



Vestry Meeting Minutes
11/16/2020, 6:30 p.m. - Zoom On-Line

Present: Vestry Members: Rev. Krista Fregoso, Lisa Bell Stewart, Jessica Beerbaum, Tom Chaffee, Marianne Johnson, Julie Layne, Jim Ward, Rhea Williams and Mary-Jane Wood. Also present were Jennifer Machado, CFO; and Ronnie Marty, Vestry Clerk

Guests: Jen Crompton, Seminarian; Eileen Mitchell, Chief of Staff; Rev. Laurie Moyer, Interim Associate Rector, and Ned Soares.

Excused: Jerry Williams

Topic	Discussion	Outcome
Meeting	Lisa Bell Stewart called the meeting to order at 6:30 p.m.	
Opening Prayer	Rev. Krista	Informational
Quorum	Yes	
<u>Meeting Notes:</u>	Lisa asked that the Round Robin reports be brief as the Executive Meeting will follow the Vestry Meeting.	
Topic	Round Robin Reports	Outcome
Outreach	Julie Layne - No updates to share.	Informational
Parish Life	Jessica Beerbaun - The first school drive supporting "Meadow Homes Elementary School" in Concord will be held on Saturday November 21st during the "Share-Our-Blessings-Drive-Through", held in St. Paul's parking lot. Art supplies are needed most.	Informational
Christian Formation	Marianne Johnson - No updates to share.	Informational
Worship / Concert Series	Jim Ward reported on the upcoming concert presenting "Arthur Omura", featuring music for Harpsichord and Organ to be held Saturday November 28th at 7 p.m.	Informational
Worship	Mary-Jane Wood - No updates to share.	Informational
Communications	Rhea Williams - No updates to share.	Informational
Real Estate Committee	Tom Chaffee reported the "Real Estate Committee", Eileen Mitchell, and Molly Clopp, Trinity Center Board Chair met with Leslie Gleason, Trinity Center Executive Director; and Rich Carlston, Trinity Center Board member to discuss the issues with the parking lot, and behavior on/or near St. Paul's campus. Leslie reported that three groups are responsible for most of these issues; Trinity Center members, (those involved have been disciplined). Homeless people, who are not Trinity Center	Informational

Topic	Round Robin Reports	Outcome
	<p>clients, and people who are visiting people who live at St. Paul's Commons. Rich, who is a former member of the Walnut Creek City Council, will arrange a meeting with the City Manager to discuss how the City can better partner with us to patrol the area. Also other security options are being explored.</p> <p>"Resources for Community Development " (RCD) has yet to bill St. Paul's for any of the "Common Area Maintenance" (CAM) charges. RCD has proposed a cost sharing agreement that was reviewed by Tom and Jennifer. However, there has been no agreement for the cost allocation for the landscape and irrigation costs. When an agreement is reached with RCD for the landscape and irrigation costs, the Vestry will need to quickly approve it so RCD can bill all of the 2020 CAM charges before the year end.</p>	
<p>Rector's Report</p>	<p>Rev. Krista reported:</p> <ol style="list-style-type: none"> 1. <u>The Real Estate Committee</u> is making good progress working with Trinity Center in resetting boundaries, and also with our other tenants. 2. <u>The Pastoral Team</u> is learning new boundaries in working with "Covid 19" rules, pertaining to providing "rides", "meals", and other needed services for our parishioners. 3. <u>Boy Scout Troup #202</u> that St. Paul's has sponsored since 1946, now needs a different relationship than what we can give at this time, due partly because The Boy Scouts of America are seeking bankruptcy. Phil Webster, our liaison with Troup 202 will work with Scout Master Matt Gallego, to help them obtain their own 501C, and anything else we can do to help them become free of our structure. The Diocese has requested that we distance ourselves from the Boy Scouts because of the bankruptcy. 4. Continuing to explore ways to "Reach out as a Community" <ol style="list-style-type: none"> a. First Communion since Covid 19 was beautiful, over 70 families participated. b. The first Baptism since Covid 19 was a huge effort, with all the family and friends participating on-line. Rev. Krista's hope is to build a deeper relationship with these families and their children. And her goal is to get more families involved in St. Paul's. 5. <u>Education</u> - "Advent Series" will be starting soon. Jen will be starting a session on "Social Justice Racial Injustice", - watch for e-mails. 6. <u>Christmas Services (virtually)</u> - "Lessons and Carols" will be on Christmas Eve, then on Christmas morning Rev. Krista will have a Christmas Service around her tree at home. "Blue Christmas" - the Worship Committee is still working on the details. The Choir is working very hard on all the Christmas music. It takes one week for the choir to record one song. 	<p>Informational</p>

Topic	Round Robin Reports	Outcome
	7. <u>Stewardship</u> - "Your Living Generously" will be small group Zoom meetings with Rev. Krista on "What is the most precious gift you have been given in the past year?". These meetings will be held November through December.	
Topic	Decisions	Outcome
Financial Reports (Note: See the attached financial report)	Jennifer presented the Financial Reports through October 2020. A motion was made to approve the financial report as submitted.	Moved: Julie Layne Seconded: Rhea Williams Motion: Approved
Budget Planning for 2021	<p><u>Housing Resolution:</u> Fregoso, Moyer</p> <p>Whereas the Rev. Krista Fregoso is employed as a minister of the Gospel by the Episcopal Church of St. Paul's in Walnut Creek, California, which does provide a residence for her, but does not provide full cost of maintaining such residence; the Vestry of St. Paul's Episcopal Church resolves that of the total compensation to be paid to The Rev. Krista Fregoso in 2021, \$20,000.00 is to be designated a housing allowance within the meaning of that term as used in Section 107 of the IRS Code of 1986.</p> <p>Whereas the Rev. Lauren Moyer is employed as a minister of the Gospel by the Episcopal Church of St. Paul's in Walnut Creek, California, which does not provide a residence for her; the Vestry of St. Paul's Episcopal Church resolves that the total annual compensation of approximately \$15,300.00 to be paid to The Rev. Lauren Moyer during the year 2021, \$15,300.00 is to be designated a housing allowance within the meaning of that term, as used in Section 107 of the IRS Code of 1986.</p> <p>Jennifer presented the Budget 2021 for Vestry discussion:</p> <p><u>Budget Process</u> -</p> <ul style="list-style-type: none"> * Basic assumptions developed with the Finance Committee, (including Rector and Wardens) in October. * Input from the Vestry, staff, ministries in October and November. * Finance committee reviewed draft by November meeting. * This presentation to Vestry * Rework for December Finance Committee and Vestry meetings. * Request Vestry approval at 12/14/2020 meeting. <p><u>Budget Involves Uncertainty</u> -</p> <ul style="list-style-type: none"> * Level of pledge and plate donations, and relationship to amount pledged. * Number of external organizations using space and sharing costs. * Staffing, especially Associate Rector. 	Moved: Jessica Bee Seconded: Tim Chaffe Motion: Approved

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Budget Planning for 2021 - cont.	<ul style="list-style-type: none"> * How much in-person activity will take place. * Maintenance costs - routine and major * Costs for new space at St. Paul's Commons with limited history. * Others <p><u>Key Assumption to Estimate Dollars -</u></p> <ul style="list-style-type: none"> * Donations - Similar to 2019 and 2020 budget. On tract for 2020. High uncertainty. * External users - Fewer large organizations. Trinity Center and 1944 renters. Some small groups and parking. * Staffing similar to now. Add Associate Rector for nine months in place of Interim Associate. * Assume Associate pay at minimum of ten+ years experience; no housing provided. Two person medical. Minimal search/relocation costs. * About six months of in-person activity, ramping up very slowly in first half. * Maintenance costs in line with historical norms. * Guesstimate of \$10,000 for "audio/video" upgrades for worship and concerts. * Estimate for new space at St. Paul's Commons based on limited history. * Omit big new projects and justify/budget separately. <p><u>Not in Budget -</u></p> <ul style="list-style-type: none"> * Large new paying users or sources of donations. * Payroll protection loan forgiveness \$48,200.00. * Other major capital projects. * External paid routine landscaping for main campus. * Full audio visual plan (\$10K placeholder). * No major instrument overhauls - routine tuning and maintenance only. * Supplemental security contractors. * No additional paid staff. Still extremely heavy reliance on wide variety of volunteers. * Significant use of restricted funds. <p><u>Summary of Current Draft Version -</u></p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Actual 2019</u></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Budget 2020</u></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Draft 2021</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: right;"><u>Income</u></td> <td style="text-align: right;">\$662,080</td> <td style="text-align: right;">\$651,948</td> <td style="text-align: right;">\$618,317</td> </tr> <tr> <td style="text-align: right;"><u>Expenses</u></td> <td style="text-align: right;">\$585,737</td> <td style="text-align: right;">\$708,061</td> <td style="text-align: right;">\$701,869</td> </tr> </tbody> </table> <p><u>Capital Projects Not in Operating Budget -</u> (All estimates are preliminary, some are wild guesses)</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;"></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Lowest Est.</u></th> <th style="text-align: center; border-bottom: 1px solid black;"><u>Higher Est.</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">2021</td> <td style="text-align: right;">\$30,000</td> <td style="text-align: right;">\$60,000 - Parking lot sealing, striping</td> </tr> <tr> <td></td> <td style="text-align: right;">40,000</td> <td style="text-align: right;">50,000 - Roof - office wing and church entrance</td> </tr> <tr> <td></td> <td style="text-align: right;">2,000</td> <td style="text-align: right;">3,000 - Replace solar panel inverter</td> </tr> <tr> <td style="text-align: right;">2022</td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">55,000 - Roof - Parish Hall</td> </tr> </tbody> </table>		<u>Actual 2019</u>	<u>Budget 2020</u>	<u>Draft 2021</u>	<u>Income</u>	\$662,080	\$651,948	\$618,317	<u>Expenses</u>	\$585,737	\$708,061	\$701,869		<u>Lowest Est.</u>	<u>Higher Est.</u>	2021	\$30,000	\$60,000 - Parking lot sealing, striping		40,000	50,000 - Roof - office wing and church entrance		2,000	3,000 - Replace solar panel inverter	2022	50,000	55,000 - Roof - Parish Hall	
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Budget Planning for 2021 - cont. 2023	<p><u>Capital Projects Not in Operating Budget continued -</u> <u>Lowest Est. Higher Est.</u></p> <p>\$20,000 \$25,000 - HVAC replace - music room 45,000 50,000 - HVAC replace - church 40,000 50,000 - Parish Hall flooring replacement</p> <p>Discussion followed the presentation. Rev. Krista said the staffing, repairs, and maintenance questions all needed more input, and any budget question, or budget needs for 2021 should be relayed to the finance committee before our December Vestry meeting.</p>	
Vestry Meeting Minutes	A motion was made to approve the October 20, 2020 minutes as presented which included the correct financial reports.	Moved: Julie Layne Seconded: Tom Chaffin Motion: Approved and Correct
Guests Comments	<p><u>Ned Soares</u> shared his concern again for the amount of the campus water and irrigation bill. He said after the next rain he will shut the water off to see if the bill changes.</p> <p><u>Rhea</u> mentioned that getting reports pertaining to the Vestry meeting sooner, than just before the meetings, would allow members more time to read them.</p>	
Closing Prayer	Rev. Krista	
Closing	The meeting was adjourned at 8:09 p.m.	

Respectfully submitted,

Ronnie Marty
 Vestry Clerk

SUMMARY OF FINANCIAL RESULTS

Total through OCTOBER 2020 – operating fund

\$504,941 Inflow

\$494,745 Outflow

\$ 10,196 net before assessment relief

\$ 50,000 add assessment relief from diocese

\$ 60,196 NET

Does not include capital expenditure of \$9200 for roof repair. No forgiveness yet for \$48,200 PPP loan.

October’s results were just above break-even and boosted the YTD surplus (before assessment relief) to over \$10. In September, we booked the \$50,000 in diocesan relief as a reduction to assessment costs thus far this year.

October pledge and plate donations held up, thanks to some big donations. Facilities income: My Spanish Villa, paid each month. Trinity Center

paid each month since they occupied the SPC space. Open Door paid their full amount through May, then half o rate in June and July, nothing in August. a full payment in September; they gave notice and terminated after September. Sts. Peter and Paul paid through March, but only \$1000 in payments “for utilities” since then; nothing in September or October.

OPERATING FUND EXPENSES

Expenses for personnel, worship, formation, fellowship, leadership, and administration are far below budget for a number of reasons, especially not hiring an associate rector and dramatically reducing on-campus activities.

Ongoing property costs are \$31,000 below budget with lower maintenance and repair and lower utilities (much less usage).

The kitchen remodel expense for the year is \$46,105 with a separate expense line and matching transfers in from designated donations.

Most other categories are below budget due to much lower cost ministry and office/building activity in recent months.

Note that the \$9200 roof repair was included on our “capital” list, but not in the operating budget, and was booked on a separate account.

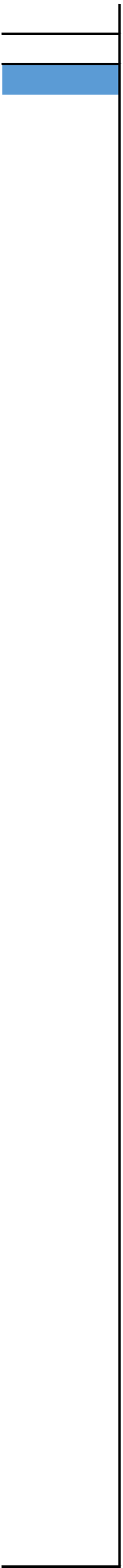
We have not reflected any benefit of the \$48,200 PPP loan forgiveness yet. The application for forgiveness has been submitted and reviewed and is in line for final review and approval. After the application passes a final lender review, it will be sent to the SBA for review and forgiveness consideration. The SBA has up to 90 days to approve an application. Once CRF (our lender) receives the forgiveness amount, the loan will either be cancelled or modified depending upon the amount of forgiveness determined by the SBA.

The fund activity report for the month also shows much lower financial activity in those funds as well.

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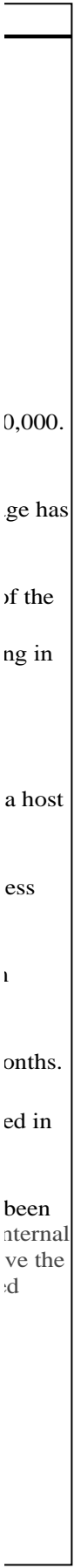








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