

THE PARISH OF ST. AUGUSTINE BY THE SEA
MINUTES OF THE ANNUAL MEETING
JANUARY 30, 2022

- I. **Opening Prayer:** At 12:34 pm Reverend Nathan Rugh, by Zoom link, formally opened the Annual Parish Meeting of Saint Augustine-by-the-Sea with a recitation from page 818 of the Book of Common Prayer petitioning God as the source of all wisdom and understanding to be present with those who would take counsel that we may first seek God's honor and glory and receive guidance to perceive what is right in God's sight. With 43 parishioners present at the opening of the meeting, this was the second virtual Annual Meeting, held out of an abundance of caution, because of the COVID-19 pandemic. Other parishioners then joined the meeting in progress.

- II. **Approval of minutes from the 2021 Annual Meeting:** The minutes of the Parish Annual Meeting of 31 January 2021 were reviewed by the assembled congregation and approved (as amended) by digital voting poll as follows: M (Peter), S (Charlene), P (95%), A (5%).

- III. **Financial Report:**
 - a. **Transfers of Funds:** Reverend Nate opened discussion of the financial report beginning with an overview of several changes in the location of both cash and marketable securities noting that checking and savings assets from Union Bank and Citizen's Bank have been moved into a savings account with checking now exclusively through First Republic Bank. Likewise, funds from marketable securities (our Schwab account) were also moved into our First Republic account. Reverend Nate explained that our First Republic Insured Cash Sweep (ICS) account, representing funds over and above the \$250K which are FDIC insured, were placed into marketable securities accounts which experienced a \$59k decrease.

 - b. **Audit Status:** Reverend Katie observed that the Budget vs. Actual figures do not represent audited final numbers but reflect the best data available at this time noting that the Rector and Associate Rector discretionary accounts (\$2,200 and \$8,000 respectively from the Financial Report) are not correct. These represent the only accounts for which there are known inaccuracies and the data entries will be corrected.

 - c. **Clarifications:** In explaining the Budget vs. Actual *General Revenue* for the previous year, Reverend Nate reported that the parish is operating slightly under budget, about \$81K, with \$67K reflecting a lack of anticipated funds from the Kirk trust. In answer to a question about the definition of *Finance Committee Revenue*, Peter Haight explained that such revenue is from stock transactions such as the Diocesan Investment Trust (D.I.T.) and other marketable securities. Susan asked if funding for the music program is included under worship and Reverend Nate and Peter Haight confirmed that worship is indeed the primary expense category.

THE PARISH OF ST. AUGUSTINE BY THE SEA
MINUTES OF THE ANNUAL MEETING
JANUARY 30, 2022

- d. **Notable Revenues and Expenses:** Reverend Nate noted that the actual income for Buildings and Grounds exceeded budget by nearly \$127K because of the capital campaign contributions. On the expense side B&G is a notable exception to other budgeted expenses coming in at nearly \$100K more than expected with the entire amount related to the cost to prepare for Sycamore's presence on campus. The parish has recovered almost all these funds because of the lucrative relationship with Sycamore that provided a windfall of nearly \$100K.
- e. **Total Liabilities and Equity:** Reverend Nate, with further explanation by Paul Slye, concluded the financial report by sharing good news on two fronts. First, we have paid down the Rectory mortgage by about \$115,000 over the year and we did achieve forgiveness for the PPP (\$93,000) as was hoped. All chart of account categories are in line with respect to expenses. Finally, in response to a question from the congregation, Paul reported that the rectory is exempt from property tax and that some of the rectory real estate tax was rebated to the parish. We are now filing annually to avoid future RE taxes. The return of the Carlthorp security deposit (\$46K) is in progress. Total liabilities and equity are down by \$37K with a December 2020 figure of \$3,020,535 and the pre-audit December 2021 figure at \$2,983,085.

IV. Rectors Report with Q&A: Reverend Nate began his report by offering a general comment regarding the past year and noting that this was without doubt a challenging time during which the pandemic had a significant impact on our community with implications on virtually all aspects of the parish life. That said, Reverend Nate then reminded all gathered of our blessings despite the pandemic, including:

- a. **CEB:** We finally have a tenant in the CEB who uses the space appropriately, pays rent on time to conduct work that is mission appropriate and consistent with our values and with whom we enjoy a good relationship. The Sycamore Community school is thriving and growing in our space. Reverend Nate complimented the vestry's efforts in pursuing and nurturing this relationship until we reached a suitable agreement thanking Paul Slye for his leadership in matters regarding real estate and development, Ken Phillips for meeting with SCS regarding curriculum development and pedagogy, and Chris Danelski for raising important questions about the fundamental suitability of this tenant when first introduced to the vestry.
- b. **Re-gathering for worship:** While initially projecting a Fall re-gathering time it turned out that we were able through God's grace to accomplish this in June. We are still offering a robust Sunday morning presence with the 10:30am service streamed as well as in person. We were able to gather for Christmas and even in the face of the viral variants we continue to worship together while observing all precautions for safety. Both classes and bible study have continued and the divine office is still gathering for two days per week while faithfully being present with one another and praying with

THE PARISH OF ST. AUGUSTINE BY THE SEA
MINUTES OF THE ANNUAL MEETING
JANUARY 30, 2022

each other and asking God's help in realizing their intentions as they discern about the future as a group while continuing to move forward. Reverend Nate noted that this time is wild and interesting and difficult and arduous, but we are still finding ways to be faithful to each other in this community.

- c. **Capital improvements:** Reverend Nate, supported by Peter Haight and Paul Slye, then reviewed several of the larger capital improvements underway at St. A's beginning with:
- *Gender Neutral Restrooms (two):* that will be accessible from the ground floor with easy access from the sanctuary. Noting that we are having a difficult and challenging time working with the City of Santa Monica for the necessary approvals, Reverend Nate remained optimistic that we will prevail and get these important infrastructural improvements installed for our community.
 - *Bell tower:* which has served the parish for 50 years since its installation and now requires a substantial effort to assure that it retains its structural integrity.
 - *Organ repair:* to make our organ more standard and consistent with current industry specifications. Reverend Nate noted that we enjoy a good relationship with a qualified specialist who does organ repair and is more than capable of taking on our project and most willing to do so.
- d. **Capital Campaign (Silent Phase):** Reverend Nate reported that over \$300k has been raised during the silent phase of our capital campaign with an ultimate goal of \$500k and thanked Peter Haight for his leadership in this effort. The campaign is now public as of this meeting and there will be more opportunities to participate. There is no gift either too small or too large and Reverend Nate encourage everyone to prayerfully consider how they can support this effort to make our parish safe and welcoming and a place where beauty and life are celebrated and where ideas can be exchanged and debated because the more we can make our space open to that mission the better we will be. Peter noted that there are other important reparations that have been overlooked for years like the lighting in the back patio behind the church that are also a part of this campaign and that another \$100K or more can be tacked onto the capital campaign for other B&G projects include painting, general repairs Pierson Hall water leakage and considerable deferred maintenance in other areas.
- e. **Special Gift:** Reverend Nate announced that Saint Augustine-by-the-Sea received a \$1-million gift from someone who does not insist upon remaining anonymous but preferred that we err on the side of discretion in mentioning the source of the gift.

THE PARISH OF ST. AUGUSTINE BY THE SEA
MINUTES OF THE ANNUAL MEETING
JANUARY 30, 2022

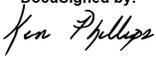
- f. Looking forward:** In a reflection on looking forward from within our immediate circumstances, Reverend Nate posed a challenge to the congregation—namely to use this pandemic window as an opportunity to return to the very basic principles on how one best serves others; to reflect seriously on what prayer means and how best to embrace God in prayer and allow ourselves to be embraced by God in prayer; to carefully consider our mission of education and making all aware of the Good News of the Gospel; and the opportunity and mandate for service to our neighborhood. Reverend Nate shared that we have had a number of visitors who have come to worship with us and appear hungry to get to know God more deeply and to hear the good news of God’s love – and for some this is first time in their lives to ever seek this greater understanding. Reverend Nate then implored the congregation to find ways to share our love in our words and in our deeds. How do we better engage in our community? As we are a people who are broken into fragments, how do we address this and affect a sense of wholeness?
- g. Sabbatical:** Reverend Nate announced that he will be taking a sabbatical and that it will involve both rest and other activities/projects that he would like to engage that his current ministerial duties do not support. He will be discerning about what that sabbatical looks like in the year to come. It is Nate’s hope that this will be a time for the community to reflect and discuss issues without Nate around and come up with ideas for new and creative ways to engage God.
- h. Thanksgiving:** At the conclusion of his formal report Reverend Nate expressed his appreciation and love for the amazing St. A’s staff who have supported the parish so generously and with such great spirits with special thanks to Reverend Katie Cadigan, Dave Wulf, Carrie Price, J. K. Hilbert, Greg Shriner, Jiwan Cato, Lynn Blair, Robin (who does the video) and Lewis Johnson who has stepped into the gap of J. K.’s absence and all the section leaders in the choir. Special thanks then went out to all the lay volunteers including lectors, and those giving service on the Alter Guild, as acolytes and members of the healing prayer team with special appreciation for Ann shepphird, for handling the logistics and scheduling for all. A very special thanks went out to Cecil Slye for her yeoman service to the Altar Guild and for rolling with the variables and difficulties of this time and to the current vestry class for stepping up to the request to serve for a 4th year in response to the Diocesan approval to freeze the vestry because of the pandemic. Finally, Reverend Nate celebrated the service of the entire vestry with special appreciation to Paul Slye for his work involving Sycamore, Peter Haight for his leadership of the Capital Campaign, Ann Shepphird for her leadership as Sr. Warden and for the smooth transition after Susan Marquis moved to Virginia and Ken Phillips for his service as clerk of the vestry.
- i. Questions:** From the congregation Reverend Nate fielded several questions, the first being how we as a parish are doing relative to other parishes in the diocese. Reverend

THE PARISH OF ST. AUGUSTINE BY THE SEA
MINUTES OF THE ANNUAL MEETING
JANUARY 30, 2022

Katie responded, explaining that we have not taken a huge hit in response to the pandemic but have, instead, been blessed to find ways around it. We are stable in leadership and are blessed with not having factions that destroy from within and that we therefore enjoy a stability so it would be reasonable to assume that we are in a good position relative to other parishes. Cecil then reminded the congregation that this is Reverend Nate's 10th anniversary as rector and noted that the last 10 years, as much as the pandemic years, have been a truly amazing journey and that Reverend Nate's service and commitment to this community is worthy of celebration. Reverend Nate then reflected on his time during the past 10 years and expressed his gratitude for seeing how God works in the midst of our community. Joe and Haven also thanked Nate for his leadership and for being there for all of us. Finally, in response to a question regarding our children's ministry, Reverend Nate observed a struggle with a number of families not returning at this point because of COVID. He suggested that as we move to greater use of vaccines and a lull in variants there could be opportunities to give more energy to family and children's ministries concluding with the observation that this has been difficult for families especially those with young children.

- V. Vestry Election:** Reverend Nate then presented to the congregation a slate of five candidates for service on the vestry including parishioners Haven Hartman Briscoe, who will now be serving her own term having fulfilled an expired term for someone else, Seyi Ayorinde, Meighan Maguire, Stewart Miller and Tim Whalan who has graciously agreed to return to the vestry to serve another term. The slate of candidates was enthusiastically approved as follows: M (Line Wiley), S (Chris Muntz), P (Unanimous)
- VI. Final Prayer:** At 1:33pm Reverend Nate closed with a reading from page (817) BCP petitioning god to hear the prayers of this parish family, to strengthen the faithful, arouse the careless and restore the penitent to greater and loving service in the name of our Lord and Savior, Jesus Christ.

Respectfully submitted,

DocuSigned by:


9859D5A587748D
Kenneth E. Phillips

Clerk of the Vestry (emeritus)