

**Episcopal Church of the Incarnation
August 24, 2021 – Regular Vestry Meeting
Location: Rector’s Office and Zoom Online**

Minutes

Attendees: Allan Bolchazy, Bo Simons, Connie Sinclair, Diane Schoenrock, Inese Heinzl, Judy Velasquez, Kathleen Robarts, Michael Del Vecchio, Patrick Lancaster, Sara Joslyn, Steven Layton; Stephen Shaver, Rector; David Jasper, Treasurer; Kathleen Kane, Clerk.

Absent: Signe Sugiyama

Guests: None

Call to Order: Stephen called the meeting to order at 6:31 pm.

Opening Prayers: Chaplain Sara offered an opening prayer.

Collective check-in: Connie, Sara, Stephen S, and Kathleen K each gave a brief personal check-in.

Consent agenda:

Approval of July minutes: Minutes of the July 24, 2021 vestry meeting were approved as written. *(Approved unanimously.)*

Housing Allowance Change: Stephen S explained how income taxes and the housing allowance work for clergy people, and how this is impacted by his planned purchase of a home. At its meeting on June 22, 2021, the vestry approved a motion to add an addendum to Appendix B of Stephen’s Letter of Agreement, which states in part, “In the event the Rector elects an alternate housing situation...the Rector’s salary will be adjusted to a proportionate level based on the “No Housing Provided” column in the Diocesan Range Sheet. The amount of the adjustment will be designated as Housing Allowance for the year.” In light of Stephen’s anticipated purchase of a home by the end of September 2021, the vestry approved a Resolution stipulating that, beginning with the paycheck of August 27, the full remainder of the annual compensation expected to be paid to him for calendar year 2021 shall be redesignated to be a housing allowance pursuant to Section 107 of the Internal Revenue Code. *(Moved: Michael. Seconded: Kathleen R. Approved unanimously.)*

Refine year priorities from vestry retreat: Stephen briefly reviewed the vestry’s discussion during their retreat in July and the three top priority goals that were identified. The vestry discussed what they like about the three identified priorities and whether they felt that there was anything missing. More refined

ideas were generated, as summarized on the list below. The vestry will need to think more about next steps on these priorities going forward.

- (1) Ramping up communications (internal and external) and enhancing visibility of vestry (needs to be a yearly, ongoing process)
- (2) Making the children's program successful, including COVID safety (+1)
- (3) Evangelism/outreach/marketing in greater Santa Rosa and downtown neighbors

Landscaping and cleanliness of the front of the church property

Enhancing the bookstore/finding new leadership

Latino and Spanish-speaking outreach (+1)

Financial independence

Program for responding to fires/fire season

Let community at large know what we stand for on social issues/have a presence/advertise that

Inreach: people making personal connections, visiting in homes, phone calls

Interfaith connectedness, conversation, joint action

Congregational Care

In-reach: people making personal connections, visiting in homes, phone calls

Program for responding to fires/fire season

Christian Formation

Enhancing the bookstore/finding new leadership

Vestry Fiduciary Responsibility

Financial independence

Rectory Conversation: Stephen S expects to purchase a home and vacate the rectory by September 24, 2021, so a decision is needed regarding what to do with the property. At prior meetings, the vestry reviewed options including sale or rental and has developed a strong consensus to maintain ownership of the property for potential use by a future Rector, which is an opinion shared by the Finance Committee and Bishop Megan. David noted that the approximately \$290,000 commercial loan with Exchange would need to be paid off if the church rents out the property, in order to avoid negative tax consequences. The vestry discussed whether to rent the property directly and be the landlord or hire a management entity to fill that role. Allan and Diane volunteered to further research and present options at the next meeting. The vestry approved paying off the Exchange Bank loan with an internal loan from the Donald and Maureen Green Fund at 7% interest, which had been option 2 among those that were discussed at the June vestry meeting. (*Moved: Diane. Seconded: Steven L. Approved unanimously.*)

Decisions on endorsement for postulancy: Stephen S recommended that the vestry endorse the postulancy of Maggie Rutherford for priesthood and Paul Mallatt for deacon, and noted that the vestry will be asked again to approve their candidacy

for ordination after the candidates do further study. He explained that there is a financial impact for the church, which would need to pay approximately \$1,000 each for the required psychiatric evaluation, and to pay for Maggie's background check (Paul's is already underway). He further recommended that the appropriate fund would be the Estates Fund. The vestry voted to approve use of the Estates Fund if the endorsement is approved. (*Moved: Judy. Seconded: Inese. Approved unanimously.*)

Each candidate was invited into the Zoom meeting to give a statement and respond to questions from vestry members. Stephen S then explained that endorsement of a candidate passes with a 2/3 vote of vestry members. The vestry voted to endorse both candidates. (*Endorsement was unanimous for both Maggie and Paul. Allan abstained from taking a position.*) Vestry members will need to go to the church office to sign on the endorsement documents.

Buildings & Grounds Committee discussion / action items:

- **Air conditioner and heating units at Mackey Frame Shop**

Diane reported that the air conditioning and heating units in the Mackey Frame Shop building have stopped working and will require replacement rather than repair due to their advanced age. The church receives \$3,000 in monthly rent from Mackey and there is no mortgage on the building, so the church receives a good income stream. While the long-term use of the building is in question, it is expected to be used for its present purpose for at least 5 years. A written bid to replace the units for \$11,592 was received from Carrier. Diane also received a verbal bid from a second contractor for \$9,200, and she expects to have that bid in writing very soon. The vestry approved use of up to the amount of the higher bid, \$11,592, and to go with the lower bid if it is submitted in writing and is comparable in terms of the specifications. The funding source is the Buildings & Grounds Fund, which has an approximately \$200,000 spendable balance. (*Moved Diane. Seconded Kathleen R. Approved unanimously.*)

- **Solar update from re: Summit**

Allan reported that the required permit application was submitted 4 weeks ago but has not yet been approved by the City, which is now taking about 4-6 weeks to complete the process. The contractor hopes to begin work in early September.

- **Building and pest inspections for St. Andrew's Mission**

Allan reported that the St. Andrew's Mission building needs a considerable amount of work but inspections will need to be done first to identify what work is required. Due to the provisions of the lease for the building, the church will need to pay for the inspections and at least a portion of the work. Allan requested vestry approval to spend up to \$5,000 for building and pest

inspections. Following the “discuss, discern, and decide” process, the vestry decided to delay for one month before taking action on the request.

- **Remodel of the bathrooms in the quad breezeway**

Diane reported that the price to complete the work on the breezeway bathrooms is going up due to the prior improper venting of fans. She is getting a bid to perform the extra work from the contractor and may need to request vestry approval for increased spending authority. She will return with more information when available.

CLOSING

Chaplain Kathleen R offered a closing prayer.

Meeting adjourned: 8:48 pm

Next monthly meeting of the vestry to be held on September 28, 2021 at 6:30 pm.

Respectfully submitted,
Kathleen Kane, Clerk