

Grace Episcopal Church
Special Vestry Meeting
May 4, 2018

Present:

Wren Blessing
Lynette Baisch
Jane Crane

Jan Ringo
Deborah Schenk
Julie Shryock

Tom Tyner
Don Warkentin

Absent:

Patty Robinson
Chuck Bombardier
Martin Garthwaite

The meeting was opened at 6:30 pm. Wren Blessing will join the meeting at the end of the discussion about the Clergy Housing Fund. (CHF)

The vestry reviewed and discussed the recent announcement of the upcoming staff departures of Ann Strickland (Music Director) and Valerie Reinke (Children and Family).

The purpose of the meeting was to discuss how to structure the CHF agreement and how it should be funded.

The Vestry discussed what resources Grace Church has available to seed the CHF.

Per Deborah, there are liquid assets currently available at Grace totaling \$149,277 for use on a temporary basis.

Resolution: A motion was made to authorize Deborah Schenk, Treasurer, to borrow from Grace accounts monies needed to fund Grace's share of the equity sharing arrangement if funds are needed for the CHF in the short term. These funds would be paid back when monies raised by a campaign to help fund the CHF are available. A vote was taken and the motion passed.

Discussion followed about how the target amount of \$150,000 for the CHF should be funded.

Julie suggested that the monies for the CHF could come from three sources:

1. Pledges from a small group of donors -\$50,000
2. Seed money from Grace -\$50,000
3. CHF capital campaign -\$50,000

Julie reported that she has obtained close to \$50,000 in pledges from parishioners she has contacted personally prior to the launch of the CHF campaign.

Discussion followed about the possible sources of seed money from Grace. Deborah reported that there is currently \$29,539 in the Compensation Contingency Fund. She suggested using \$20,059 from that fund, leaving a balance of \$9,880 in the Compensation Contingency Fund. Secondly, there is currently \$29,941 in unrestricted unallocated funds available to move to the CHF, for a total of \$50,000 in seed money from Grace accounts.

Resolution: A motion was made:

1. To move \$47,418 into the Vanguard account for interest earned but not credited to the Capital Campaign funds and to henceforth designate the Vanguard account as the home for Capital Campaign funds.
2. To transfer \$20,059 from the Compensation Contingency Fund to the newly created CHF.
3. To transfer \$29,941 of currently unrestricted, unallocated funds to the CHF.

A vote was taken and the motion to approve all three items passed.

Deborah expressed concern about the Capital Campaign funds being invested in an account (Vanguard) that is subject to stock market fluctuations. She will ask the Finance Committee to resolve the question about the proper investment vehicle for these funds to minimize exposure to risk.

The Vestry decided that the CHF would be mostly a restricted fund except for the \$50,000 coming from Grace. Those funds plus appreciation would be considered unrestricted.

Tom stated that Chuck Ekberg had volunteered to write a first draft of the Shared Equity Agreement, which has not yet been completed. Tom encouraged Vestry discussion about about how to structure such an agreement between Grace and Wren. He presented a list of questions outlining what may/may not be included in the agreement, illustrating the complexity and challenges inherent in drafting the contract. Included are decisions about philosophy and how to be fair and equitable without exposing Grace's investment to undue risk. Lynette pointed out that the Shared Equity Agreement is an employment benefit.

Tom will work with Chuck Ekberg to prepare a draft of the Agreement for Vestry approval. Lynette offered her assistance.

Wren joined the meeting at 8:30 to offer information and support. She offered the Vestry an opportunity to discuss and ask questions about the upcoming departure of Ann and Valerie. Wren plans to incorporate this news into her sermon this Sunday, May 6, 2018.

Respectively submitted,

Jan Ringo, Clerk

