

ST. MARY'S EPISCOPAL CHURCH
VESTRY MEETING
MINUTES
December 19, 2024

Present: Senior Warden-Richard Updegrove, Junior Warden-John Corbishley, Treasurer-David Brierley, Clerk-Mattie Gustafson, Rita Verespy, Lauren Lema, Jerry Culver, Cory Thurston, David Burke, Sarah Barker, Rector Jennifer Pedrick and Associate Rector Meaghan Brower.

Present via Zoom: Anne Wood

Absent: Alex Simmons and Jason DeFalco

Jennifer opened the meeting at 6:01 with a prayer.

Reconnecting with each other in the presence of God – Jennifer

Jennifer posed the question, “How had God been present in St. Mary’ Church?” The vestry discussed.

Rector’s Report – Jennifer

- *Looking Upwards:* This organization is very happy here and will renew its lease, with the previously designated 4% increase.
- *Vestry Retreat:* The retreat will be held on Friday, March 14th from 6:00-9:00 p.m. and Saturday, March 15th from 9:00 a.m. until 3:00 p.m. Brian L. has agreed to facilitate the retreat.
- *Holiday schedule:* Christmas Eve we will have 2 services, at 4:00 and 6:00 p.m. The one at 4:00 will be streamed. There was brief discussion about a possible overflow for the 4:00 service. There will be a Christmas Day service at 9:00 a.m.
- *Annual Report:* Murry has once again agreed to put this together. She has published what reports are needed and deadlines for these reports.
- *Hours change:* Meaghan is going to try out a small change in her hours.

There was a discussion about a security issue at the rectory. Steps are being taken to solve the issue.

Executive Session

A motion was made by Rick U., seconded by John C. that the vestry move into Executive Session. The motion passed.

Two personnel issues were discussed. Both motions made during this session passed unanimously.

David Brierley made a motion, seconded by Rick U. that we come out of Executive Session. The motion passed.

Associate Rector's Report – Meaghan

Family dinners start up again in January. Jennifer will be offering a retreat, also in January. Meaghan mentioned the possibility of another book group starting up.

Nominating Committee Report – Anne W.

The committee will be nominating 3 people, each for a 3-year term on the vestry: Jerry Culver, Nancy Kimball, and Murry Edwards. Convention delegate nominees are Cory Thurston and Rita Verespy. Alternate nominees are Christine Winslow and Lauren Lema. It was pointed out that St. Mary's is eligible for 3 delegates. Anne made a motion to move Lauren Lema to a full delegate. Dave Brierley seconded the motion, which passed. That leaves Chris W. as the only alternate.

Jennifer thanked the Nominating Committee for its hard work.

Stewardship Report – Rita V.

There seem to be quite a few people who have not responded yet. Rita will send a letter out individually to these folks, with another pledge card. She will also put a blurb in the eNews.

The vestry discussed the need to be more transparent in the future about the church's budget needs.

Treasurer's Report – David Brierley

2025 Budget: David presented the 2025 Budget. David investigated Diocesan guidelines for endowment withdrawals, and it seems that their suggested limit is 7%. We have been trying to keep our withdrawal around 5% with some success. This year, however, the withdrawal percentage will go up. David wanted to be clear that this increase was not to be considered a precedent, and the withdrawal percentage should be reduced in future budgets.

Rick U. made a motion, seconded by Rita V. that we pass the 2025 budget. The budget for 2025 passed unanimously. Congratulations to David Brierley and his committee for a great job.

Donation: David Brierley made a motion, seconded by Jerry C. that we accept a donation of \$5,000 and restrict it for use in the music program. The motion passed.

Rectory renovation funding: We need to raise another \$11,000 to completely fund the renovation.

Housing Allowances:

David Brierley made the following motion:

"Whereas, Internal Revenue Code Section 107, as well as the associated Regulation and Revenue Rulings, provide that the portion of a minister's remuneration, designated as a rental/housing allowance by the employing church or other qualifying organization, is excludable from the minister's gross income under Section 107 of the Code; and

Whereas, St. Mary's Episcopal Church of Portsmouth is a qualifying organization, Now, Therefore, be it Resolved that a portion of the compensation paid the Reverend Jennifer Pedrick during 2025 is designated as a rental/housing allowance in accordance with the provisions of Section 107 of the Internal Revenue Code as follows:

Fair Rental Value of Church provided parsonage	\$23,098
Utilities and related costs paid by St. Mary's	\$8,000
Total 2025 Designated Housing Allowance	\$31,098

Furthermore, whereas the Rev. Meaghan Brower is employed as a minister of the Gospel by St. Mary's Episcopal Church, Portsmouth, RI, which does not provide a residence for her, the Vestry resolves that of the total compensation of \$84,460 to be paid to the Rev. Brower during 2025, that \$39,000 be designated as a parsonage allowance in accordance with the provisions of Section 107 of the IRS Code.

Rick seconded the motion. The motion passed.

Senior Warden Update- Rick U.

The Finance Committee has been meeting regularly. Rick gave high praise to Murry Edwards and her research into the background of various restricted funds.

Rick explained that there are two ways funds, i.e., gifts can be restricted:

1- By the donor. The only way to change this kind of restriction is to ask the donor, or the donor's representative about any proposed change. A donor restricted fund is inflexible. And the farther removed from the actual time of giving, the more difficult it is to determine the donor's exact intentions.

2- By the vestry. If the restriction originates with the vestry, the vestry can change, modify, or remove the restriction by a vote of the vestry. This kind of gift is much more flexible.

The vestry then discussed the Tuck and Mary Mitchell funds and the various limitations that may or may not have been imposed on them. Jennifer suggested it would be the work of the vestry in 2025 to further investigate and clarify restrictions on these funds. We need to be crystal clear and

transparent with any changes the vestry might propose. The Budget and Finance Committee will begin the investigation and report to the vestry in January.

Junior Warden Report – John C.

We have lots of limbs down on the grounds. Tree work needs to be done.

The rectory is progressing. We are hoping that the work might be done in time for the March vestry retreat?!?

Consent Agenda

Rick U. made a motion, seconded by Rita V, that we pass the Consent Agenda, consisting of the November Minutes, and Treasurer's Report. The motion passed.

The meeting was adjourned at 7:25.

Respectfully submitted,
Mattie E. Gustafson
Clerk