

THE PARISH OF ST. AUGUSTINE BY THE SEA
MINUTES OF THE ANNUAL MEETING
JANUARY 31, 2021

- 1. Welcome and Orientation:** At 11:20am Father Nathan Rugh provided an overview of the rules for participating in the first-ever virtual, Annual Meeting of Saint Augustine-by-the-Sea, and Reverend Katie Cadigan reminded gathered parishioners of the documents distributed electronically including minutes from the Parish Annual Meeting of January 2020 and financial reports summarizing the business of the parish from January – December 2020.
- 2. Opening Prayer:** At 11:30am Father Nate formally opened the meeting with a reading from the book of common prayer (page 817) asking for God’s presence and blessings for renewing the mission of our parish and asking that we might always remember to first seek God’s honor, glory, and grace to understand that which is right and that we might receive the gift of courage to follow that path and succeed in our efforts. Father Nate then asked for God’s grace to navigate the dangers that persist in our midst and that we may act as one Body and Spirit in the application of our faith in the service of our mission to serve God through Jesus Christ our Lord.
- 3. Minutes of the Annual Meeting of January 26, 2020:** The minutes of the Parish Annual Meeting of 26 January 2020 were reviewed by the assembled congregation and accepted by acclamation.
- 4. Financial Report:** Fr. Nate first discussed the *Profit Loss Budget vs. Actual* statement for the period from January – December 2020 offering thanks for the ongoing generosity of the parish members in this present climate of COVID-19 and further noting that the budgeted vs. actual expenses are better than anticipated for 2020 by approximately \$110,000 with a \$147,367 actual deficit as opposed to the \$257,232 that was budgeted. Parishioner Tim Whalen asked how the parish addressed the deficit that did result to which Fr. Nate responded by explaining the use of a portion of an anonymous gift of \$1 million resulting in the balance sheet showing more in the bank than anticipated. A follow-on question addressed the rectory expenses, assets, cost, and liabilities which Fr. Nate then addressed by turning to the Balance Sheet. During the Balance Sheet report Fr. Nate pointed out places where there was significant change including the 13-month CD that has been rolled over into an account that provides interest. Total assets remained approximately the same with liabilities, reflecting the Carlthorp security deposit, showing funds that the parish will return to Carlthorp at the end of their tenure on our campus -- expected in August 2021. In response to a question about the amount remaining from the \$1 million anonymous gift, Junior Warden, Paul Slye, reported that between \$400,000 - \$500,000 remained including \$352,606 in First Republic securities and \$120,600 in the parish checking account.
- 5. Rectors Report:** Fr. Nate began his report with a general reflection on the 2020 calendar year noting that it departed significantly from anything that we planned or hoped, providing us absolutely no idea of what was coming our way based on the notes from the previous

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annual meeting. In reminding us of the direction of our thinking at the beginning of 2020, he then recalled how we thought there would be a new and exciting educational ministry along with *The Divine Office*, so thoughtfully spearheaded by Rev Katie and making notable progress, plus our traditional worship on campus which simply did not happen in 2020. These and other disappointments reflected real loss in our lives. The suspension of personal worship combined with the loss of the choir's presence along with our ability to sing together affected us personally and individually. The loss of FFC as our most promising tenant, source of revenue, and means to accomplish the development of our family care center with childcare impacted our collective ministry. Fr. Nate stressed the importance of owning such losses and acknowledging them as profound and then continued his report with reflections on the following themes focusing on adaptation in different aspects of our parish life together:

- **Worship and Sunday School:** Fr. Nate noted that we have adapted to the pandemic and its impact on our community in many ways -- including the zoom technology that allows us to foster community and share with one another. This has provided us with a profound sense of fellowship and a vital and life-giving space to explore critical issues. Through our evolution with the social media and electronic media we have evolved and grown in our ability to hold our community together by ironing out the technical kinks and adapting to the new reality that we are indeed offering beautiful and meaningful worship that leads us toward God. Fr. Nate noted that offering a place and a focus is a powerful adaptation to our circumstances even though it's not optimal. As evidence of further adaptation, Fr. Nate reported that Cato, thoughtfully leading our children's ministries, recognized that the kids become overwhelmed during the zoom classes and has created something that is available for young people and their families switching to once-per-month zoom gatherings that are more age appropriate and less stressful.
- **Ministry and Financial Solvency:** In addressing our mission and fiscal concerns, Fr. Nate shared how the congregation adapted to the fear of the FFC partnership falling through and explained how Junior Warden, Paul Slye, worked with our bankers to meet and exceed all our covenants and secure a PPP loan that is expected to be forgiven. These resources will add to a successful short-term (one-year) lease with Carlthorp that expires August 31st and position us to address future CEB) opportunities such as Brella or others.
- **Return to In-Person Worship:** Fr. Nate reported that we don't know exactly when we will be getting back into our space or when we will again have in-person worship. The immediate need is to stop being in the purple tier and move down to the red tier as the COVID vaccine becomes more widely available. As we return to church, services will start outside and then will probably have to adapt again when we move indoors to find a way to include all in our parish. Fr. Nate reported that we are watching for the red tier as our signal to begin this outdoor, in-person service that will be in addition to the 10:30

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service (on zoom). Fr. Nate remained hopeful that we will return to some form of in-person worship in the Fall.

- **Ashes-to-go:** Providing another example of the many ways in which the parish has adapted to a pandemic environment, Fr. Nate announced that we will arrange for the imposition of ashes at home. For those who so wish, we will provide ashes by setting up a drive through in the alleyway behind the church on Sunday morning (February 14th) between 1 and 3pm after church at which the clergy and Dave will greet parishioners with a wave. All will be invited to impose their own ashes.
- **Christian Education Building:** Fr. Nate noted that big hovering issues concern the long-term use of the CEB. For the rest of the academic year the Carlthorp School will occupy that space with students starting on Feb 1st as the goal. They have approval from the county and city to do this with safety practices in place. However, while we have given them a potential option for staying beyond their planned termination date in August, they are not ready to accept this offer. Brella was established in 2019 and are trying to offer what we hoped FFC would offer from nursery to pre-school (2-5). The upper level of the CEB can be used for classes for adults and a workspace. They would use the entire CEB and offer important high-quality services along with flexible childcare that meets the needs of parents in this day and age. We are working with Brella and remain optimistic. If all goes well, a ten-year lease could begin in September with rent starting in December 2021 with a five-year renewal option providing us with the resources to undertake a more robust ministry.
- **Campus Changes:** Changes to the campus will be the same as those we planned to implement with FFC and the original plans would apply directly for Brella. This includes fencing, a new walkway, alternative ramping, and patio improvements to provide a space for children to occupy but still designed as a space for the parish when not in use by the kids (like for our special events). Some funds will be taken from the \$1 million anonymous gift, bundled with some generous capital gifts, to create the ADA gender neutral restrooms next to the worship space in the location that is now the closet off the patio that used to be the bookstore, and the rector's rest room will become two ADA restrooms. Restroom needs will be taken care of without having to go either upstairs or downstairs. This represents a significant improvement that positively impacts the ministry of hospitality that is our goal. At this point in the meeting a parishioner asked about the difference between pledges and capital gifts to which Peter Haight, chair of the capital campaign, responded by explaining that pledges support the operating budget with some fraction supporting capital projects and that capital contributions are for new infrastructure or improvements in the campus itself.
- **Playground Use:** Brella will not be using the playground space; therefore, we are planning a period of discernment about what we should do with that space because it is being underutilized and Fr. Nate promised to share more about that as things progress.

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- **Vestry Elections:** The Diocese has given us permission to freeze the vestry at this time and we will not have existing members ending their terms with new appointees coming onto the vestry until our next Annual Meeting in January 2022. There is precedent for this policy in times of transition as during the time between Fr. Hartshorn Murphy's announcement of his retirement and the search and appointment of Fr. Nate. There is a vacancy on the vestry now because Cato resigned his appointment to serve as the director of children's ministries. If anyone feels called to serve, please inform Fr. Nate.

 - **Thanksgiving:** Fr. Nate concluded his report by giving thanks to J.K. Hilbert, Dave Wulf, Katie Cadigan, Carrie Price and all of the staff who have been so supportive of the parish through this difficult time and to Greg Schreiner who records videos in our space and to Kiwon Cato for his leadership with the childrens' ministry. He also expressed profound gratitude to the staff for all that they have done to keep the community going in such a variety of ways and to the members of the parish for their ongoing pledges and for participation in the events within the zoom space. Fr. Nate then offered thanks for the service of Senior Warden, Susan Marquis, and Junior Warden, Paul Slye, for giving of themselves and for their profound gifts and talents to this community and to the vestry who have been solid and faithful during this time and for those who are keeping ministries alive such as Deb Giordano with lay person outreach with the Healing Prayer team and for the fact that God has made all of this possible through grace and love.
6. **Questions from the Floor / Comments:** In response to parishioner Ann McDonald's question regarding attendance counting with the use of zoom, Fr. Nate and Rev Katie explained that Average Sunday Attendance (ASA) can vary considerably depending on the method used to count viewers and that the diocese will not be evaluating us as they normally would with ASA because each parish is doing something different and there exists no common reference point.
7. **Closing Prayer and Dismissal:** At 12:42pm Fr. Nate first read a closing prayer (page 838) from the Book of Common Prayer thanking God for the communities of love around the world that have been brought together through prayer and work and offering praise to God for the power of the spirit to share the Gospel in every nation. He then dismissed the congregation with a blessing, thanking God for our time together and for the many ways in which we have been fortunate enough to adapt to our circumstances and preserve the health, love, and vitality of our community. Fr. Nate then concluded the dismissal with a final blessing asking God that all in the parish remain healthy and safe.

Respectfully submitted,

Kenneth E. Phillips
Clerk of the Vestry