

**Minutes of the Parish – Special Meeting
St. Paul’s Episcopal Church, Windham Center, CT
8 October 2017**

Called to Order 10:32 am by Senior Warden Lynne Ide

Attendance was collected and Vestry Members identified themselves to Parish.

Meeting was called to review the sale of the Rectory and for the Vestry to receive input from the Parish. The net proceeds from the sale totaled \$81,683 which after costs, including the digging of a well came to \$70,583.

Ben Bolt asked where the monies were currently being held. Lynne Ide stated that funds are in the unrestricted account. She clarified that the Court did not place any restriction on the disposition of the proceeds from the sale.

The Vestry is currently considering several options –

- 1) Place funds in endowment. Follow guidelines from ECCT and Louis Fuentes to draw down on endowment at 5% per annum.
- 2) Use proceeds to cover shortfall for fiscal year 2017 and place remainder in endowment.

Wayne Haeger questioned how endowment is managed and grows. Fr. John Burton answered currently at about 8% and that it is managed by ECCT.

Murphy Sewall wanted to know if St. Paul’s was currently taking anything from the endowment and what the nature of its purpose is. L. Ide replied that the endowment is not being drawn on at this time. One of the concerns of using the endowment, is using it too quickly, which would trigger ECCT fiscal oversight, if the draw down were greater than 25% over 3 years.

Dana Kessler reminded the Parish that the endowment was drawn on in the 1980’s to cover a change in priest’s work time.

Bill Powers wanted to know if any one sits down with the manager of the endowment on a regular basis as one would with their financial advisor. Fr. John explained that the endowment is part of a pool that is shared across ECCT.

Herb Loughery shared his concerns about back taxes that the town missed. Due to this oversight no property taxes were paid on the property which was rented to a parish member (2006-2016). The Windham Tax Assessor has chosen to forgo collecting any back taxes. Herb estimates that approximately \$30,000 in taxes went uncollected. Herb pointed out that tax exemptions are a privilege and believes that St. Paul’s should act to do what he considers the right thing and pay the taxes as a good neighbor and community citizen.

Sandy Hale questioned whether it was rent being collected or was the person living in the Rectory primarily covering the utility costs and maintenance.

Jim Russel stated that St. Paul’s was in error to label the proceeds “rent” in the accounting, as it was meant to be a generosity to parishioners in need.

Ann Higginbotham confirmed J. Russel's statement.

H. Loughery reminded the Parish that this was a matter that he brought up 10 years prior.

David Haines asked that the Parish remember that St. Paul's is a member of ECCT and has given and spent much money in many other capacities.

B. Bolt asked H. Loughery when and why he began to pursue this line of tax questions. Herb answered that it started when he was Chair of the Rectory selling committee and when the Parish was switching to a part-time priest and considering clergy housing or using the Rectory for other ministries.

B. Powers asked if the back tax is paid, how will this affect the future of the Parish? Should the Parish not consider the Tax Assessor's choice to not pursue God's grace?

Jay Kessler stated that he would like the proceeds to go to the general fund to further the future of the church.

Joanne Loughery asked whether the Rectory sale would might cause any capital gains that needed to be considered for taxation.

A. Higginbotham would like the proceeds to be moved to the endowment.

B. Bolt stated he would like money moved into the endowment for a year.

Gerhardt Austin asked about Profit and Loss margins during Rectory's use as a rental.

S. Hale called for a vote on the choices. L. Ide asked for a show of hands to measure the parishioners sentiments on the proceeds:

11 members in favour of paying back taxes

13 members in favour of not paying back taxes

If there are monies left after paying where should they go – all parishioners raised hands for the funds to be placed in the endowment.

The Vestry will take this discussion under advisement.

Adjournment – 11:17 am