

St. James Vestry Minutes
Thursday, January 17, 2019
5:30PM

Participants: Fr. De Freeman, Sr. Warden Bob Keyser, Mary Jayne Ledgerwood, Jr. Warden Bruce Stone, Sallie Smith, Drew Downey, Kris Bradley, Ed Shell, Frances Patton, Terry Moore, Mary Hopkins Chamblin, Elizabeth Orr, Roger Guilian, George Huckaby, Director of Finance Jim Ketchum, Director of Finance, Treasurer Pel Henry, Parish Administrator Meghan Fancher, Clerk Anderson McKean

Fr. De Freeman opened the meeting in prayer at 5:30p.m.

Opening Prayer & Recitation of the mission statement

Those presents recited the mission statement: "We are a community anchored in Christ, seeking God, sharing His love, and serving others."

Meditation

Jr. Warden Bruce Stone choose a Meditation from *Always We Begin Again, The Benedictine Way of Living*. He shared excerpts that spoke to him regarding leadership and commitment. Bruce offered several verses that also reflected the themes of leadership and our calling as Vestry members. Bruce closed his Meditation with the meaning of the proverb "Patience is a Virtue."

After Bruce's meditation, De explained that each member of the Vestry will lead a mediation at one of the vestry meetings, a "Lectio Divina." The meditation should start with faith and prayer and shed light on who you are as a person to this thoughtful group.

Welcome to Vestry Members

Fr. De Freeman welcomed everyone to the Vestry, both new and old members. All participants introduced themselves by providing some background information om how long they have been in Fairhope and in the St James community.

De proceeded to lay out the norms and expectations for Vestry members. He encouraged Vestry members to read the Vestry handbook which goes into even greater detail. The handbook specifies three requirements that must be met in order to be a member of St. James' Vestry:

- Be a member of St James Parish
- Be a baptized member of the church
- Be a pledging member of the church; this is verified each year of the member's service

De outlined his expectations of the Vestry:

- ATTENDANCE – Members are expected to be ambassadors of church. As the face of the Church, members are encouraged to attend church events, not just Sunday mornings, but other events as well, so that parishioners have the opportunity to share questions and concerns that members can bring back to the table. Vestry members are expected to attend as many meetings as possible.

- FINANCES – As elected as leaders of the church to govern, De explained that the Vestry is responsible for reviewing the reports of the Finance Committee, seeing that the church is raising the necessary funds, and deciding how to and how not to spend resources based on the recommendation of the Finance Committee.
- NEW MEETING TIME – De asked for input on the meeting time for the monthly Vestry meeting. A consensus was reached to gather at 5:30pm and begin the meetings promptly at 5:45pm.
- KINDNESS – De offered that the Vestry will encounter some decisions that everyone will not agree on. He encourages discussion and sharing of opinions, but to be respectful to one another and treat each other with kindness.
- CONFIDENTIALITY – De explained that if a Vestry member brings an issue or concern from a parishioner to the table, the name must be shared to lend legitimacy. If they wish to be anonymous, they need to talk to De. Additionally, De explained that when the Vestry talks about confidential issues, it will go into Executive Session. A separate set of minutes will be taken and filed but not posted. Required to respect that.

Vestry member Roger Guilian asked for clarification on who the Vestry represents; are we representatives of the parishioners, or leaders in the Church? De explained that Vestry members are elected representatives of the Parish. As Rector, De is responsible for day to day operations of the church such as managing staff, hiring and firing, non-traditional use of facilities, etc. The Vestry makes financial decisions and provides leadership for the church.

Approval of Appointed Positions

De informed the Vestry that Senior Warden Bob Keyser has agreed to remain in that position until a new Warden is appointed by the Rector. Jr. Warden Bruce Stone – who is appointed by the Vestry, is willing to stay on as Jr Warden.

Terry Moore made a motion for Bruce Stone to continue as Jr. Warden; Roger Guilian seconded the motion and all approved.

De revisited two Vestry appointments made at the Annual Parish meeting: Pel Henry as Treasurer and Anderson McKean's appointment as Clerk.

Sallie Smith motioned to approve the appointments of Pel Henry and Anderson McKean; Terry Moore seconded the motion and all approved.

Terry Moore asked if further action needed to be taken by the Vestry since one of the Convention Delegate spots was vacated and filled. De explained that Roger Guilian has agreed to fill that spot and no further action is needed. Roger will serve along with Lisa Hansen, Drew Downey, Kenneth White-Spunner and April Bradley.

Financial Update & Vote to Approve

Treasurer Pel Henry offered a crash course in reading financials for the new Vestry members. He explained that the Financial Committee meets the Monday before the Vestry meeting; those statements are presented at the Vestry. Pel proceeded to review the layout of the Financial

Statements that the Vestry will see each month – Income and Expenses, YTD vs. Actual Budget and Pledge Review. Pel explained that the Finance Committee’s goal is to have 3-month cash on hand. \$95,000 per month is the normal operating budget; that will be closer to \$100K next year.

The total income for the month of December was \$199,044 versus a budget of \$300,600. It was noted that we are off budget in plate contributions; donations to Hurricane Relief in October and November and to the new preschool may be the reasons. Operating expenses for December were \$147,795 below budget by \$9,138. We finished the year \$138,032 below budget in expenses.

Pel then recapped where we ended December with pledge income. During the month of December pledge income was down; \$128,044 vs budget of \$183,735. Plate income was \$281 over budget for the month of December, but we finished 2018 \$4,184 under budget. Decreased amounts of several contributions resulted in \$50,609 in contributions vs. the \$90,300 budgeted.

Pel, Jim and De proceeded to clarify the difference between permanently restricted and temporarily restricted funds.

Pel asked for approval of the December financials as presented to the Vestry. Terry Moore moved to approve the December financials, Drew Downey seconded and all approved.

Discussion

Buildings & Grounds

Signage:

Jr. Warden Bruce Stone offered an update on the project to make all of the signage uniform; John Glover started this initiative and Bruce is completing. All new visitor and parking signs have been changed over to St James’ blue. The only thing that is left to update is the sign out front. Bruce presented the design option that has been selected; a 30 square foot sign with St James’ blue and the anchor. Times are flappable to accommodate summer service times.

Bruce explained that the size of the sign is limited to 32 square feet because St. James is zoned as residential. De expressed that he would like a bigger sign that would be more visible from the street and more in line with the larger signs at nearby churches. Bruce shared that a larger sign will require re-zoning. The cost of the newly designed 30-square foot sign proposed is \$1145 for sign, \$1500-\$2000 for posts; total price of approximately \$3000 for sign.

The group discussed the pros and cons of getting a new sign in time for the Convention versus waiting; exploring rezoning and its ramifications; and determining what needs to occur for a larger sign to be approved. Bruce recommended waiting and volunteered to explore re-zoning.

Pew Cleaning:

Bruce procured an estimate from Peaches & Clean for the cleaning of the pews, kneeler and stairs to the choir loft. That estimate is \$2,564. The needle-point kneelers at the altar are not included.

Landscaping

Bruce secured an estimate from a parishioner’s landscape company for the removal of several bushes, clean up the area and planting more manageable trees and shrubs with longer life.

Bruce explained the first estimate is out of our price range due to the maple trees it included. The second estimate would replace shrubs with boxwoods and crepe myrtles, add monkey grass and a Vitex tree. That estimate is \$7,620. If the Vestry preferred to focus solely on replacing the umbrella tree at the center circle, it would cost \$935.

Bob Keyser concluded the Building & Grounds update with an summary of the property owned by St James.

Decision

2019 Budget

Treasurer Pel Henry discussed the 2018 budget 2017 vs 2018. Income in 2018 was down \$132,700. Donations to the new preschool as well as hurricane donations likely drove that decrease. Pel noted that changes in tax laws also impacted charitable donations, and several large contributors did not give as much.

Pel provided a pledge status for 2019. As of January 2, 2019, 195 pledged have been received totaling \$815,494 vs, 195 for a total of \$871,727 in 2018. 69 pledges from last year have not committed, but the church has received 31 new pledges. While the group was enthusiastic about 31 new pledges, they voiced concern over the low number of pledges. Jim has drafted a letter that will go to past pledging parishioners asking them to prayerfully consider pledging again. Kris Bradley offered that October may be too early for some families to pledge; his family cannot pledge until they know the amount of their raises in January. Further discussion ensued regarding why past donors are not pledging.

Jim shared the following statistics: 680 families attend St. James regularly. Of those, 200 pledge; 200 contribute and 200 do not give anything. The Vestry was tasked to secure pledges from those 400 non-pledging units. The group discussed ways to reach out to annual donors to ensure pledges are coming in early and consistently. Several members asked whether the church considered recognizing donors by level as they do in private schools and charitable organizations.

De explained that if pledge goals are not met, items will be cut from the budget in the following order:

- Outreach
- Third Priest
- Reduction in Building Fund
- Program Reductions
- Deferring Maintenance
- Diocesan Contributions

Concerns were raised regarding these budget cuts, Outreach in particular. A call for stewardship ensued to prevent these cuts. A year-round stewardship program will be on the agenda for the February meeting.

Discuss and Approve Budget

Fr. De Freeman explained that the Vestry needs to authorize the remaining portion of budget to get through first quarter of year. The Finance Committee is operating quarter by quarter to ensure we can make budget. The church has three months in reserve, and the 2019 budget of \$1,343,311 is close to last year's budget.

Terry Moore asked if we are taking shortfalls in 1st quarter as if we were taking these cuts; De affirmed shortfalls are not being taken. Mary Hopkins Chambliss inquired about an increase in budgeted Administrative expenses from January to March. Pel explained this is driven by insurance.

De requested Jim receive authorization to access \$315,000 from reserve funds if needed for first quarter operating expenses. Motion to authorize access to reserve funds by Kris Bradley; seconded by Terry Moore and all approved. It was noted that additional funds need come out of *reserve operating expenses, but the Finance Committee does not anticipate having to tap into them*. Motions amended by Francis Patton and Terry Moore. All approved. First quarter funding on the books.

Vote to approve buildings & grounds expenses

Jr. Warden Bruce Stone motioned to table the front signage project. That project has been taken off table until further notice.

Frances Patton motioned to approve funding for Pew Cleaning; seconded by Terry Moore and all approved.

Bruce Stone withdrew motion for the complete landscaping job. Bruce Stone motioned to consider doing the center circle only for \$985, which would require three months' landscaping budget. No one seconded the motion; the motion died.

Vote to approve December minutes

Sr. Warden Bob Keyser noted that the Vestry received a copy of the December minutes via email. Francis Patton made a clarification regarding her moving from alternate to member. Drew Downey motioned to approve the December minutes; Terry Moore seconded and all approved.

Bob Keyser offered additional comments regarding stewardship. St. James' parish contributions are below the national average; 1.5% vs 2.5% national avg. He noted St. James is a target rich environment and we need to find a way to get parishioners in a better mindset regarding the abundance in their pockets and using it to do God's work.

The meeting was closed in prayer by Sallie Smith at 7:56pm.
