

Annual Vestry Retreat Minutes
Saturday, January 21, 2017
Calvary Episcopal Church
Crook Auditorium

Present

- Fred Piper
- Claudia Haltom
- Margaret Craddock
- Tony Graves
- Nicky Hitching
- Sarah Squire
- Palmer Jones
- Jan Gwin
- Chris Bird
- Gail Horrell
- Les Smith
- Sarah Ball
- Donovan Smith
- Julie Bethel

Not-Present

Clergy, Staff, Other Guests

- Buddy Stallings
- Paul McLain
- Katie Owen
- Eyleen Farmer

Call to Order and Introductions

Rev Buddy Stallings called the meeting to order and opened with a prayer. Vestry members then introduced themselves to the other attendees by breaking into small groups for a couple of minutes to share a little about themselves

Election of Vestry Member

Drew Smith has determined that he is unable to fulfil his commitment to vestry. Buddy Stallings and the Wardens have asked Peg Wahl to fill the opening, and she has agreed. Peg has previously served on the Vestry as Treasurer and more recently as chairwoman of the annual giving campaign. A motion to elect Peg Wahl for a term of three years was made by Margaret Craddock and seconded by Chris Bird. The motion passed unanimously.

2017 Budget Presentation

2016 ended strongly. Several large 2016 pledges that were uncertain were received before the end of the year plus some unexpected non-pledge gifts and lower salary expense resulted in a very large surplus for 2016.

The primary revenue source for Calvary is pledge income. 1.3 – 1.5 depending on the year. Additional sources include the endowment from which we receive 5% of the trailing 3 year average of total assets in the endowment; however, earnings are currently capped at \$375,000/year with any additional earnings going to pay down a 2013 capital improvement loan from the Endowment. \$150,000/yr for parking lot lease. Plate receipts average

\$70,000/yr. Non-pledge gifts in 2016 totaled \$98,000 but this was exceptionally high. 2016 income was \$2.3 million.

The most significant expense category is personnel, with a 33/66 clergy/non-clergy split. Next is buildings and grounds due to increasing expenses in owning an historic building. Diocesan covenant increased due to the expiration of a debt reduction agreement with the Diocese. Other categories include music, office administration, community service (including the Lenten Preaching series, community breakfast, Lives Worth Saving, Emmanuel meal), and interest expense from the endowment loan, the bell tower loan, and the 2014 capital improvement loan. At the end of 2016, total outstanding debt has been reduced to \$118,349. 2017 will see an increase in debt of \$550,000 with a loan to renovate the former Nachos and Hub buildings for 5th grade classrooms for Grizzlies Prep. Half of the renovation expense debt will be serviced by lease income from Grizzlies Prep.

What to do with a \$200,000 surplus going into 2017? Options are to A) payoff endowment loan, B) decrease loan for Grizzlies renovation, or C) purchase former Columbus Park from City of Memphis for \$115,000. Additional information is being gathered with regard to the Columbus Park purchase, so additional discussion at the Vestry and Budget & Finance Committee level will continue after the information is received.

Long term goal is to establish a \$500,000+ capital reserve fund that earns interest through the Endowment to help offset the growing expenses of maintaining the building.

2017 Stewardship saw an increase in average pledge from \$4,167.32 to \$4,457.29 with 14 new pledges (averaging \$4,600), 96 increased pledges, 111 unchanged pledges, and 29 decreased pledges. The total amount pledged for 2017 decreased roughly \$50,000 from 2016.

2017 budget estimates a minor surplus of \$38,409; however, Budget & Finance anticipates the actual surplus to be higher at the end of 2017 similar to the results from 2016. Motion to approved the proposed 2017 budget was made by Jan Gwin and seconded by Margaret Craddock. The motion was approved unanimously.

Search Committee Report

Hall Gardner presented an update on the search process for the new Rector. The list of applicants has been narrowed to 12 candidates. These 12 candidates have all answered a list of questions. Using these answers, this list will quickly be narrowed to 6 who will be interviewed via Skype. Hall feels that this interview process will result in a narrowing of the list to 3. Estimated schedule would be calling a new rector by June 2017.

The Vestry has unanimously requested to meet the Search Committee's preferred candidate before a call to serve is made.

Basecamp Use

The Vestry received a quick overview on the use of Basecamp for collaboration within the Vestry.

Safe Church

Buddy reviewed the Vestry's ability to access and requirement to complete the Safeguarding God's Children and People courses available online. Buddy strongly encouraged the Vestry to complete the required courses during the 1st Quarter of 2017. The Vestry also received a quick visual review of the website and how to access the content. Please communicate with Hilary Chipley with any questions or problems and once you have completed your courses.

Endorsement of Aspirant

Alicia Anderson has decided to begin the ordainment process with the Diocese. A form indicating the Vestry's approval of aspirant Alicia Anderson was circulated and signed by the members of Vestry and will be sent to the Diocese.

Vestry Structure

In conjunction with the Wardens, Buddy is proposing a restructuring of the Vestry working groups

Motions

No motions were made.

Adjournment

With no further business, a motion to adjourn the meeting was made by and seconded by . The motion carried unanimously.

Sincerely,
Hank Word