

MINUTES OF THE MEETING OF THE VESTRY OF THE EPISCOPAL CHURCH OF THE ASCENSION

February 11, 2020

A meeting of the Vestry of the Episcopal Church of the Ascension of Knoxville, Tennessee, of the Protestant Episcopal Church (the "Church") was held in Room 101 of the Church, 800 S. Northshore Drive, Knoxville Tennessee, on Tuesday, February 11, 2019. Present in person were Interim Rector Rev. Pat Wingo; Laura Johnston, Junior Warden; Jim Alexander; Jim Hodge; Tim Jeffcoat; Tom Morgan; Sylvia Peters; Pat Richardson; Marilyn Roddy; Amanda Rowcliffe; Pat Rutenberg; Janet Slabbekorn; Brian Wanamaker; and Neale Wetherall, constituting a quorum. Absent but duly notified were Dave Irvin, Jr., Senior Warden, and Muffet Testerman. Present by invitation were Associate Rector Rev. Christopher Hogan and Andy Oakes, Co-Chair of the Finance Committee.

Father Pat chaired the meeting, and Brian Wanamaker served as Clerk.

Father Pat called the meeting to order at approximately 6:30 p.m.

The meeting began with a devotional.

Father Pat then opened the Rector's time by dividing the meeting participants into three groups. Each discussed questions presented to the Church's mission statement, budget, buildings, and business practices.

Father Pat then referred the Vestry to the draft minutes of the December 10, 2019, and January 25, 2020, meetings, which had been provided to the Vestry in advance of the meeting. Upon motions made, seconded, and unanimously carried, the minutes of both meetings were approved as submitted.

Thereafter, at Father Pat's request, Amanda Rowcliffe provided the Outreach Commission Report, referring to materials provided to the Vestry in advance of the meeting (and attached hereto as Exhibit A). Among the items discussed, Amanda noted that Allan Willoughby reported that the Brotherhood of St. Andrew has been active, including providing set-up and tear-down for Family Promise. Amanda also advised that Family Promise has identified, but not yet publicly announced, Mary LeMense's successor. Amanda also reminded the Vestry that the next Newcomer's Ministry Meet and Greet will take place following the 10:30 service on March 22. She and Father Pat requested that all Vestry members attend if they are able. Finally, Amanda updated the Vestry regarding Mardi Gras. She reminded the Vestry that it previously approved the delegation of the remainder of the 2019 Mardi Gras proceeds to be divided equally between local outreach, world outreach, and youth outreach. The Outreach Advisory Committee agreed that one-third of the funds would be donated to the Episcopal Relief and Development's 1,000 Days of Love

Campaign or national disaster relief. For the 2020, the Mardi Gras event will be "A Celebration of Ascension's Missions." The funds raised at the event will be dedicated to various outreach mission projects.

Next, at Father Pat's request, Pat Rutenberg delivered the Inreach Commission Report. Referring to materials provided to the Vestry in advance of the meeting (and attached hereto as Exhibit 8), Pat updated the Vestry on various Inreach activities. In particular, she noted that the Episcopal Church Women have agreed to contribute \$1,000 toward the roof repair. She also noted that the Kanuga retreat will be on April 24-26 and that approximately 20 parishioners have signed up to attend. Janet Slabbekorn advised that last year's retreat had approximately 100 attendees and that the total number signed up at this point is comparable to this time last year.

Father Pat then opened the Temporal Business Commission Report. He noted that Linda Hawley was absent due to illness but reminded the Vestry that the Parish Administrator Report had been provided in advance of the meeting.

At Father Pat's request, Andy Oakes advised the Vestry that each year the Vestry sets the distribution level for the Endowment and that the Finance Committee typically makes a recommendation to the Vestry as to what that level should be. He reminded the Vestry that the Endowment Policy provides that the distribution is to be set such that it preserves its principal. To that end, the Endowment sets its distribution between 3% and 5% of principal based on a rolling three-year average of the Endowment's balance. Andy noted that in recent years the Endowment's balance has grown significantly as the result of large gifts. Consequently, in recent years the rolling three-year average has not fully reflected the Endowment's capacity to spend without reducing the principal. Given that, and to assist with the Church's budget challenge, the Endowment has previously distributed 5% of its principal. Andy then advised that, because the rolling three-year average now more accurately reflects the Endowment's current balance, the Committee recommends that the Vestry set the Endowment distribution rate for 2020 at 4% of the rolling three-year average. That rate would translate into a total distribution of approximately \$74,000, which would be approximately \$13,000 lower than last year. Andy explained that the Committee is comfortable that a 4% distribution rate is unlikely to reduce the Endowment's principal but that the Committee was not confident that a higher rate would not reduce the principal. Andy also expressed concern about relying on the Endowment as a means to balance the Church's budget. Throughout Andy's presentation, the Vestry asked questions and engaged in discussion. As a motion from the Finance Committee, the recommendation was placed before the Vestry. Upon a second, the Vestry unanimously adopted the Finance Committee's recommendation to adopt a distribution rate for 2020 of 4% of the Endowment's rolling three-year balance. Andy also advised the Vestry that the Finance Committee recommended that the Vestry consider a permanent Stewardship Committee with responsibility for establishing a pledging profile for

the Parish, examining the long-term pledging trends and their impact, and appropriately engaging the Parish regarding pledging.

Andy then updated the Vestry on monthly financials, which were provided to the Vestry in advance of the meeting (and attached hereto as Exhibits C and D).

Next, Laura Johnston provided the Junior Warden's Report. After her opening remarks, she asked Jim Hodge to provide a Building and Grounds Committee report. Jim advised that the Committee met last week and elected Monty Harris to serve as Chair. Jim also advised that the old slate had been removed from the roof but that progress as slow due to the rain. He noted that the new slate and insulation had arrived. Jim then noted that the new HVAC system is doing well and the Committee is evaluating whether it is reducing the Church's energy costs as expected. Finally, he advised that the Committee is helping St. James Episcopal Church address some of its facilities issues.

Thereafter, Father Pat opened discussion related to a contemplated major gifts campaign. He reminded the Vestry that the Church had previously appointed Andy Oakes, Dave Irvin, and Ann Hansen to serve as an *ad hoc* committee to evaluate the potential for such a campaign. That committee produced a report and recommendations regarding next steps. Father Pat advised the Vestry that the Vestry should now consider the timing, goal, and leadership of such a campaign. Andy noted that the committee recommended that the Vestry establish a new committee to make limited recommendations on those points. He advised that the Vestry should not make a decision about such a campaign until it has passed the Church's 2020 budget. The Vestry asked questions and engaged in discussion. Following discussion, on motion made, seconded, and unanimously carried, the Vestry appointed Jim Alexander, Tim Jeffcoat, Muffet Testerman, Marilyn Roddy, and Sylvia Peters to serve as a second *ad hoc* committee charged with reviewing the previous committee's report and, within 30 days, making recommendations to the Vestry regarding: the timing, goal, and committee chair for a possible major gifts campaign.

Next Father Christopher provided the Assistant Rector Report. He advised the Vestry that preparations for the Mardi Gras celebration going well and that he and Leo Beale will serve as co-auctioneers. He also advised that there will not be a silent auction this year, only a live one. Finally, Father Christopher informed the Vestry that Clay McManus plans to donate the food for the event again this year.

Thereafter, Father Christopher and Sylvia Peters exited the meeting.

Father Pat then provided the Rector's Report. He began by informing the Vestry that he, Dave Irvin, Laura Johnston, and Marilyn Roddy met to consider who should lead the search committee for the next rector. Father Pat advised the Vestry that they had unanimously concluded that Amanda Busby should chair the committee, and that she had accepted the position. Father Pat reminded the Vestry that,

according to the search timeline provided by the Diocese, the Church should soon begin accepting applications for all those interested in participating on the search committee. Father Pat then updated the Vestry regarding the potential to add a third priest. He advised the Vestry that he is in the process of developing a job description for the position but that any decision will likely come after the Vestry adopts the 2020 budget. Father Pat then reminded the Vestry that the Church held another successful Celtic service on February 2. He reported that, despite it being Super Bowl Sunday, 147 people attended the *service*. He noted that Pat Richardson, Pam Douglass, Amanda Rowcliffe, and many others assisted with the service, and he thanked them for their efforts. Father Pat also reminded the Vestry that the Very Rev. Tony Pompa, Dean of the Cathedral Church of the Nativity in Bethlehem, Pennsylvania, will visit the Church during the weekend of March 8. He advised that Pat and Alan Rutenberg will host a reception for Rev. Pompa and the Vestry at their home on March 6. Rev. Pompa will lead a Lenten teaching on Celtic spirituality on Saturday, March 7, from 9:00 until noon. He will also lead a Sunday School hour discussion on March 8 and then preach at the Celtic *service* that evening. Lastly, Father Pat informed the Vestry that he, Beth Harris, Amanda Rowcliffe, Brian Wanamaker, and Martha Weeks have been working together to develop a series of Wednesday night events during Lent called "Faithful Conversations." The goal of the series is to discuss how Parishioners can live together despite differing opinions.

Father Pat reminded the Vestry that its next meeting would be on March 10. He then opened the floor to comments for the edification of the Church and the world; no comments were offered.

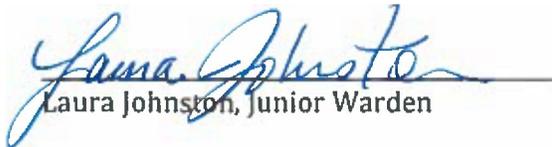
The Vestry then closed with the Lord's Prayer.

Thereafter, upon motion made, seconded, and unanimously carried, the meeting was adjourned.

Respectfully Submitted,



Brian Wanamaker, Clerk



Laura Johnston, Junior Warden