amma Eliza will check. After reading through the report, Joanna moved that we accept the report as written, Liz seconded. It was unanimously approved. Three signatures are required, Kathy, Nelson, and Amma Eliza signed a copy of the report and Amma Eliza will see that it is submitted on time.

Transition Committee: The Transition Committee asked the Vestry to review the Parish's Mission Statement and decide if they want to change it prior to looking for a new Rector. It was read out loud for everyone to ponder. Win proposed that we keep it the same, Anne seconded it. It was unanimously approved.

Vestry Goals was next on the agenda, but to keep the meeting to a reasonable time, Win said we would postpone this discussion until next month.

Rector Housing: Win said we have options for assisting a new Rector obtain housing. Option 1 - put up money to share ownership of a home with the Rector and when they sell it, we get our share back with interest/appreciation. For example, if we loan the Rector 10% of the price of the home, when they sell it we would receive 10% of the selling price. The trouble is the current market value of homes is so large! Option 2 - pay the Rector their salary of \$88K plus an additional amount, say \$25K, to help with rent. Option 3 - build a studio apartment on the property as originally planned. The problem is we don't know who we will eventually get to be our Rector, a single person or a family, each with different needs. We can state in the information that we put out in searching for a new Rector something like this: We don't know what your needs are, but we are committed to help you in your housing needs. Option 4 - have someone from the Parish leave their residence to St. John's which could then be our Rectory. Win asked if we need a committee to work on this, using people with some realty experience. Joanna, Anne, and Elaine volunteered to form a Rector Housing Committee. It was suggested to ask Ray Wolfe's daughter-in-law, Laura, who has good experience too. The committee was asked to report back in 2 months.

Website Update: Anne passed around a copy of the spreadsheet she had previously emailed to the Vestry. It has the St. John's website pages listed one by one and identifies if that page has a photo, dates & times, links, and descriptive writing on it. Also noted are presumed owners of that page, notes if there needs to be work done on that page soon and a link to that page. Anne went through each line and asked for volunteers to look at each page and identify what should be updated. Some discussion about the New & Events pages, some should be deleted. Also noted were new pages we should add, Cub Scouts and Christmas Faire. Updates can be sent

to Bart Coddington, our webmaster. It would be easiest for him to receive the updates as “cut and paste” sections. The updates will be statused at next month’s Vestry meeting.

Building and Grounds Update: Jon reported that we have hired an architect for the Canterbury Homes project. It is the same architect who built our existing building, Paul Ferro. From the Parish survey, we want to focus on seniors and the homeless demographic and women with children. We will need to take ADA considerations into account. The first deliverable from the architect is a feasibility study which will tell us what property area we will be able to work with.

Anne shared that the solar construction is complete. You can see the solar panels on the north part of the building have a structure that holds them to the right angle to catch the sun. The controls in the electrical room are also complete, they took up less room than we thought. We are waiting on PG&E approval. Their inspection should take about an hour. It will be scheduled for after March 5th, when we have voting going on at St. John’s. We have authorized the payment for the construction.

Report Out to Parish:

- Okayed the Parochial Report
- Appointed John Melvin as new ASUC Chair
- Confirmed our current Mission Statement
- Appointed a Rector Housing Committee
- Assigned website pages to Vestry members to update
- Hired architect for Canterbury Homes project
- Solar construction done, waiting on inspection

Amma Eliza closed the meeting with prayer at 9:05pm.

Respectfully submitted,
Kathy Butler, Clerk of the Vestry