

Parish of St. Mark & St. Paul, Sewanee, Tennessee  
Vestry Agenda for December 14, 2023  
5:30 pm, Home of Lynn & Ken Taylor

- I. Opening Prayer
- II. Minutes from the November regular meeting 5:35
- III. Treasurer's Report, proposed 2024 budget & updated financial policies 5:40
- IV. Rector's Report 6:00
- V. Reports of Wardens and Committees 6:10
- VI. Closing Prayers 6:15

*The Vestry meets at 5:30pm normally on the third Thursday of each month. According to diocesan canons, we must meet at least quarterly. The Diocese of Tennessee requires that actions via Zoom or teleconference be ratified at an in-person meeting afterward.*

**Parish of St. Mark & St. Paul, Sewanee Tennessee**  
**Vestry Monthly Meeting – November 15, 2023, 5:30 P.M**

**Present:** Robin Bates, Kathryn Bruce, the Rev. Betty Carpenter, Beth Chamberlain, Dorothy Gates, Tom Phelps, Lynn Stubblefield, Lynn Taylor, Beth Wiley, the Rev. Rob Lamborn

**Absent:** Jay Fisher, Diane Jones

**Opening Devotions** – The Rev. Rob Lamborn led the Vestry in *An Order of Worship for the Evening, BCP p. 109*.

**October 2023 Minutes** –: Corrections to the October minutes: On page 2, the account funds were taken from is *Investments*, not *Designated Funds*; under the Rector’s report add the word “a” before *lunch*. On page 3, under Christian Formation report change “about” to “*averaging around*” for clarity.

Lynn Stubblefield moved to accept the October minutes with corrections. Lynn Taylor seconded the motion. The minutes were approved by the Vestry.

**Treasurer’s Report** –

Beth Wiley shared a written report for November 2023. She drew the Vestry members’ attention to the October Actual to Budget spreadsheet highlighting that outstanding pledges are being received.

Under the Statement of Financial Position, Beth shared that the report is balanced. Beth further shared the Capital Improvements Fund (line 8391) keeps appearing on the Summary of Restricted & Vestry Designated funds and does not belong on this report. Wendy is continuing to work on correcting this.

Beth then presented the proposed budget for January 2024-December 2024 noting that it is a balanced budget. Fr. Rob shared an update about pledges paid as of 11/14/23 and noted this figure supports the budgeted amount for pledges in the proposed 2024 budget. Beth also went line by line of the proposed budget stating if and how budgeted amounts differed from the current 2023 budget and

accepted questions about any items. Recurring line items that are increased in the proposed budget include: 1) Under *Revenues*, areas of increase include Investment Income and Property Rental Income and SCC reimbursement, 2) Under *Expenses*, only Christian Education and Parish Life increased slightly, 3) Under *Wages*, Beth Chamberlain inquired about line 5431 Organist/Choir Director. Fr. Rob reminded the Vestry that supplemental gifts were given to meet the salary requirements for our new organist. In 2025 this line item will be set and not supplemented. 4) Under *Facilities Expenses*, the amount budgeted for water was increased a small amount.

Fr. Rob addressed the two new line-item requests for the implementation of the Journey to Adulthood program and for a leader of the Children's Choir.

Fr. Rob stated that 5920 Stewardship fund helped pay for this year's stewardship program, but based on the success of the stewardship plan, an amount of 1% of pledges received will provide funds for the stewardship campaign next year.

Dorothy Gates shared that while the Altar Guild did not request an increase in its budget, she wanted clarification of how the current estimate to refurbish the silver and the brass by Almy will be paid. The bill is \$1874. Fr. Rob stated the bill will be paid from the Memorial Fund.

Fr. Rob clarified that the proposed budget presented in November provides the Vestry time to review the requests and share any questions or concerns.

Beth informed the vestry the *Financial Policies and Procedures* developed by the Finance Committee were last approved by Vestry in 2020. The Finance Committee is proposing that instead of putting the expenses of individual buildings and grounds maintenance projects in the annual budget, the committee develop a statement which reads "*Individual buildings and grounds maintenance projects expected to be less than \$2,500 will typically be budgeted for and paid from the operating budget. Projects of \$2,500 or more will typically be approved by the Vestry with funds being appropriated from reserves.*" (page 8, paragraph #5 of the *Financial Policies and Procedures* document).

Tom asked which line item in the budget addresses the upcoming expenses that are known to be coming, such as replacing the AC units. Beth suggested that we could create a designated restricted fund for this but that funding would need to

come from reserve or a capital campaign. that can be created using money from the reserves. Fr. Rob clarified that Line 3333 is the “investment account” and is considered the “reserves” that can cover 2-3 months of SMSP expenses. Long term planning should come from investment funds instead of the operating funds, because the operating funds are cleared at the end of the year with no funds rolling over. Beth shared that the Vestry will be voting on the Finance Committee’s proposed policy at the next meeting and encouraged Vestry members to continue to think and discuss this issue before the next meeting.

Fr. Rob said the idea of starting a capital campaign was discussed in 2020; however, COVID issues required such discussion be put on hold. The capital campaign would focus on securing the parish’s future in two key areas: 1) long term upkeep of the facilities and 2) establishment of an endowment fund. Rob said that he plans for the 2024 Vestry to revisit this idea of a capital campaign.

Clarification of the Bishop Otey Society Fund was offered. This fund was established 15 years ago and is comprised of estate-planned gifts to the parish. There are often no restrictions on the use of these funds, so there is an opportunity to put some of this money aside as an endowment fund. This issue will be taken up by the 2024 Vestry.

### **Rector’s Report –**

Fr. Rob shared his written report and highlighted the following:

- Successful work day,
- The children’s choir position has been posted,
- The December meeting will be December 14 at Lynn and Ken Taylor’s home at 5:30,
- Lynn Stubblefield expressed interest in learning more about what the Diocesan Convention experience,
- Fr. Rob shared a summary of the *Qualifications to Vote in Annual Parish Meetings* which cites Diocese of Tennessee Canon 15, Sections 4, 7 and 8. Rob wrote to the Bishop to request changing the wording from “Confirmed Communicants in good standing” to “Communicants in good standing”. Rob asked the Vestry if they would be willing to propose this canonical change to the Bishop. Robin Bates moved to submit this request from the Vestry

and Wardens of the parish to the Bishop. Beth Chamberlain seconded the motion. All present voted to accept this motion.

### **Committee Reports—**

#### **Junior Warden's Report –**

Fr. Rob shared on Diane Jones's behalf. He noted that she personally thanked each person who helped with the work day. Rob also asked Tom to speak about the Saint Nicholas Guild. Tom hoped volunteers would come forward first and then he will personally reach out to members of the parish. Tom also raised the issue of whether church would be canceled in the event of severe weather. It was determined that that decision would be made on a case-by-case basis.

#### **Christian Formation –**

No report

#### **Community Action Committee (CAC) –**

Beth Chamberlain directed the attention of the Vestry Members to the written report submitted by Sarah Edmonds, Director of the CAC. Beth reported that CAC is hosting a Thanksgiving meal on Friday, November 17, 2023. She also shared that CAC has 41 Thanksgiving dinners to give to neighbors.

Betty Carpenter shared the All Voices Choir will be sharing their voices during the CAC hosted Thanksgiving meal.

#### **Parish Life –**

Lynn Stubblefield raised a concern about a folding chair that collapsed during the All Parish Meeting and asked that the chairs be inspected to be sure they are in working order prior to the next big event in the parish hall—the Rotary pancake supper on Saturday, November 18. Fr. Rob will ask Bahley Minor to look at the chairs before the event. Tom Phelps offered to help. Tom also shared that the chairs are very uncomfortable and suggested that the Buildings and Grounds committee look into purchasing better chairs and that he will begin the process of this research.

Tom Phelps further shared that SMSP hosted a community event to educate community members of the advantage of using Narcan. The event well attended

and well received. Narcan is available from any pharmacy without a prescription. Rob shared that there are two doses available at SMSP.

**Reminders of upcoming events-**

*Next Meeting:* The next meeting will be December 14 at the home of Lynn and Ken Taylor's home at 5:30. Vestry members will bring a dish to share.

**Concluding Prayer:** The Rev. Rob Lamborn offered a concluding prayer for the parish.

The meeting was adjourned at 6:57 p.m.

Respectfully submitted by Kathryn Bruce, Clerk of the Vestry

## **Treasurer's Report for December 2023**

Our 2024 budget draft is attached for review and discussion.

The financial policies document distributed last month is also included with this packet for adoption.

I will send November 2023 editions of the following reports via email next week:

1. Actual vs. Budget Report (Excel format)
2. Statement of Activities – Operating
3. Statement of Financial Position
4. Summary of Restricted and Vestry Designated Accounts

Checking account balances are all at or over target. Balances in the Vanguard investment account as of December 8 are \$31,501 in the money market fund and \$245,697 in mutual funds. I hope to make a transfer from checking to our investment account sometime this month.

# **Financial Policies and Procedures Episcopal Parish of St. Mark and St. Paul On the Mountain**

Reviewed by the Finance Committee: November 16, 2023

Approved by the Vestry: \_\_\_\_\_



## **A. ROLES AND RESPONSIBILITIES**

### Oversight of Cash and Investment Accounts

- Financial Administrator maintains check register and investment accounting records on a weekly basis and reconciles all cash/investment accounts monthly. This includes paying bills, processing payroll, making weekly deposits, and maintaining pledge records.
- Treasurer sells all gifts of stock as soon as possible after receipt, without regard to timing, and manages funds. Cash accounts are maintained according to target balances with monthly fluctuations in mind. Investment accounts are managed according to the Parish's investment policy.
- Treasurer views bank and investment accounts online at least weekly, and immediately reports anything of note or concern to the Rector and Finance Committee Chair.
- Treasurer reviews reconciliation reports, bank, and investment statements and reports to the Vestry at monthly meetings.
- Finance Committee meets quarterly to review finances and investments, as needed.
- Treasurer maintains relationships with banks, diocese, auditors, etc., and updates signature cards with the banks after January Vestry elections.

### Oversight of Church Accounting:

- Financial Administrator maintains general ledger and pledge accounting records on a weekly basis and reconciles all cash/investment accounts monthly.
- Financial Administrator prepares monthly reports, ideally in time for Finance Committee meeting to review in preparation for Vestry meetings.
- Financial Administrator and Treasurer meet to review monthly reports before final Vestry reports are prepared. Rector and FC Chair receive monthly statements as soon as possible after they are prepared.
- Treasurer monitors debt and restricted funds, reporting to Vestry monthly. Both are managed according to church canons and Parish financial policy. Quarterly reports are sent to lender after presentation to Vestry.
- The Rector has full access to financial records and meets with Finance Committee Chair and Treasurer between committee and Vestry meetings, as needed.

### Annual Audit

- Treasurer works with FA to finalize prior year's books and manages the audit process.
- Treasurer is on hand for visit by auditors, and preferably Financial Administrator participates in all parts of the process except when excused by the Finance Committee.
- Treasurer reviews audit results with Finance Committee, and Finance Committee Chair presents audit to Vestry.
- Auditors are contracted annually with the approval of the Vestry at the recommendation of the Finance Committee.

### Reporting to Diocese:

- Treasurer is responsible for the financial portion of the Parochial Report.
- Treasurer sends copy of annual audit to Diocese by August 1.

### Proper Insurance of Church Property and Liabilities/Risk Management

- Finance Committee includes one member primarily responsible for annual review of church insurance to include property and liability insurance.
- Treasurer manages workmen's compensation insurance, reporting to the Rector.
- Rector oversees background checks, Safeguarding God's Children program, staff management, and related reporting to the Vestry.

### Reporting to Vestry and Finance Committee

The Financial Administrator provides the Finance Committee with the following statements produced by the accounting software for the committee's quarterly reviews. The Vestry Representative on the Finance Committee, with the support of the Treasurer, presents these to the Vestry and proposes action.

- Statement of Financial Position
- Statement of Activities-Operating
- Statement of Activities-CAC

Before review by the Treasurer, the Financial Administrator reviews the reports for accuracy, including the following.

### Subsidiary Ledgers

Checks the subsidiary ledgers against the Statement of Financial Position and statements of activities, particularly the following:

- Designated and Restricted Accounts
- Pledge Report
- Debt Reduction Funds and Loan Balances
- Endowment Fund Balances v. Restricted Total
- Accounts Payable
- Fund Principal

### CAC Statement of Financial Activities

- Grants are charged to budgeted line items
- The total of the CAC restricted fund reconciles with the Statement of Activities
- The salary amounts for the Director and Financial Assistant match the YTD budget
- All administrative costs are charged to Administrative-CAC.

### Operating Statement of Financial Activities

- Twenty-five percent of plate collections are placed in Rector's Discretionary Fund monthly
- Diocesan Assessments match the YTD budget
- Compensation amounts match the YTD budget
- Miscellaneous Expenses 5891 are used only for small transactions that do not fit elsewhere
- Expenses are charged to the correct month

### Temporarily Restricted and Designated Funds

Donor-restricted funds and Vestry-designated funds should be set aside in a clearly named 8000 level account. Regular communication with the Treasurer regarding disbursements from these accounts is necessary.

#### Permanently Restricted Funds

Funds held in trust, endowment, and other permanent funds, and securities represented by physical evidence of ownership or indebtedness shall be deposited in an account approved in writing by the Vestry.

#### Credit Card Limits

Rector	\$ 5,000
Junior Warden	\$ 15,000
Parish Administrator	\$ 5,000
Christian Formation	\$ 2,000
Deacon	\$ 2,000
CAC Director	\$ 3,000
Bank's Combined Limit	\$ 20,000

#### Finance Committee

**The Finance Committee is established by the Vestry to assist in the optimal stewarding of parish financial resources in the service of the current ministries of the parish and those envisioned for the future. The finance committee is advisory to the Vestry. The Vestry makes final decisions and should communicate those to the finance committee so that they may be considered during their budget oversight.**

#### Responsibilities:

- assembles operating budget requests into a budget recommendation to the Vestry**
- provides support and oversight to the Treasurer in monitoring parish finances, reviewing financial statements quarterly**
- establishes policies for internal controls and keeps those policies up to date**
- reviews the annual audit and responds to its recommendations**
- establishes investment policies in accordance with the goals and risk tolerance established by the Vestry, and ensures that investments are managed accordingly**
- recommends financial strategies to achieve the longer-term goals of the Vestry**
- ensures that Conflict of Interest forms are completed and on file in church office**
- seeks expertise and advice when beneficial to the fulfillment of its duties**
- ensures that insurance coverage is adequate and appropriate in cost**
- helps recruit successor members for the committee members**

#### Regular annual schedule:

- January: Orientation meeting (roles and responsibilities for the Committee, review calendar for year)**
- February: Review fourth-quarter and end-of-year financial reports; review investment activity**
- April: Review first-quarter financial reports; review insurance and financial policies**
- August: Review second-quarter financial reports; review results of annual audit**

**(Treasurer only) September: Treasurer invites budget requests from those with line-item responsibility**

**October: Review third-quarter financial reports; review budget requests for coming year and begin framing draft budget**

**November: Develop annual budget to be submitted to Vestry for their approval**

**December: If needed, revise annual budget based upon report of Vestry.**

The Finance Committee members comprise those listed below. Ideally, the terms of at-large members should be staggered. Consideration should be given to having a person knowledgeable about insurance issues on the committee.

- Rector
- One of the wardens
- Vestry liaison
- Treasurer
- At-large member (2-year term)
- At-large member (2-year term)

### Vestry

It is the Vestry's ultimate responsibility for oversight of church accounting, and the Treasurer's responsibility to disclose all information requested, except for confidential pledge records. The Vestry receives Statement of Activities for operating monthly, preferably straight from the accounting system, as well as a debt summary and cash summary. Quarterly reports also include CAC Statement of Activities and Statement of Financial Position.

## **B. FINANCIAL POLICIES AND PROCEDURES FOR COMMUNITY ACTION COMMITTEE (CAC)**

### Check writing

- Checks written to individuals should be avoided, but in the event a check to an individual is necessary to administer grant funds, the grantee should sign a detailed receipt.
- Checks should only be written for grants, and all other checks should be processed through the Parish's Financial Administrator. Debit cards will not be purchased for grant purposes.
- Any check over \$500 needs two authorized signatures.

### Use of Regions VISA Card

- The Director will control and be the sole person who uses the CAC Visa card.

### Monthly Reporting

- Receipts, invoices, and any other documentation for income and expenditures should be given to the Financial Administrator on a regular basis and as soon as possible after month-end for the prior month.
- The Parish Treasurer reviews the Statement of Activities - Operating and distributes it to the CAC Director monthly before the CAC meeting (3rd Thursday of each month).

### Grant Policies

- Families should receive no more than \$500/year except under urgent circumstances outside the annual budget.
- If an individual or family has an urgent need not covered by the annual budget, grants up to \$5,000 in total per family may be given within the overall mission to “provide aid and comfort to individuals who are in need or suffering from sickness, hunger, or any other adversity.” A reserve of \$10,000 will be maintained specifically for this type of unforeseen and urgent need, and any such grants must be approved by a majority of the CAC Board and the Rector.
- All funds received that are restricted to CAC will go toward the general operations of CAC. No gifts will be accepted for specific purposes within CAC’s mission, except as approved by the St. Mark and St. Paul Finance Committee.

### C. POLICIES REGARDING CONTRIBUTIONS

Only contributions for objectives that are consistent with the organization’s purposes should be accepted, and there should be a clear understanding with donors about the intended use of the funds given.

- When the donor stipulates how the contribution should be used, the contribution should be set aside in a restricted fund until used for the specified purpose.
- In accordance with IRS regulations, any contributions restricted to the benefit of an individual are classified as non-tax-deductible.

*From Internal Revenue Service Publication 526 (2020), Charitable Contributions:*

*“You can’t deduct contributions to specific individuals, including the following. . . .*

*Contributions to individuals who are needy or worthy. You can’t deduct these contributions even if you make them to a qualified organization for the benefit of a specific person. But you can deduct a contribution to a qualified organization that helps needy or worthy individuals if you don’t indicate that your contribution is for a specific person.*

**Example.** *You can deduct contributions to a qualified organization for flood relief, hurricane relief, or other disaster relief. However, you can’t deduct contributions earmarked for relief of a particular individual or family.”*

[https://www.irs.gov/publications/p526#en\\_US\\_2020\\_publink1000229694](https://www.irs.gov/publications/p526#en_US_2020_publink1000229694) accessed August 17, 2021

- Amounts in excess of what is needed to meet the stipulation must be released by the donor before being used for another purpose or returned to the donor.
- The right to redirect the amounts donated to other similar purposes should be clearly communicated before the contribution is accepted for a particular purpose.
- Specific individuals may not benefit from individual contributions.

- Gifts other than cash will be sold as soon as reasonably possible without regard to market fluctuations and valued at the current market value.
- Delivery determines the timing of a donation. Thus, if a donation is delivered on December 31, should be recorded as a receipt by the ministry on December 31. If a check is mailed to the church, the “delivery date” is determined by the postmark date. Personal service donated by individuals, while appreciated and needed in a ministry, and is sometimes recorded as revenue by the church, is not tax deductible for the donor.

#### **D. POLICY RELATING TO MEMORIALS, BEQUESTS AND EXCEPTIONAL LIFETIME GIFTS**

The following policy is adopted for the guidance of staff in handling receipts of unrestricted gifts other than (A) pledge payments, (B) unpledged donations by regularly giving members, and (C) plate collections. The former two types of gifts are treated as unrestricted operating income, except as set out in paragraph 3 below, and the latter as 25% restricted to the Rector’s Discretionary Fund and otherwise as unrestricted operating income.

1. Any unrestricted gift which is received by the parish and designated as a “memorial” or “in memory of” an individual, no matter its size, will become part of the Memorials Fund (account #8951). However, if a memorial gift is restricted by the donor to a particular purpose (support of, *e.g.*, CAC, Parish Life or the like), it shall be held as a part of the relevant restricted fund designated for such purpose rather than in the Memorials Fund.
2. Any unrestricted gift which occurs on account of the death of the donor or testator, whether received under a will, as a life insurance payment, or through termination of a living trust (a “bequest”), to the extent that it exceeds any outstanding pledge(s) or regular giving, will become part of the Bequests and Exceptional Gifts Fund (account # 8953). Furthermore, if any donor, having notified the parish of a bequest to be expected after the donor’s death, subsequently makes one or more payments, in excess of any outstanding pledges or regular giving, which are clearly described as being made in prepayment of an unrestricted bequest, such payment or payments will also become part of the Bequests and Exceptional Gifts Fund.
3. If any unrestricted gift made during a donor’s lifetime exceeds the donor’s pledge or regular giving for the relevant year by an amount in excess of \$5,000, such excess sum will become part of the Bequests and Exceptional Gifts fund (account # 8953). Any such gift which exceeds the donor’s pledge by \$5,000 or less, or the first \$5,000 in excess of the donor’s pledge or regular giving from any larger gift, will continue to be treated as a Non-Pledge Gift (account # 4141) and part of the parish’s Operating Fund.
4. All balances within the Memorials Fund and the Bequests and Exceptional Gifts Fund are to be treated as funds whose expenditure depends upon designation by the Vestry.

At the recommendation of the Rector, and with the concurrence of the Wardens, expenditures from the Memorials Fund which result in significant and lasting improvements to worship and congregational life, in amounts not exceeding \$2,500 for any single project, may be made without action by the Vestry. If agreement among the Rector and Wardens as to such an expenditure is not achieved, the Vestry will determine whether the expenditure is appropriate.

5. **Individual buildings & grounds maintenance projects expected to be less than \$2,500 will typically be budgeted for and paid from the operating budget. Projects of \$2,500 or more will typically be approved by the Vestry with funds being appropriated from reserves.**
6. Nothing contained in this policy statement shall affect the practice of allocating any restricted gift or bequest to an appropriate donor restricted fund for accounting purposes.

## **E. BANKING AND INVESTMENT POLICY**

### Overview

The purpose of this Banking and Investment Policy Statement is to provide guidance for the St. Mark and St. Paul Finance Committee regarding the management of all cash and investment accounts and to establish a clear understanding for the St. Mark and St. Paul Vestry regarding the responsibilities of the Finance Committee. The objectives of the Policy Statement are:

- To outline roles and responsibilities for management of all liquid assets
- To manage and safeguard assets, assuring maximum investment income within risk guidelines and prudent management of liquidity

### Cash Management Policy

Cash inflow and outflow rarely occur in equal amounts in the same time period; thus, it is critical that the Treasurer maintain adequate cash to facilitate bill payments in a timely manner.

Forecasts of cash flows can be made either by comparing the monthly expense budgets to the monthly cash flow estimates or by analyzing activity from prior years or quarters. The amount of cash maintained in the checking account by the Treasurer may depend upon the following:

1. Timing of the cash flows, pledge payments, investment or endowment income versus expenses, monthly bills, and, more particularly, large expenditures and quarterly bills;
2. Available borrowing power of the congregation to meet emergencies; and
3. Maintenance of a good banking relationship by complying with minimum balance requirements.

Interest-bearing checking accounts make it possible for funds on deposit to earn money. The Treasurer should be aware of the minimum balance required, the bank's fee structure and interest rate, and whether investing monies in the same bank will be rewarded with special banking services. Money that will not be called upon for short-term cash flow may be invested for the long term, generally earning a higher return.

The Treasurer will seek to maintain the approved target balances for the following accounts:

Operating Checking	\$ 30,000
Rector's Discretionary Checking Account	\$ 4,000
Community Action Committee (CAC)	\$ 5,000
Episcopal Endowment Fund	\$100,000

### Investment Policy

1. Borrowing of Endowment Funds is not permitted
2. Funds may not be invested, nor obligations incurred in futures, options, swaps, forwards, Collateralized Mortgage Obligations, or any other financial derivatives.
3. No more than 10% of the funds may be concentrated in the securities of any one issuer (other than U.S. Government and Agency debt).
4. Gifts of Stock or other financial instruments should be sold as soon as possible, regardless of market conditions.
5. Gifts of non-income producing real estate and tangible personal property such as jewelry, gold, and gems shall be converted to acceptable forms of investments as soon as practicable.
6. All Endowment Funds must be managed within the provisions of related Endowment documents; and the Finance Committee may further restrict security selection based on ethical investing criteria as directed by the Vestry.
7. All liquid assets should be held in recognized financial institutions, and reporting on balances and activity of all accounts should be presented at regular Vestry meetings.
8. Investment decisions must be made to reflect prudent guardianship of Church assets and in line with investment guidelines and acceptable risk/return criteria.
9. Liquidity will be managed to assure smooth Church operations and balances in various accounts maintained accordingly.

### General Investment Philosophy and Guidelines

- Seek **preservation of capital**, understanding that losses may occur in individual securities or investments.
- This entails “**risk aversion**”, making reasonable efforts to control risk and be willing to accept lower potential returns in exchange for lower risk investments.
- The emphasis is on **total return**, i.e., aggregate return from capital appreciation and dividend and interest income.

### Maintenance of Liquidity

Overall liquid assets in excess of all liabilities, restrictions, and designations should be between four and six months of budgeted operating expenses.

### Roles and Responsibilities

The Finance Committee Chair will call an annual committee meeting to review this investment policy, and then report on any recommendations to the Vestry at the next regularly scheduled meeting. The Treasurer is responsible for day to day management of all liquid assets within this policy. All liquid assets with respect to obligations against those assets will be reviewed quarterly by the Finance Committee. A report of the status of all liquid assets with respect to



obligations against those assets will be presented to the Vestry at regularly scheduled meetings. The Financial Administrator will monitor all liquid assets in the course of regular work flow and bring any questions or concerns about related management to the Rector's and Treasurer's attention.

#### Debt

The Parish maintains a Line of Credit ("LOC") with First Horizon Bank. Signatories authorized to draw on the Line of Credit are the Senior Warden and Rector, both of whom must approve any draws. Signatories for other purposes are the Wardens and Treasurer.

At the recommendation of the Finance Committee, the Vestry approved a First Tennessee (now First Horizon) Bank Line of Credit, with a limit of \$100,000, be taken out to provide flexibility in funding the repairs to the bell tower, and other capital needs, as approved by the Vestry, while maintaining adequate reserves. Funds will be borrowed only as necessary. Any Vestry-approved use of the LOC requires a plan to pay down the principal balance from budgeted funds over a period of time not to exceed two years, and any excess Unrestricted Net Liquid Assets above the target minimum of four months of church operating expenses should be applied to pay down the loan commitment.

<b>2024 Budget Draft 5 (12/12/23)</b>				Vestry approv				
					12/15/22	12/12/23		
<b>Operating Statement of Activities</b>		<b>Budget 2020</b>	<b>Actual 2021</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget 2023</b>	<b>Draft Budget 2024</b>	<b>Notes - Budget 2024</b>
<b>Revenues</b>								
4111 - Plate Offerings		8,000	7,146	1,600	7,000	7,000	7,000	
4115 - 1/4th Plate to Rector's Discretionary		(2,000)	(1,759)	(400)	(1,750)	(1,750)	(1,750)	1/4 plate offering
4131 - Pledge Payments		#####	355,481	360,000	370,000	375,000	410,000	
4133 - Pledge Payment for Previous Year								
4141 - Non-Pledge Gifts		25,000	18,121	8,000	9,000	9,000	9,000	
4151 - Bequests								
<del>4170 - Insurance Reimbursement - Rector's Expense</del>			17,145	17,145	18,180	18,900	20,160	
4191 - CAC Support Employee Compensation		20,000	24,241	24,408	25,114	25,999	26,831	
4512 - Investment Income		7,000	5,175	4,000	4,500	4,500	4,500	
4551 - Property Rental Income		8,000	3,270	3,000	6,000	12,500	13,500	
4560 PPP Loan Forgiveness			40,000	30,000	10,000			no longer applicable
4575 Transfer from Vestry-Designated Funds					20,000	28,000	10,000	anticipated gift
4570 Employee Retention Credit					15,290			no longer applicable
new line for SCC reimbursement						3,000	7,500	
Total Support from Internal Sources								
<b>Total Revenues</b>		#####	468,820	447,753	483,334	482,149	506,741	
<b>Expenses</b>								
<b>Work Outside Congregation</b>								
5111 - Diocesan Assessment		41,298	36,063	36,063	40,000	43,687	43,471	
5121 - Seminary Gift		500						
<b>TOTAL Work Outside Congregation</b>		41,798	36,063	36,063	40,000	43,687	43,471	
<b>Work Within Congregation</b>								
5311 - Christian Education		3,000	2,617	3,000	3,000	3,000	3,300	
5331 - Parish Life		2,500	988	2,500	2,500	2,800	3,000	

<b>Operating Statement of Activities</b>							
<b>Revenues</b>	<b>Budget 2020</b>	<b>Actual 2021</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget 2023</b>	<b>Draft Budget 2024</b>	<b>Notes - Budget 2024</b>
5351 - Altar Supplies	1,000	826	1,000	1,000	1,000	1,000	
5353 - Confirmation Prep.	100		100	100	100	100	
5355 - Music	400	301	0	150	200	200	
5357 - Prayer Books and Liturgy	200	73	200	200	200	200	
Materials							
5359 - Organ & Piano Maintenance	2,800	1,765	2,800	2,800	2,800	2,800	
5371 - Youth Ministry	2,000	664	2,000	2,000	2,000	2,000	
5398 - Pastoral Care	150	61	150	150	150	150	
<b>TOTAL Programs</b>	<b>12,150</b>	<b>7,295</b>	<b>11,750</b>	<b>11,900</b>	<b>12,250</b>	<b>12,750</b>	
<b>Operating Expenses</b>							
<b>Salaries &amp; Wages</b>							
5411 - Clergy - Rector	41,336	55,062	55,062	56,891	59,337	61,236	3.2% COLA increase
5415 - Supply Clergy	1,400	780	1,000	1,200	1,400	1,400	
New line request - Journey to Adulthood						2,500	New line request
5421 - Youth Minister	5,465	5,465	5,465	5,629	5,871	6,059	3.2% COLA increase
5431 - Organist-/Choir Director	10,578	10,578	10,578	10,895	11,364	14,102	add'l duties - Music Fund
5432 - Supply Organist	900	1,175	900	1,000	1,200	1,200	
New line request - Children's Choir						4,500	New line non-clergy director
5451 - Child Care	6,314	5,005	4,500	6,303	6,603	6,603	
5461 - Dir. Christian Formation	21,306	21,306	21,306	21,945	22,889	23,621	3.2% COLA increase
5471 - CAC Director	25,332	23,520	23,520	24,226	24,000	24,768	3.2% COLA increase
5481 - Parish-Administrator	40,800	36,967	33,920	42,024	32,873	33,925	3.2% COLA increase
5486 - Financial Staff	15,100	15,938	17,500	16,503	16,000	14,000	new staff, 3% COLA on anniv
<b>TOTAL Salaries &amp; Wages</b>	<b>#####</b>	<b>175,796</b>	<b>173,751</b>	<b>186,616</b>	<b>181,537</b>	<b>193,914</b>	
<b>Employee Expenses</b>							

Operating Statement of Activities							
Revenues	Budget 2020	Actual 2021	Budget 2021	Budget 2022	Budget 2023	Draft Budget 2024	Notes - Budget 2024
5511 - Clergy Pension	17,638	25,634	23,044	23,770	19,896	20,532	18% of sal, hous, seca to CPF
5521 - Clergy Insurance	33,132	34,745	34,872	36,590	38,030	40,440	per diocese
5526 - Clergy Housing & Utility Allow.	40,343	40,343	40,343	41,553	43,340	44,727	3.2% increase
5531 - Clergy - SECA Payments	7,419	9,152	9,098	9,384	7,855	8,106	7.65% of salary and housing
5551 - Staff Payroll Taxes	12,039	7,078	7,977	7,902	9,149	9,415	7.65% of sum of staff
5561 - Staff Pension	7,868	5,500	5,462	5,626	7,707	7,954	9% of youth,form,admin,CAC
5571 - Staff Insurance	11,812	12,088	12,261	11,404	11,700	12,507	
5581 - Background Checks	300	623	300	300	300	350	
5631 - Workers Compensation		1,991	1,100	1,100	1,100	1,100	
<b>TOTAL Employee Benefits</b>	#####	137,155	134,457	137,630	139,077	145,131	
<b>Facilities Expenses</b>							
5611 - Property & Liability Insurance	10,000	12,638	10,000	10,600	11,000	11,000	
5711 - Repairs & Maintenance	10,500	10,517	6,540	6,900	10,000	10,000	
5721 - Elevator Maintenance	4,700	2,531	3,500	3,600	3,000	2,000	
5751 - Garbage Service	1,140	1,429	1,140	1,200	1,200	1,200	
5771 - Supplies	1,600	1,354	1,600	1,600	1,600	1,600	
5781 - Electricity	19,000	16,858	16,150	17,500	16,500	16,500	
5783 - Gas	3,500	3,033	2,550	3,000	3,150	4,000	
5785 - Water & Sewer	3,500	2,467	2,975	3,000	3,150	3,500	
5790 - Grounds Maintenance	3,300	6,998	3,300	5,500	5,000	5,000	If needed, additional from Vestry-designated funds
5795 Cleaning Service		9,697		19,200	19,200	15,600	
5799 Rental Premises Expense				not budgeted			
<b>TOTAL Facilities Expenses</b>	57,240	67,522	47,755	72,100	73,800	70,400	
<b>Administrative/Organizational Expenses</b>							
5811 - Audit	6,500	6,400	6,500	6,500	6,600	7,200	
5821 - Computer Expenses	3,675	5,228	3,875	4,500	4,700	5,000	
5831 - Copying expenses	4,000	4,208	4,110	4,000	4,200	4,200	

<b>Operating Statement of Activities</b>		<b>Budget 2020</b>	<b>Actual 2021</b>	<b>Budget 2021</b>	<b>Budget 2022</b>	<b>Budget 2023</b>	<b>Draft Budget 2024</b>	<b>Notes - Budget 2024</b>
<b>Revenues</b>								
5841 - Office Supplies		1,200	2,206	1,200	1,600	1,600	1,400	
5851 - Office Equipment Purchases		750	340	500	500	1,100	500	
5861 - Postage		550	507	600	650	700	700	
5871 - Telephone		6,000	6,482	6,400	6,400	6,720	6,900	
5891 - Miscellaneous Expenses		300	450	300	300	300	1,000	
5895 - Service Fee (Vanco)			749		900	900	900	
5911 - Clergy Car Expense		1,500	165	1,250	1,250	1,250	1,250	
5912 - Clergy Expense Allowance		500	398	500	500	500	500	
5913 - Continuing Education - Clergy		2,000		2,000	2,000	2,000	2,000	
5914 - Continuing Education - Staff		500		500	500	500	600	
5915 - Convention & Travel		750			889	889	889	
5916 - Ministering to New Members		500		500	500	500	500	
5918 - Publications		1,400	681	1,300	1,300	1,000	1,000	
5919 - Communications		250	568	450	450	450	450	
5920 - Stewardship		2,000	491	1,750	1,750	1,750	3,800	goal: 1% of anticip pledges
5922 - Vestry		200						
New line - Payroll service							750	
<b>TOTAL Admin/Org Expenses</b>		32,575	28,872	31,735	34,489	35,659	39,539	
<b>TOTAL Expenses</b>		#####	452,703	435,511	482,735	486,010	505,205	
<b>Net Operating Income</b>		13,155	16,117	12,243	599	(3,861)	1,536	
<b>Other Income/Expenses</b>								
7311 - Sabbatical Reserve Provision		(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	
Net Reserves Used								
<b>Net Other Income/Expenses</b>		(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	
<b>Net Receipts/(Disbursements)</b>		11,655	14,617	10,743	(901)	(5,361)	36	

## Rector's Report: 14 December 2023

*Some of my activities in addition to services from Tues, Nov 14-Monday, Dec 11, 2023.*

14 pastoral visits or phone calls of significant length

### Meetings

Parish staff (semi-monthly)	Finance Chair & Treasurer
Parish Administrator (often)	Wardens (most weeks)
Dir. of Christian Formation (most wks)	Finance Committee
Organist/Choir Director (monthly)	Evangelism Committee
Treasurer	Christian Formation Committee
Assisting Priest & Children's Choir director	Vestry

Wednesday Holy Eucharist and lunch at the School of Theology (most weeks in term)

Attended Diocese of Tennessee Clericus meeting at the Church of the Resurrection, Franklin; heard about Bp. John's and Canon Jody's sabbaticals and a refreshment program the diocese offers.

Attended State of Tenn training we hosted on recognition of opioid and stimulant overdose, and the use of naloxone (Narcan) to reverse opioid overdoses. Thank you, Tom Phelps & Jeannie Babb!

Participated in a panel discussion of clergy-musician relations in Ken Miller's class at SoT.

Met twice with Jeannie Babb & Meghan Mazur regarding Christmas Pageant.

Attended opening of new components of the Grundy County Historical Society museum.

Participated in the Sunday afternoon Service of Lessons & Carols at All Saints' Chapel.

Planning and funeral for John Bratton

Met with Lynn & Ken Taylor re: decorations for Christmas services at church and All Saints'.

Participated in musical trio visits to Franklin Manor and 3 parishioners in their homes.

Arcadia board meeting, including consultants.

Visited holiday open house hosted by the Pearigens in Chen Hall.

Participated in Newcomers' gathering with Evangelism Committee

Supervision meetings with seminarian Michael Sturdy (weekly in term)

Weekly lectionary reflection group

Rotary (most weeks)

Sewanee Symphony Orchestra (weekly in term)

Auditing Paul Holloway's Wednesday afternoon seminar on Paul's Letter to the Romans

Evening Prayer Mondays at 4:45pm, and interested in to adding weekday services gradually.

Ken Miller, Meghan Mazur, and I will be interviewing a **candidate for children's choir director** tomorrow morning.

**Returning and incoming members:** Please review your calendars for available for our annual retreat most of a Saturday in Jan and Feb.

Incoming members: Please check and let me know whether you will be at church on Sunday, Jan 7 (either service), for your installation.

**Time away:** Upcoming--December 26-31 (using vacation days)

Supply priest for December 31: the Rev. Scott Lee

*The Vestry meets at 5:30pm normally on the third Thursday of each month. According to diocesan canons, we must meet at least quarterly. DioTenn requires that actions via Zoom or teleconference be ratified at an in-person meeting afterward.*

# Lighting Issues at St. Mark & St. Paul

December 7, 2023

Evan Jones, licensed Journeyman Wireman, made an assessment of lighting issues in the Parish Hall and Church. Kennerly was built during a peculiar and short-lived window of time in the construction world when the particular types of fixtures which were installed were new and exciting and seemed to be the way of the future. However, within only a few years, new technology was developed that made those fixtures obsolete. Evan says you can hardly find parts and bulbs for them now.

The best solution would be to take down the wooden ceiling facings (that contain the wiring), install proper wiring in conduit, and hook up new fixtures, using the new, long-lasting LED bulbs.

## Kennerly Hall

- Big ceiling light fixture— It may be possible to retro fit the lights to accept more modern and much brighter bulbs which will be easier to acquire and which will last much longer. Evan will check with the manufacturer to see if a retro kit is available for that model.
- Ceiling fans— It might be possible to add lights to the ceiling fans, which would greatly increase the brightness in the Parish Hall. Evan is mystified as to why fans with lights were not installed originally. Because the contractor did not install conduit in the wood ceiling facings, there is no way to add a wire needed to connect the lights without tearing the ceiling apart. A work-around would be to install the lights using the existing wiring. However, this would mean that the fans and lights would operate on the same wall switch. Both would be on, or both would be off. This could be solved by installing pull cords to the fans so that the fans could be operated independently. (Note: ceiling fan brand is Hunter)
- Wall sconce flickers— This is the sconce at the front of the hall (lectern end), to the right as you face the wall. It was just a bad bulb! Easy fix.
- CAC porch lights—These fixtures can be replaced with some that Evan has from a job site. The fixtures were taken down in a remodel and are in perfect shape. And free. They will be brighter and longer lasting.

## The Church

- Outdoor Sacristy light— The current one above the exterior door to the Sacristy is attractive, but very dim. It does not supply adequate illumination at night. Evan suggests replacing it with a motion sensitive flood light.
- Sacristy ceiling light, sink area— Needs a whole new fixture.
- Sacristy ceiling light, robing area— For brighter light, the fixture should be replaced. We can get one that hangs higher up and puts out more illumination.
- Nave wall sconces— Bulbs needed in the 3rd sconce on the left wall of the nave, 1st sconce on the right wall of the nave, and in the organ wall sconce. Bulbs have been ordered.

## Community Action Committee (CAC)

Report to Board of Directors

December 14, 2023

### Food Pantry

In November, CAC served an average of 17 neighbors a week with a total of 82 visits over the month. These visits were made up of 46 unique households. Visits to CAC remained consistent from November, there was a decrease in the number of unique households that received groceries from CAC this month.

### *Kroger Partnership*

CAC continues to partner with Kroger through Second Harvest to receive biweekly donations. In November, CAC picked up 391 lbs of donated food from Kroger. The donations were primarily made up of frozen meats, and mixed bakery items.

### Utility Assistance

CAC's emergency assistance program continued to receive several requests over November. The main utilities for November included electricity, and gas/propane. Assistance is still halted on water requests, a limited amount of housing requests are granted.

The numbers below provide how many neighbors received assistance in November:

**Housing:** 1 neighbor

**Electricity:** 10 neighbors

**Water:** 0 neighbors

**Gas/Propane:** 6 neighbors (1 for propane and 5 for fuel)

CAC is now tracking how many assistance requests per month are not granted among neighbors to better accurately budget for 2024. For November, CAC was not able to assist with 5 requests that were made. The breakdown of these requests include: 2 requests for rental assistance, 1 request was for water assistance, and 2 requests for electricity.



## **Kitchen 2 Table**

The Kitchen 2 Table (K2T) Program continues to pack meals every Wednesday evening. On average with the food donated from McClurg Dining Hall, CAC creates about 80 meals a week. For November, CAC created **540 meals** and distributed **384 meals**. The meals are distributed to neighbors who visit the pantry and our community partner organizations. The partner agencies that pick up meals include Wings of Hope Widows Ministry, Trinity Episcopal, Monteagle Cumberland Presbyterian Church, Family Resource Center (Tracy City), and the Isaiah 117 House (Monteagle).

## **Farm 2 Table**

CAC currently has about \$175 in its account with the South Cumberland Farmers Market. Purchases of fresh produce were limited over November as the selection of produce dwindled due to the winter season. The Chicken Little Farm provides about 3-5 dozen eggs a week for CAC to purchase at \$1/dozen. Annie also donated sweet potatoes, turnips, turnip greens, apples, and more to the CAC pantry this month. Monetary donations continue to come in every week from farmers market customers. We will save the donations until the fresh produce seasons start up again.

## **Thanksgiving Food Box**

The community's generosity completely overflowed this Thanksgiving season. Volunteers signed up and created over 50 food boxes that included mashed potatoes, dressing mix, cranberry sauce, gravy, green beans, yams, and a dessert mix. CAC also received \$1030 in donations to the turkey fund, and we were able to purchase 51 turkeys with those donations. There was a remaining balance of \$418 that will be used towards Christmas hams for CAC neighbors.

## **Upcoming Events**

- Angel Tree Project Distribution: Wednesday, December 20th from 4:00 PM - 5:00 PM
- CAC will be closed December 25th and 26th in observance of Christmas and on January 1st for New Years Day.