

July 27, 2021

Vestry Minutes



Members in attendance: Kathy Field, Chris Goode, Susan Homar, Ken Hubbard, Kathryn McLearn, David Neises (by Zoom), Lyndall Stanley, Suzanne Thomas, Trevor Walker, Adrienne Williams, Rev. Kelly Steele, Rev. David Wantland.

Absent: Hal Evans, Sally Robinson

Also in Attendance: Peter Kastner, Treasurer; Doug Eberle, Finance Chair (by zoom).

- The meeting was called to order at 5:35.
- Kelly opened the meeting in prayer.
- Kathy led the Vestry Covenant.
- The June minutes were approved via email.
- Kelly distributed the Vestry Calendar for later reference.

Formation Discussion

MissionInsite's 2 demographic reports: "The ExecutiveInsite" and "Golf Carts and Gourmets"

Kelly shared that both reports were used in the Strategic Planning Sessions. The ExecutiveInsite report gives us basic demographic information about the people within the 15 minute driving radius around St. Peter's from 2016-2021 (last updated, 2015). The "Golf Carts & Gourmets" report describes those who comprise 57% of that circle on the first report, a statistically-significant group of neighbors. The first report is very general and broad, the second goes into great detail about how church can serve those people based on their inclinations. "Golf Carts and Gourmets" shows we are a pretty homogeneous group.

Discussion: Vestry members reflected on their responses to the report. While we are doing most of the preferences, the 2015 data missed some pandemic driven changes and also the needs of the continuing care communities here. The report describes "who we are," not "who we think we are" as we have become more conservative and traditional as we aged. The vestry must finalize our focus, outlined but left unresolved in the Strategic Plan, before it ends in 2023, especially whether we target youth or new retirees as our replacements. Additionally, this fall's stewardship campaign needs to know if we have emphasis on youth. Our lack of racial diversity is a barrier to attracting a wider demographic and we lack leadership who can build a youth program. The whole congregation needs to connect with newcomers, not just IWC. Our 2 biggest groups, managers and professional people, are underutilized. Do we increase collaboration with the other 2 Episcopal churches in our area or do we specialize? David noted while the "need to change" has potential for conflict, it also provides the needed fuel.

Associate's Report

David thanked everyone for the warm welcoming. In the 3 weeks since his start, he has meet with many church committees and plans to especially focus on pastoral care, adult forums and adult Bible Study.

July 27, 2021

Vestry Minutes

Invite, Welcome, Connect Report



Kathryn shared updates on IWC progress. On June 23, 4 newcomers attended the IWC social (Ann Hurley, Livvy French, Karen and Gary Joiner) with 5 IWC members. The committee needs to add new members, especially young or newcomers. Betty Stout is updating Realm and Edwina Walker is sending out cards and email follow-ups. Babs Lutton has also joined the committee. They are updating Debbie Giordan's 2016 materials for newcomers to showcase various ministries and activities available to them. Janet Creasman is contributing from her files. Kathryn met with former IWC committee members to update the various IWC tracking lists to determine who would potentially or actually be interested in IWC at this time. They plan another social in September at someone's home and possibly an Adult Forum run by David to show IWC YouTube video so everyone realizes this needs to be a church wide activity.

Stewardship Report

Kelly reviewed Jim Toedtmann's written report with the vestry. The 2022 stewardship campaign will launch Sept. 26 or Oct. 3. An information/solicitation packet will be mailed to the parish and communicated via Live Stream, followed by Budget Sunday coffee hour presentation by Doug Eberle and short weekly updates with guest speakers. They are also exploring electronic giving through St. Peter's website and Currents.

Finance Report

Pete summarized that the June, 2021 Financial Report shows income ahead of budget and expenses less than budget for the first 6 months.

Action: Chris made a motion that the vestry approve all 5 of the motions approved by the Finance Committee on July 15, 2021 for action by the vestry (attached). His motion was unanimously approved by the vestry.

Discussion: Pete clarified that after Tim leaves, his line item salary goes toward hiring a temporary Interim Music Director and toward the cost of selecting a new Music Director. New Hire cost estimates: Search Committee, \$6,000 - \$8,000 (ads, audition fees, travel, etc.) and Relocation of new hire, \$8,000 - \$14,000. Additionally, Pete clarified that while the 2021 4% endowment distribution rolls over if not used, it will be used before the end of the year for funding such projects as the Dominican Republic.

Space Utilization Report

Kathy indicated in her report that the building use policies, rental fees and finalization of annual leases (starting July 1 with our 2 long-term renters) have been completed. They have started on the space marketing plan, talking with potential users and giving tours. The plan will include staging rooms for our website along with room dimensions and suggested venues. David had suggested working with The Landings Club to recommend St. Peter's venues for wedding ceremonies when wedding planners are booking TLC ballroom. Regarding alcohol, Ken said we have a policy requiring renters to hire a caterer who has a liquor license. Adrian suggested it best to give wedding planners a list of professional florists with whom they could subcontract rather than using our Flower Guild. Ken also stated we have guidelines for what kinds of services may be held in the reception hall and that use of the sanctuary is more restricted.

July 27, 2021

Vestry Minutes



Building and Grounds Report

Ken summarized recent activities of the B&G committee from his July report. There has been a communication problem with the HVAC engineers and architectural renderer causing delays as well as rain postponing the start of reroofing. Office staff now supervises the Sanctuary cleaning crew and Stu Evans is obtaining bids for removal and repair of the stained glass window. Art Chapple and Phil Snyder are dealing with mold and humidity issues in the Education Building as well as water leaks which still persist after locking the hose bibs and other measures. St. Peter's illuminated sign has been installed. Rain filled in the old Paths through the Pines so no fill is necessary. Pete Kastner added Builder's Risk Insurance to our current policy. Thermostats have been locked at 73 degrees and tenants are now under written leases which spell out their utility usage. The stepping stones in the front will not be replaced as the cheapest of 3 proposals for path design was \$3,500.

HVAC Task Force Report

Pete submitted the report for Vestry review but requested the Vestry refrain from discussing the project at this time outside the Vestry meetings until estimates are obtained for the two choices, an underground solution keeping existing ceiling and an overhead solution changing the narthex ceiling with an architected partial false-ceiling, AND until they have planned how to package, message and sell the HVAC replacement project to the vestry and parish. In July, B&G has an RFP to several licensed engineering firms for construction estimates to replace the current failing HVAC ducts under the church floor with new ducting and a new floor in the narthex. The design will consider the soil and water table, and propose materials with a long life and low maintenance. B&G expects to deliver a proposal and budget for the underground solution by the Sept. vestry meeting at the latest.

Discussion: While B&G has a solid estimate of \$419,000 to go overhead, pricing the underground option will be hard since it involves 4-6 months without use of the sanctuary, removing all pews, tiles and most of the flooring, digging an 8-10 ft. trench in which to place the expensive concrete pipe. Kathy suggested the renderings are key to getting satisfaction and Pete will use them for fundraising with the goal of installation in 3-5 years. Kelly mentioned capital campaigns suck energy and funds from other church projects where we need to be. Tim McKee suggested looking into which designs help the acoustics.

July 27, 2021

Vestry Minutes



Music Director Search

Kelly noted she received Tim McKee's official resignation notice July 14, with his last day on Wednesday, August 11. The congregation is collecting a purse for Tim for his dedication to St. Peter's programs. Kelly has spoken with Shirley Newhart about possibly serving as interim music director. The interim job will include choir and services but not a Music Academy or concerts. John Sobke chairs the search committee for the permanent music director and Aubry Brawner serves as vice-chair. There is a 16 step process to receive and rank applicants. Job description and ads will be ready in the next few weeks with the 1st organizational meeting on Sept. 1. The interim position may need to run through December. Kelly will update the choir at their July 28 rehearsal.

Action: Pete made the following motion which was unanimously approved by the Vestry:

The Priest-in-Charge is authorized to hire the Interim Music Director at market rates.

Bishop's Statement on Covid-19

Kelly referenced the Bishop's letter in which he states he has no plans to change the present guidance unless there is a major change by the CDC or Gov. Kemp. Since the writing of the Bishop's letter, the CDC now encourages all to wear masks in indoor public spaces but at this time Kelly is not inclined to change St. Peter's present rules.

Closing

Kelly noted that David and Hal are in charge during her vacation, July 30 – Aug. 7, 2021

Kelly closed the meeting with The Lord's Prayer.

This meeting was adjourned at 7:20 pm.

The next Vestry meeting is August 24 at 5:30 pm.

Respectfully submitted

Lyndall Stanley, secretary

July 27, 2021

Vestry Minutes



REPORT TO ST. PETER'S VESTRY

THE FINANCE COMMITTEE

Vestry Action Items – July 15, 2021 Meeting

Attendees: Regina Crofts, Doug Eberle, Hal Evans, Debbie Giordan, Pete Kastner, John Sobke, Rev. Kelly Steele, Dave Sweeterman, Rev. David Wantland.

The following motions for Vestry action were approved at the Finance Committee meeting on July 15, 2021.

❖ **Library Fund Investment strategy – Permanently restricted fund**

The Library Fund is permanently restricted by gift with a present value of about \$50,000. Normal bank interest-bearing investments (e.g., CDs) no longer provide sufficient interest to overcome inflation: we risk long-term negative real interest rates. The Finance Committee created a subcommittee to recommend a permanent, higher-yielding investment. This proposal is the result of the committee's work. Note: St. Peter's has received notification from the Diocese of Georgia that the \$30K Honey Creek loan will be repaid on December 31, 2021.

Motion: The Finance Committee recommends Vestry approval of the following motion: The Treasurer shall:

- a). Establish a new, no-fee Library Fund money management account (MMA) at Schwab, having dual-account authority with the chair of the St Peter's Endowment Board;
- b). Transfer the ~\$20,000 (Permanent account formerly a CD) now parked at South State Bank business checking account to the new MMA;
- c). Upon maturity in December 2021, move \$30,000 in principal plus interest from the maturing diocesan Honey Farm bonds to the MMA account;
- d). Report the condition and transactions in the Library Fund MMA monthly in the normal accounting books and reports of St. Peter's;
- e). On request from the Vestry, move all or part of the accumulated earnings in the Library Fund MMA to replenish the Library Fund temporary restricted account 029-8029-0000.

Additionally, the Endowment Board shall invest the MMA using a portfolio strategy similar to that of the St. Peter's Endowment Fund.

❖ **Cash Management Investment strategy for TRAs and Operating Fund**

St. Peter's needs to earn more interest on its idle funds in the parish business checking account and Temporary Restricted TRA funds to counter inflation. The proposal below is standard cash-management best-practice for businesses and should be approved.

Vestry Minutes



- ❖ **Motion:** The Finance Committee recommends Vestry approval of the following motion:
 - The Treasurer is authorized to:
 - establish a new money management account (MMA) at Schwab having dual-account authority with the chair of the St. Peters Endowment Board
 - Move funds as required between the business checking account at South State Bank and the MMA. On a day-to-day basis, the Treasurer controls the cash management operations
 - The Treasurer and the chair of the St. Peters Endowment Board shall have dual, check signing and electronic funds-transfer authority on the MMA
 - The Endowment Board shall engage Minis and Co. to invest MMA funds in debt, funds or instruments, at a fee not to exceed 0.25% per annum
 - The Endowment Board and the Treasurer shall develop procedures -- published in the Treasurer's Manual and approved by the Finance Committee -- to coordinate MMA redemptions through Minis & Co., and to integrate the MMA with the church accounting system and reporting
 - The Treasurer will report the condition and transactions in the cash management MMA monthly activity in the normal accounting books and reports of St. Peters.

❖ **Mid-Year Financial Review – Revised 2021 Budget**
 The Finance Committee has completed the mid-year operating budget review and revision as planned. The clergy transition and resumption of in-person worship and in-person activities led to a substantial revision of year end expense estimates. Jim Toedtman reviewed pledge and contribution trends and provided revised annual estimates. The Space Utilization group has revised the leases for St. Peter's tenants and provided an updated estimate for donations for building use. The clergy transition resulted in an approximately \$40k expense reduction, in part due to not employing an Associate Priest for 2 ½ months. Other areas, especially Office Expenses, anticipate expense reductions. Live streaming continues to require professional assistance and therefore the annual budget amount has been doubled. B&G General Repair and Janitorial Service (which was unbudgeted) have also been increased. A budget revision highlights memo and Summary Revised Budget exhibit are attached. The revised 2021 Detail budget was provided separately.

Motion: The Finance Committee recommends Vestry approval of the revised 2021 detail operating budget, forecasting a balanced budget for 2021 with total income of \$780,250 and total expenses of \$780,081. This revised budget replaces the 2021 budget approved in December 2020.

❖ **Checking Account signature authorization**
 The Finance Committee recommends that the Vestry approve the following five individuals as authorized to sign checks for the operating fund checking account at South State Bank:

○ Harold Evans, III	○ Deborah Giordan	○ Peter Kastner
○ Steve Langston	○ John Sobke	

This change adds the Senior Warden to the list of authorized check signers. To retain the maximum number of signers at five, Doug Eberle will no longer be authorized to sign checks. Hal Evans is a new authorized signer and therefore will need to bring identifying documents to

July 27, 2021

Vestry Minutes



the South State Bank office. Others on the above list are currently authorized to sign checks. The signature list is effective with Vestry authorization and completion of paperwork required by the bank

Motion: The Finance Committee recommends that the St. Peter's Episcopal Church Vestry approve Harold Evans III, Deborah Giordan, Peter Kastner, Steve Langston, and John Sobke as authorized to sign checks for the operating fund checking account at South State Bank. The signature list is effective at completion of the paperwork required by the bank.

❖ Business credit card authorization

Associate Priest Rev. David Wantland has requested a St. Peter's credit card to facilitate purchases for St. Peter's programs and operations.

Motion: The Finance Committee recommends Vestry approval for issuing a St. Peter's business credit card to Rev. David Wantland for use in purchasing materials for St. Peter's programs and operations.

The Finance Committee wishes to inform the Vestry of the following items:

❖ Clergy (Rector's) Discretionary Fund policy and procedures

Doug Eberle is still writing the updated St. Peter's Treasurer's Manual section policies and procedures for Clergy Discretionary Funds (CDF) according to May's Finance Committee discussion and decisions. Rev. Kelly and Rev. David have agreed with the proposed CDF funding revision, replacing the first Sunday of each month "loose" plate collection with a regular monthly contribution from the Outreach area of the operating budget. This change is reflected in the revised 2021 budget. The revised policies & procedures will be consistent with the December 2019 revision of the national Episcopal Church's *Manual of Business Methods in Church Affairs*. The committee plans to present the revised CDF policies for Vestry approval at their August meeting..

❖ Operating Budget - Mid-Year revision – Monitoring reports

Doug Eberle will notify all impacted staff, committees and guilds of the mid-year budget revisions once they are approved.

The Finance Committee is committed to develop, by December 2021, a more effective method of providing budget expense information (annual budget amount, YTD expenditure total, budget amount remaining, & expenditure transaction details) to parties responsible for monitoring budget compliance. This effort requires an updated list of St. Peter's committees and guilds and the committee/guild chairs.

Note: On July 27, 2021, the vestry unanimously approved the 5 motions above from the Finance Committee action items.