

Vestry Agenda for August 21, 2014

- I. Opening Prayers :: Communion from reserved Sacrament
- II. Consideration of Agenda & Minutes
- III. Reports

Treasurer: bequest –

Barbara Newcomb \$10,000 received;
funds to redirect, e.g., sacristy remodel fund.

Senior Warden

Junior Warden

Construction Committee; Occupancy Committee
Parish Life; CF/ Youth; CAC; other reports

Interim Pastor

- ✘ Michaelmass liturgy season [MP/EvenS/HE; no music 9 am].
- ✘ **August 24 – Canon Snare speaks to Vestry + Search Committee, noon; same day, Parish Picnic, 5 pm, & Gifts/ Talents survey.**
- ✘ No new signage!?! Locked doors ever? Coffee service everywhere?
- ✘ A motion that all meetings and classes be moved to Claiborne House effectively immediately unless or as specifically allowed by Clergy, Administrator, or Wardens. Brooks be reserved for exceptional meetings.

IV. Old Business

V. New Business

Stewardship and Budget, 2015: B&F + Stewardship Campaign

V. Benediction

Next meeting: if not will call, regular September 18

Almighty God, giver of every good gift: Look graciously on your Church, and so guide the minds of those who shall choose a rector for this parish, that we may receive a faithful pastor, who will care for your people and equip them for their ministries; through Jesus Christ our Lord. *Amen.*

MINUTES OF THE VESTRY
Otey Memorial Parish Church
August 21, 2014, 6:30 PM

Present: Larry Barker; Amy Burns, Jr. Warden; Alex Bruce; Steve Ford; Karen Keele; Pratt Paterson; Carol Sampson; Laura Willis; Doug Seiters, Sr. Warden; Jess Reeves, Interim Priest; Roy Millar, Treasurer; Ann Aitken, Clerk

Absent: None
Visitors: None

The meeting began at 6:30 PM with communion from reserved Sacrament

TREASURER'S REPORT – Roy Millar (See report Attached)

1. *Construction Project Funding:* Roy has paid the outstanding RVC invoice totaling \$108,240 from the Vanguard account. This reduces the Vanguard account to \$158,000. Advances on the loan total \$682,088 of the \$720,000 available. There will be one additional invoice when the punch list is completed.
Steve Ford: Will check with Drew Sampson as to the status of the punch list and whether work is still outstanding.
2. *Barbara Newcomb Gift Allocation:* Roy noted that the \$10,000 gift is in the operating budget currently. *Laura volunteered to write a thank you to the family.*
MOTION: Jess moved that that Otey leave the \$10,000 as a nonpledged gift in the operating budget. Amy seconded the motion and the motion passed by acclamation.
3. *Undesignated Gifts:* Roy listed all unrestricted gifts which total about \$18,000.
MOTION: Pratt moved that the miscellaneous Restricted Gift (\$1,237.12) and the Sacristy fund (\$980) into the Buildings Improvement fund. Larry seconded the motion and the motion passed by acclamation.
4. *Budget :* One correction in the budget presented; the Landscaping account will be adjusted as the \$2,532 invoice for landscaping around the silver box is moved to the construction budget.

INTERIM PASTOR'S REPORT (See Report Attached)

1. *Liturgy:* Jess suggested that we offer only piano background music at the 8:50 service and noted that the Staff liked the suggested change. Vestry agreed to change the service music beginning around October on a short term basis.
2. *New Parish Hall matters: (a) Signage.* Jess asked how much we need and what it is to be. The Vestry agreed to monitor use of the parking and drop off areas for a month

and address the issue in September. (b) *Locking doors:* Jess noted that the Parish Hall doors were sometimes locked, and sometimes not locked. Amy reported that the Building Committee voted to leave the Parish Hall unlocked. There was a general discussion of past practice and the current door hardware in Claiborne. It was agreed that one set of lock hardware will be changed. (c) *Coffee pots:* It was agreed that Amy will add a bullet point in the Building Use Policy addressing use of unapproved coffee pots.

3. *Canon Snare and Search Committee:* (See New Business)

4. *Scheduling Use of Claiborne:*

MOTION: Alex moved that all meetings and classes be moved to Claiborne House as scheduled by the administrator, effective immediately, unless or as specifically allowed by Clergy, Administrator, or Wardens. Brooks is to be reserved for exceptional meetings. Laura seconded the motion and the motion passed by acclamation.

5. *Nursery Location:* Jess reported that the nursery has been moved from the front classroom designated on the Parish Hall plan to the large middle room. Is this change acceptable to the Vestry? **MOTION: Larry moved that the Vestry ratify the nursery's move to the middle room as it is currently set up.** Pratt seconded the motion and the motion passed by acclamation.

SENIOR WARDEN'S REPORT - Doug Seiters (See Report Attached)

1. *Search Committee:* Doug noted that proposed Search Committee Guidelines are printed in the Senior Warden's Report. He encouraged the Vestry to be available at meetings and services to both the Search Committee and the parishioners to facilitate communication of progress and to address questions. Laura and Pratt noted that the Search Committee asked for clarification of their role re Guidelines item 6, and the Committee's responsibility for conversations with the final candidates.

MOTION: Larry moved to approve the Search Committee Guidelines. Carol seconded the motion and the motion passed by acclamation.

2. *Vestry Meeting location:* The regularly scheduled Vestry Meetings will henceforth be held in Claiborne.

JR. WARDEN'S REPORT- Amy Burns (See Report Attached)

1. *Building Committee Chairperson:* Amy reminded the Vestry that she will step down as chair of the Building Committee at year end and suggested that the Vestry begin a search for the new chairperson.

2. *Lights:* The sanctuary lights are installed.

3. *Paint:* George Dick has offered to paint the sanctuary as a gift to the church. He will begin painting as soon as his schedule permits.

CONTINUING BUSINESS

1. New Vestry members to set up a time to meet with the staff.

COMMITTEES (ATTACHMENTS)

1. Parish Life/Newcomer - Karen Keele Urged the Vestry to attend the Picnic. Karen addressed the particular need for acolytes this year.

2. . CAC – Larry Barker Larry reported that CAC patrons do not have a designated parking place. He also noted that the Yellow House is gone.

3. Stewardship: Laura Willis: (See New Business)

4. Construction- Steve Ford: Steve will ask Drew Sampson for a report on outstanding items on the Parish Hall punch list.

5. Christian Formation- Alex: To supplement the Survey Results, the Christian Formation Committee will keep good attendance records this year, which will include both number of attendees and whether they are repeat attendees.

NEW BUSINESS

1. Budget and Stewardship Committees: Laura reported that the Stewardship committee is almost complete. To date the committee members are: Joel Cunningham, Noni Allen, Chip Craighill, Tom Phelps and Susan Holmes. One additional member will be added. Per the 2015 budget, Roy will develop an initial draft based on historical expenses. There has been no Budget/Finance committee since the budget was developed for the new parish hall.

Vestry considered proposed costs for the Search process. Estimates varied from \$10,000 to \$20,000. Also, there will be \$50,000 in new debt service.

2. August 24 and Picnic : Jess noted that Canon Snare would meet with the Search Committee at noon on August 24. Jess shared the list of jobs to be passed out at the Gifts and Talents picnic. There was a short discussion of picnic details.

3. Recognition for Work on the Claiborne Parish House: Steve Ford proposed that the Vestry recognize those who have contributed to the new Claiborne parish hall construction. The Vestry suggested that (a) Jess recognize the Building Committee members during a Church service (Laura suggested September 7) and (b) that Otey plan a dedication for November during which the Vestry will recognize all contributors, including RVC.

OLD BUSINESS

With no additional business to discuss, the meeting was adjourned with a benediction.
The time was approximately 8:30 p m.

NEXT MEETING IS SEPTEMBER 18 at 6:30 PM in the new Parish hall.

Respectfully submitted,
Ann Aitken, Clerk of the Vestry

ACTION ITEMS	LEAD
Add point on use of coffee pots to the Building Use Policy	Amy
New vestry members to meet with staff	Larry, Laura, Steve
Canon Snare meeting with Vestry and Search Committee on August 24 at noon.	All Vestry

**Senior Warden's Report
August, 2014 Vestry Meeting**

Vestry Charge to the Search Committee

Using the guidelines provided by Canon Snare, the Executive Committee presents for Vestry approval the following draft of our Charge to the Search Committee:

1. *Use the guidance and training of the diocesan Transition Officer Canon Snare throughout the calling process. She will serve as our Search Consultant.*
2. *Maintain open communication throughout the process with the Vestry, congregation, Canon Snare, and eventually candidates.*
3. *Develop a parish profile to describe our parish, our goals, the responsibilities of the next Rector, and the particular experience and skills desired in the next Rector.*
4. *Develop an Office of Transition Ministry Community Portfolio for listing on the Office of Transition Ministry website (www.otmportfolio.org).*
5. *After Vestry approval of the parish profile and Office of Transition Ministry Portfolio, screen and evaluate candidates for Rector.*
6. *Involve the Vestry in conversations with the final candidates.*
7. *Recommend three candidates to the Vestry for election as Rector.*
8. *Help plan the Celebration of a New Ministry, and assist the Vestry and the Rector during the first six months to introduce the Rector to the parish and community.*

Note:

1) The Vestry will need to develop a budget for the search process.

2) During this important time of decision making and searching for a new Rector, we need to keep the lines of communication open to the Otey congregation. It would be most helpful if members of the Search Committee and Vestry could attend church services and events whenever possible so that the congregation will have those opportunities to interact with the leaders making decisions for the whole congregation.

Occupancy and moving day report

The occupancy of Claiborne Parish House took a big step forward with a very successful moving day on August 16. Thanks to Father Reeves' foresight in arranging for professional movers to transport the heaviest items on Friday, August 15, workers on the 16th were able to concentrate on moving the multitude of smaller items from Brooks and the American Legion Hall to Claiborne. We were also able to arrange some of the furniture and kitchen materials so that Claiborne was ready for a meeting on the night of August 15 and Coffee Hour on Sunday the 17th. A very nice lunch and good fellowship followed the morning's work. We owe all our workers a great vote of thanks for a job well done! We plan to order new tables and chairs for St. Marks Hall this week and Bill Mauzy will begin his work on the bookcases for Thurmond Memorial Library.

REPORT OF JR. WARDEN
AUGUST 2014

- Turnover of New Parish House to Buildings and Grounds
The Buildings Committee accepted the new Parish House as a completed facility to fall under its facility management. RVC and subcontractors have met with Drew Sampson, Bill Mauzy, Frieda Gipson, Larry Sims, Betty Carpenter, Doug Seiters and Jess Reeves to handoff the manuals for various systems (HVAC, Plumbing, Electrical, Alarm). Frieda is responsible for maintaining a repository of said documentation. Other accountabilities discussed were Fire Drills (Larry Sims, Director of Sewanee Children's Center), HVAC monthly filter replacement (TBD), and development of emergency contact list for all Buildings (Frieda).

Cleaning services for the new building will be coordinated with present cleaner, Brandi Garner, and also with the Sewanee Children's Center. Plan will be once weekly for Otey Parish's space; SCC is responsible for the expense of cleaning for their space.

Unresolved issues with RVC, such as exterior caulking, leaks, Wi-Fi thermostat, and imbalances in air flow will continue to be negotiated by the Construction Committee led by Drew Sampson.

Handling of trash and recyclables for new Parish House are under consideration. For now garbage bags are stocked in the kitchen and garbage will be carried to larger cans behind Brooks Hall. Also, fencing around HVAC has been suggested to protect people and equipment.

SCC will replace door handles in its space with locked door handles.

- Update on Grounds ----- Betty Barton Blythe
The overage on the Grounds expense is due to an error in recording of landscaping costs around the "silver box." A credit of \$2,532.00 will be issued and bring the grounds expenditures to 44% of annual budget; the charge will be debited to the construction project as originally planned.

Margaret Woods is working on a landscape design that will be low maintenance and one that we will be able to implement in stages as money becomes available.

Jared Caldwell will deliver some free dirt to fill in the front beds.

Betty Barton and Beth Pride plan to have to have a "Grounds" workday sometime this fall.

- **Update on Church Lights**
Joseph Sumpter's crew has begun the installation of the ten new LED lights along center ceiling of church. Once installed, additional electrical work will be scheduled with Lawson electric to modify the dimmer power for proper functioning of LED lights versus incandescent lighting. No dimming capability is planned at this time for the LED lights; other lighting can be dimmed.
- **Church Paint**
George Dick has offered to begin the much-needed task of painting the outside of the church. Otey Parish will pay for the paint and graciously accepts this generous offer from George on behalf of the Vestry and Parish.
- **Budget**
The Facilities' Budget is 49.75% of budget as of July 31, 2014 (vs. 56.83% as shown pre-correction for error noted above).

The Building Reserve is near or at depletion once billed for the installation of the lights.

Otey Memorial Parish
Vestry Long Form
Fund: Otey Church General Fund
January to July 2014

Note: The Report Option to include Open Transactions is selected.

Accounts	MTD Actual 2014	MTD Budget 2014	YTD Actual 2014	YTD Budget 2014	% of Annual Budget Used 2014	Annual Budget 2014
Revenues						
Support From Outside Sources						
4111 - Plate Offerings	\$632.35	\$583.33	\$3,332.29	\$4,083.31	47.60 %	\$7,000.00
4115 - 1/4th Plate to Rector's Discr Fd	\$0.00	(\$145.83)	(\$327.92)	(\$1,020.81)	0.00 %	(\$1,750.00)
4131 - Pledge Payments	\$14,398.51	\$26,666.67	\$167,184.83	\$186,666.69	52.25 %	\$320,000.00
4151 - Non-Pledge Gifts	\$10,945.00	\$1,500.00	\$20,309.75	\$10,500.00	112.83 %	\$18,000.00
4191 - Other Outside Support Revenues	\$1,352.62	\$1,166.67	\$9,374.35	\$8,166.69	66.96 %	\$14,000.00
Total Support From Outside Sources	<u>\$27,328.48</u>	<u>\$29,770.84</u>	<u>\$199,873.30</u>	<u>\$208,395.88</u>	<u>55.95 %</u>	<u>\$357,250.00</u>
Support From Internal Sources						
4511 - Checking Account Interest	\$0.00	\$0.00	\$17.18	\$0.00	0.00 %	\$0.00
4512 - Investment Income	\$0.34	\$0.00	\$25.22	\$0.00	0.00 %	\$0.00
4531 - Gains (Losses) on Investments Sold	(\$7.16)	\$0.00	\$261.96	\$0.00	0.00 %	\$0.00
4551 - Property Rental Income	\$30.00	\$0.00	\$130.00	\$0.00	0.00 %	\$0.00
Total Support From Internal Sources	<u>\$23.18</u>	<u>\$0.00</u>	<u>\$434.36</u>	<u>\$0.00</u>	<u>0.00 %</u>	<u>\$0.00</u>
Total Revenues	<u><u>\$27,351.66</u></u>	<u><u>\$29,770.84</u></u>	<u><u>\$200,307.66</u></u>	<u><u>\$208,395.88</u></u>	<u><u>56.07 %</u></u>	<u><u>\$357,250.00</u></u>
Expenses						
Work Outside Congregation						
5111 - Diocesan Assessment	\$3,122.25	\$3,122.25	\$21,855.75	\$21,855.75	58.33 %	\$37,467.00
5121 - Seminary Gift	\$0.00	\$269.75	\$0.00	\$1,888.25	0.00 %	\$3,237.00
5171 - Stephen Ministry Expenses	\$0.00	\$41.67	\$0.00	\$291.69	0.00 %	\$500.00
Total Work Outside Congregation	<u>\$3,122.25</u>	<u>\$3,433.67</u>	<u>\$21,855.75</u>	<u>\$24,035.69</u>	<u>53.04 %</u>	<u>\$41,204.00</u>
Work Within Congregation						
Programs						
Christian Education						
5311 - Christian Education	\$0.00	\$191.67	\$1,279.40	\$1,341.69	55.63 %	\$2,300.00
Total Christian Education	<u>\$0.00</u>	<u>\$191.67</u>	<u>\$1,279.40</u>	<u>\$1,341.69</u>	<u>55.63 %</u>	<u>\$2,300.00</u>
Parish Life						
5331 - Parish Life	\$251.09	\$166.67	\$708.00	\$1,166.69	35.40 %	\$2,000.00
Total Parish Life	<u>\$251.09</u>	<u>\$166.67</u>	<u>\$708.00</u>	<u>\$1,166.69</u>	<u>35.40 %</u>	<u>\$2,000.00</u>
Worship						
5351 - Altar Supplies	\$0.00	\$83.33	\$765.12	\$583.31	76.51 %	\$1,000.00
5353 - Communion Prep. & Confirmation	\$0.00	\$16.67	\$0.00	\$116.69	0.00 %	\$200.00
5355 - Music	\$0.00	\$83.33	\$42.95	\$583.31	4.30 %	\$1,000.00
5357 - Prayer Books and Materials	\$85.84	\$8.33	\$251.75	\$58.31	251.75 %	\$100.00
5359 - Organ and Piano Maintenance	\$0.00	\$116.67	\$950.00	\$816.69	67.86 %	\$1,400.00
5398 - Pastoral Care	\$0.00	\$20.83	\$0.00	\$145.81	0.00 %	\$250.00
Total Worship	<u>\$85.84</u>	<u>\$329.16</u>	<u>\$2,009.82</u>	<u>\$2,304.12</u>	<u>50.88 %</u>	<u>\$3,950.00</u>
Youth						

Otey Memorial Parish
Vestry Long Form
Fund: Otey Church General Fund
January to July 2014

Note: The Report Option to include Open Transactions is selected.

Accounts	MTD Actual 2014	MTD Budget 2014	YTD Actual 2014	YTD Budget 2014	% of Annual Budget Used 2014	Annual Budget 2014
5371 - Youth Ministry	\$170.42	\$250.00	\$2,511.31	\$1,750.00	83.71 %	\$3,000.00
Total Youth	\$170.42	\$250.00	\$2,511.31	\$1,750.00	83.71 %	\$3,000.00
Total Programs	\$507.35	\$937.50	\$6,508.53	\$6,562.50	57.85 %	\$11,250.00
Operating Expenses						
Salaries & Wages						
5411 - Clergy	\$4,354.17	\$4,354.17	\$30,479.19	\$30,479.19	58.33 %	\$52,250.00
5415 - Supply Clergy	\$150.00	\$145.83	\$196.19	\$1,020.81	11.21 %	\$1,750.00
5421 - Youth Minister	\$833.33	\$833.33	\$5,833.31	\$5,833.31	58.33 %	\$10,000.00
5431 - Organ & Choir	\$781.25	\$781.25	\$5,078.13	\$5,468.75	54.17 %	\$9,375.00
5432 - Supply Organ	\$150.00	\$50.00	\$450.00	\$350.00	75.00 %	\$600.00
5451 - Child Care	\$403.80	\$404.17	\$2,793.80	\$2,829.19	57.60 %	\$4,850.00
5461 - Dir. Christian Formation	\$1,035.17	\$1,035.17	\$7,246.19	\$7,246.19	58.33 %	\$12,422.00
5471 - CAC Director (Otey)	\$1,416.67	\$1,416.67	\$9,916.69	\$9,916.69	58.33 %	\$17,000.00
5481 - Office Staff	\$2,666.67	\$2,666.67	\$18,666.69	\$18,666.69	58.33 %	\$32,000.00
5486 - Financial Staff	\$0.00	\$458.33	\$0.00	\$3,208.31	0.00 %	\$5,500.00
5493 - Otey Notes	\$266.67	\$266.67	\$1,866.69	\$1,866.69	58.33 %	\$3,200.00
Total Salaries & Wages	\$12,057.73	\$12,412.26	\$82,526.88	\$86,885.82	55.41 %	\$148,947.00
Employee Benefits						
5511 - Clergy Pension	\$12,702.64	\$1,085.92	\$12,702.64	\$7,601.44	97.48 %	\$13,031.03
5521 - Clergy Insurance	\$1,240.40	\$632.00	\$12,874.00	\$4,424.00	169.75 %	\$7,584.00
5526 - Clergy Housing & Utility Allow.	\$1,250.00	\$1,250.00	\$8,750.00	\$8,750.00	58.33 %	\$15,000.00
5531 - Clergy - SECA Payments	\$434.32	\$428.72	\$3,040.24	\$3,001.04	59.10 %	\$5,144.63
5551 - Staff Payroll Taxes	\$569.91	\$601.46	\$3,935.74	\$4,210.22	54.53 %	\$7,217.55
5561 - Staff Pension	\$240.00	\$240.00	\$1,680.00	\$1,680.00	58.33 %	\$2,880.00
5571 - Staff Insurance	\$1,184.80	\$632.00	\$6,722.40	\$4,424.00	88.64 %	\$7,584.00
Total Employee Benefits	\$17,622.07	\$4,870.10	\$49,705.02	\$34,090.70	85.05 %	\$58,441.21
Insurance						
5611 - Property & Liability Insurance	\$8,024.00	\$583.33	\$7,688.00	\$4,083.31	109.83 %	\$7,000.00
5631 - Workers Compensation	\$0.00	\$101.08	\$0.00	\$707.56	0.00 %	\$1,213.00
Total Insurance	\$8,024.00	\$684.41	\$7,688.00	\$4,790.87	93.61 %	\$8,213.00
Facilities Expenses						
5711 - Repairs & Maintenance	\$4.29	\$208.33	\$218.24	\$1,458.31	8.73 %	\$2,500.00
5731 - Equipment Purchases	\$0.00	\$0.00	\$249.99	\$0.00	0.00 %	\$0.00
5751 - Contracted Services	\$1,138.07	\$1,166.67	\$8,143.07	\$8,166.69	58.16 %	\$14,000.00
5761 - Furnishings	\$0.00	\$166.67	\$0.00	\$1,166.69	0.00 %	\$2,000.00
5771 - Supplies	\$34.04	\$62.50	\$145.31	\$437.50	19.37 %	\$750.00
5781 - Electricity	\$709.82	\$600.00	\$4,773.18	\$4,200.00	66.29 %	\$7,200.00
5783 - Gas	\$0.00	\$266.67	\$1,813.40	\$1,866.69	56.67 %	\$3,200.00
5785 - Water & Sewer	\$185.67	\$216.67	\$891.42	\$1,516.69	34.29 %	\$2,600.00

Otey Memorial Parish
Vestry Long Form
Fund: Otey Church General Fund
January to July 2014

Note: The Report Option to include Open Transactions is selected.

Accounts	MTD Actual 2014	MTD Budget 2014	YTD Actual 2014	YTD Budget 2014	% of Annual Budget Used 2014	Annual Budget 2014
5790 - Grounds Maintenance	\$150.00	\$291.67	\$4,082.00	\$2,041.69	116.63 %	\$3,500.00
Total Facilities Expenses	\$2,221.89	\$2,979.18	\$20,316.61	\$20,854.26	56.83 %	\$35,750.00
Office Services						
5811 - Audit	\$0.00	\$416.67	\$0.00	\$2,916.69	0.00 %	\$5,000.00
5821 - Computer Expenses	\$215.50	\$266.67	\$1,924.27	\$1,866.69	60.13 %	\$3,200.00
5831 - Copying expenses	\$284.43	\$258.33	\$1,765.97	\$1,808.31	56.97 %	\$3,100.00
5841 - Office Supplies	\$117.43	\$175.00	\$1,094.58	\$1,225.00	52.12 %	\$2,100.00
5851 - Office Equipment Purchases	\$19.76	\$41.67	(\$15.88)	\$291.69	0.00 %	\$500.00
5861 - Postage	\$148.65	\$37.50	\$439.53	\$262.50	97.67 %	\$450.00
5871 - Telephone	\$725.34	\$508.33	\$4,347.82	\$3,558.31	71.28 %	\$6,100.00
5891 - Miscellaneous Expense	\$102.29	\$41.67	\$339.03	\$291.69	67.81 %	\$500.00
Total Office Services	\$1,613.40	\$1,745.84	\$9,895.32	\$12,220.88	47.23 %	\$20,950.00
Organizational Expenses						
5911 - Clergy Car Expense	\$41.66	\$208.33	\$636.08	\$1,458.31	25.44 %	\$2,500.00
5913 - Clergy Expense Allowance	\$0.00	\$83.33	\$100.00	\$583.31	10.00 %	\$1,000.00
5921 - Continuing Education	\$0.00	\$166.67	\$600.05	\$1,166.69	30.00 %	\$2,000.00
5922 - Continuing Education - Other	\$0.00	\$56.25	\$0.00	\$393.75	0.00 %	\$675.00
5931 - Convention & Travel	\$0.00	\$83.33	\$266.81	\$583.31	26.68 %	\$1,000.00
5941 - Ministering to New Members	\$0.00	\$25.00	\$65.00	\$175.00	21.67 %	\$300.00
5961 - Publications	\$168.44	\$83.33	\$749.75	\$583.31	74.98 %	\$1,000.00
5971 - Communications	\$0.00	\$83.33	\$80.00	\$583.31	8.00 %	\$1,000.00
5981 - Stewardship	\$0.00	\$83.33	\$0.00	\$583.31	0.00 %	\$1,000.00
5999 - Vestry	\$0.00	\$83.33	\$90.00	\$583.31	9.00 %	\$1,000.00
Total Organizational Expenses	\$210.10	\$956.23	\$2,587.69	\$6,693.61	22.55 %	\$11,475.00
Total Operating Expenses	\$41,749.19	\$23,648.02	\$172,719.52	\$165,536.14	60.86 %	\$283,776.21
Total Work Within Congregation	\$42,256.54	\$24,585.52	\$179,228.05	\$172,098.64	60.75 %	\$295,026.21
Total Expenses	\$45,378.79	\$28,019.19	\$201,083.80	\$196,134.33	59.81 %	\$336,230.21
Net Total	(\$18,027.13)	\$1,751.65	(\$776.14)	\$12,261.55	0.00 %	\$21,019.79
Other Expenses						
7711 - Debt Service Provision	\$0.00	\$1,666.67	\$3,869.91	\$11,666.69	19.35 %	\$20,000.00
Special expenses						
7400 - Search/Transition	\$0.00	\$83.33	\$0.00	\$583.31	0.00 %	\$1,000.00
Total Special expenses	\$0.00	\$83.33	\$0.00	\$583.31	0.00 %	\$1,000.00
Total Other Expenses	\$0.00	\$1,750.00	\$3,869.91	\$12,250.00	18.43 %	\$21,000.00
Net Operating Total	(\$18,027.13)	\$1.65	(\$4,646.05)	\$11.55	0.00 %	\$19.79

**Otey Memorial Parish Church
Investments and Restricted Accounts Information**

Report Date: August 21, 2014

	<u>Amounts</u> <u>7/14/14</u>	<u>Amounts</u> <u>8/18/14</u>
Regions Operations Checking account as:	\$104,589	\$99,290
Investments:		
Vanguard	\$269,310	\$158,166
Regions Money Market	\$13,820	\$13,686
First Tennessee	\$0	\$0
Total	\$283,130	\$171,852
Minus Reserve	-\$100,000	-\$100,000
	\$183,130	\$71,852
Restricted Accounts/Committed: (balance)		
Buildings Repair	\$1,936	\$1,936
Memorials	\$8,205	\$6,455
CAC	\$5,546	\$5,411
Other	\$1,850	\$4,741
Total*	\$17,537	\$18,543

Investments available for PH Construction:		\$71,852
	Minus Restricted	-\$18,543
	Total	
	Available	\$53,309

<i>1st Tennessee Bank construction loan -</i>	Amt of draw
February 18, 2014	\$109,845
March 17, 2014	\$51,121
April 23, 2014	\$180,485
May 23, 2014	\$178,517
June 23, 2014	\$162,120
	\$682,088

Total construction loan draws = \$682,088 with \$42,912 remaining of \$725,000 approved amount

April 2014 Payment of Interest Only = \$523.08

May 2014 Payment of Interest Only = \$469.48

June 2014 Payment of Interest Only = \$1,204.57

July 2014 Payment of Interest Only = \$1,672.78

August 2014 Payment of Interest Only = \$2,166.07

Total: \$6,035.98

2014 Budget

\$20,000

Other Information:

Phase II Design/Construction Costs - To Date: \$2,177,129

Capital Campaign Pledge Payments and Gifts: \$1,142,212 as of August 1, 2014, with about \$70,000 in active pledges outstanding.
Expect to write off about \$30,000 in pledges.

**Otey Memorial Parish Church
Restricted Accounts**

Report Date: August 21, 2014

<u>ACS Account</u>	<u>Account Name</u>	<u>Amount</u>	Recommend
8351	Sacristy Fund	\$890.60	<i>Move to Building Improve</i>
8751	Buildings Improvement (BH Renovation)	\$1,936.30	
8911	Altar Guild Flower Fund	\$1,442.86	
8920	Shrove Tuesday	\$1,065.56	
8951	Memorials	\$6,455.01	
Multiple	CAC - Fire, water, dental	\$5,411.23	
8991	Misc. Restricted Gifts	<u>\$1,237.12</u>	<i>Move to Building Improve</i>
	Total	\$18,438.68	

DATE: August 18, 2014
TO: Alex Bruce
FROM: Robin Reed
RE: August Notes from Christian Formation (CF)

Alex:

Here is an update for your Vestry meeting on 21 August 14.

- 1) Nursery: We are in the process of hiring a third nursery worker, Ginger Payne. Ginger passed her background check, and I will set up an interview with her in the next week or so. I will make sure she takes the "Safeguarding God's Children Course" before she works for us. We are also transitioning the Nursery from Jess's office to the 2-3 year old class in the Sewanee Children's Center. I am considering sending a letter to parents to clarify new procedures.
- 2) Godly Play: Several of our teachers have been inventorying, packing, and moving our stories to Claiborne Hall. We will develop a master inventory and then divide the stories according to the teacher's choice. We don't have all the stories for all three rooms, but will continue to share and sort by semester and by theme. Thanks to the hard work of Regan Schutz, SoFT '17 who also works for the Godly Play foundation, Otey will be the site for a nationally advertised workshop 26-28 September '14 with both Core and Advanced training tracks. Two trainers will be coming to lead and will be staying with parishioners. Thanks to Amy Burns good work, all Otey teachers will take the training for free. Regan was able to get a \$3,000.00 gift so costs are being kept low so that a Godly Play community will develop in the Diocese. I am in conversation with Fr. Jody Howard, Diocesan Christian Formation Committee chair to get this event well publicized.
- 3) Adult Classes: The Adult main series this year will be entitled, "Blessed are the Peacemakers." Katie Craighill has done a beautiful design which Aaron Welch is making into a banner for us. The series looks to be very informative. Carol Sampson will be advertising a book study "Speaking Christian" by Marcus Borg which we hope will draw some folks who don't attend the Adult Forum or the Lectionary Class. Pete Trenchi will continue to offer The Lectionary Class.
- 4) Parent's Night Out: This is scheduled for 29 August 14 as the first in the "Faith and Film series." We will ask parents to make reservations for their children. We will offer cheese pizza and lemonade and perhaps some watermelon. Youth will provide some childcare, as well our Nursery staff (Sheila and Stephanie) for the younger children. We will show "Frozen" in Brooks Hall downstairs and a movie for the younger children upstairs. Our adult "Faith and Film series" will resume in October with Jess hosting, "Lady Jane."

-2-

- 5) Welcome Back picnic: The CF committee would like to have sign up sheets for both Parents' night out, as well as our Godly Play offerings. We understand that the initial introductions need to be very very short, but would appreciate having a table for parents to sign up. We will have Nursery staff on hand to supervise the youngest children and the Youth will also be available thanks to Neil's good work.

We will also reveal the winner of the "Otey Ice Cream flavor" at the Welcome Back picnic. This will be coordinated with Parish Life.

6) The Christian Formation Committee: We are blessed to have a wonderful group of folks: Amy Patterson, Neil Patterson, Brown Patterson, Jeff Frazier, Shelley Cammack, Jeannie Babb, Virginia Craighill, Jennifer Michael, and Alex Bruce.

It is my joy and honor to serve Otey Parish, and I welcome new ideas, as well as constructive feedback on how we can improve the Christian Formation program.

Faithfully,

Robin

COMMUNITY ACTION COMMITTEE VESTRY REPORT

CAC is in the building! On 8-8 the Local Movers came and cleared the little yellow house and with the help of volunteers we were able to be operational on Monday August 11.

- August 2-CAC received a grant from South Cumberland Community Fund for food sustainability
- August 14-Board Approval for events to celebrate 40 years of ministry and a separate event to honor volunteers
- August 20- Two and a half tons of food delivered
- August 24-New volunteer recruitment at the Welcome Picnic
- August 27- New committee meeting for “Project Sherwood”

I would be interested in being a part of the conversation to discuss parking issues.

Respectfully submitted,
Betty Carpenter

OTEY MEMORIAL PARISH CHURCH
AUDITED FINANCIAL STATEMENTS

December 31, 2013



BEAN, RHOTON & KELLEY, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
300 S. Jefferson Street, Winchester, TN 37398
931.967.0611
www.brkcpa.com

**OTEY MEMORIAL PARISH CHURCH
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December 31, 2013**

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INDEPENDENT AUDITORS' REPORT

To the Vestry of
Otey Memorial Parish Church

We have audited the accompanying financial statements of Otey Memorial Parish Church (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Otey Memorial Parish Church as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Bean, Rhoton & Kelley, PLLC
August 27, 2014

**OTEY MEMORIAL PARISH CHURCH
STATEMENT OF FINANCIAL POSITION
December 31, 2013**

ASSETS

Current assets

Cash and cash equivalents	\$ 201,297.74
Unconditional promises to give:	
Restricted for capital campaign	93,211.03
TOTAL CURRENT ASSETS	<u>294,508.77</u>

Cash and cash equivalents - restricted	43,691.43
Investments	253,768.15
Restricted investments for permanent endowment fund	100,000.00
Construction in progress	1,334,368.17
Property and equipment, net of depreciation	923,746.24
Total Non-Current Assets	<u>2,655,573.99</u>

Total Assets	<u><u>\$ 2,950,082.76</u></u>
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LIABILITIES

Current liabilities

Accounts payable	\$ 126,079.01
Prepaid pledges	24,826.89
Total Current Liabilities	<u>150,905.90</u>

TOTAL LIABILITIES	<u>150,905.90</u>
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NET ASSETS

Unrestricted

Undesignated	158,619.90
Designated for property and equipment	2,258,114.41
Designated for repairs and maintenance	2,986.92
Designated for Parish Hall	135,356.63
Designated for endowment fund	7,196.14
Total Unrestricted Net Assets	<u>2,562,274.00</u>

Temporarily restricted	136,902.86
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Permanently restricted	<u>100,000.00</u>
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TOTAL NET ASSETS	2,799,176.86
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Total Liabilities and Net Assets	<u><u>\$ 2,950,082.76</u></u>
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The accompanying notes are an integral part of this statement.

**OTEY MEMORIAL PARISH CHURCH
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<u>Revenues</u>				
Contributions and grants	\$ 336,327.12	\$ 185,589.23	\$ 0.00	\$ 521,916.35
Investment income	27,424.69	0.00	1,490.35	28,915.04
Investment gains (losses)	7,892.75	0.00	13,356.56	21,249.31
Other income	<u>2,425.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,425.00</u>
 Total revenue, other support, and reclassification:	<u>374,069.56</u>	<u>185,589.23</u>	<u>14,846.91</u>	<u>574,505.70</u>
 Net assets released from restrictions	1,257,307.63	(1,242,460.72)	(14,846.91)	0.00
<u>Expenses</u>				
Outreach and Program expenses:				
Diocesan & general church program	33,439.15	0.00	0.00	33,439.15
Outreach programs	73,148.43	0.00	0.00	73,148.43
Church programs	<u>5,882.89</u>	<u>0.00</u>	<u>0.00</u>	<u>5,882.89</u>
 Total outreach and program expenses	112,470.47	0.00	0.00	112,470.47
Supporting services:				
Salaries	161,022.64	0.00	0.00	161,022.64
Employee benefits	75,980.91	0.00	0.00	75,980.91
Property maintenance and utilities	35,550.59	0.00	0.00	35,550.59
Insurance	12,208.00	0.00	0.00	12,208.00
Office services	28,447.36	0.00	0.00	28,447.36
Organizational expenses	15,571.11	0.00	0.00	15,571.11
Bad debt expense	57,725.00	0.00	0.00	57,725.00
Depreciation	<u>41,731.28</u>	<u>0.00</u>	<u>0.00</u>	<u>41,731.28</u>
 Total supporting services	428,236.89	0.00	0.00	428,236.89
 Fund-raising expenses	<u>5,487.01</u>	<u>0.00</u>	<u>0.00</u>	<u>5,487.01</u>
 Total expenses	<u>546,194.37</u>	<u>0.00</u>	<u>0.00</u>	<u>546,194.37</u>
 Increase in net assets	1,085,182.82	(1,056,871.49)	0.00	28,311.33
 Net assets, beginning of year	<u>1,477,091.18</u>	<u>1,193,774.35</u>	<u>100,000.00</u>	<u>2,770,865.53</u>
 Net assets, end of year	<u>\$ 2,562,274.00</u>	<u>\$ 136,902.86</u>	<u>\$ 100,000.00</u>	<u>\$ 2,799,176.86</u>

The accompanying notes are an integral part of this statement.

**OTEY MEMORIAL PARISH CHURCH
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013**

Cash Flows From Operating Activities

Change in net assets	\$ 28,311.33
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:	
Depreciation	41,731.28
Realized (gains) losses on investments	(14,006.32)
Unrealized (gains) losses on investments	
(Increase) decrease in:	
Unconditional promises to give	310,849.63
Investments	(7,242.99)
Increase (decrease) in:	
Accounts payable	120,944.43
Prepaid pledges	14,305.89
	<hr/>
Net cash provided by operating activities	494,893.25
	<hr/>

Cash Flows from Investing Activities

Acquisition of property, plant, equipment	(1,195,460.56)
Acquisition of investments	(265,465.70)
Investments sold	1,113,477.75
	<hr/>
Net cash (used) by investing activities	(347,448.51)
	<hr/>

Net increase in cash and cash equivalents	147,444.74
Beginning cash and cash equivalents	97,544.43
	<hr/>
Ending cash and cash equivalents	\$ 244,989.17
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

**OTEY MEMORIAL PARISH CHURCH
NOTES TO FINANCIAL STATEMENTS
December 31, 2013**

NOTE A – NATURE OF OPERATIONS

The Otey Memorial Parish Church (the Church) is a not-for-profit unincorporated association, which operates as a religious organization. Otey Memorial Church (Saint-Paul's-on-The-Mountain) was created by Articles of Association, which was accepted by the congregation on May 23, 1871. It was "received and added to the Diocese" at the thirty-ninth Annual Convention of The Diocese of Tennessee. The Church is dedicated to spreading the Gospel through establishing, developing, and promoting all aspects of church ministry within Sewanee, Tennessee, and the surrounding communities. The Church is supported primarily through contributions from the congregation.

The Church reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Contributions with restrictions that are satisfied in the year of donation are considered unrestricted revenues.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Church have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investments

The Church follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*. This standard defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the inputs used to measure fair value and enhances disclosure requirements for fair value measurements. It also maximizes the use of observable inputs and minimized the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of December 31. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of December 31. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.

Level 3 – Securities that have little to no pricing observability as of December 31. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

**OTEY MEMORIAL PARISH CHURCH
NOTES TO FINANCIAL STATEMENTS
December 31, 2013**

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments (continued)

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Church. The Church considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Church's perceived risk of that instrument.

Contributions and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

As a subordinate of the Episcopal Diocese of Tennessee, the Church is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) as a religious organization and therefore no provision is made for Federal and State income taxes.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributed Services

The Church receives a substantial amount of services donated by its members in carrying out the Church's ministry. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition.

Property and Equipment

Acquisitions of property and equipment in excess of \$1,000.00 are recorded at cost, or if donated, at the approximate fair value at the date of donation. Depreciation is calculated using the straight-line method over the estimated useful life. Expenses for additions, improvements, and replacements are added to the property accounts while expenses for maintenance and repairs are expensed currently.

**OTEY MEMORIAL PARISH CHURCH
NOTES TO FINANCIAL STATEMENTS
December 31, 2013**

NOTE C – INTENTIONS TO GIVE

Each year, the Church asks the members of the congregation to submit pledge cards indicating the donations the members intend to give for various special projects during the upcoming year. The pledge cards clearly indicate that the information is to be used only for the Church’s budgetary purposes and that the members may rescind the pledges at any time. Since these pledges do not meet the criteria for revenue recognition, they are not reflected as contributions in the statement of activities until the pledges are collected.

NOTE D – RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets are available for the following purposes at December 31, 2013:

Outreach Funds:	
Rector’s Discretionary	\$ 1,606.70
Episcopal Church Women	420.54
Community Action Committee	12,658.96
Building Funds:	
Capital Fund	93,211.03
Sacristy Fund	890.60
Other Restricted Funds:	
Altar Guild Flowers	307.99
Gifts for Operations	92.68
Miscellaneous Restricted Gifts	660.00
Shrove Tuesday	740.73
Memorials	10,165.01
Rector’s Sabbatical	14,700.00
Bishop Otey Society	.43
EYC Fundraiser	<u>1,448.19</u>
	<u>\$ 136,902.86</u>

Temporarily restricted net assets are monies donated for special projects that have not met donor-restricted criteria for use as of December 31, 2013.

Permanently restricted net assets:	<u>2013</u>
Robert and Francys Wolfe	<u>\$ 100,000.00</u>

During the year ended December 31, 2004, an endowment fund from Robert and Francys Wolfe was established. The income from this endowment is to be distributed to Otey on a quarterly basis for the specific purpose of providing aid and comfort to individuals who are in need or suffering from sickness, hunger, or any other adversity. The investment earnings are presented in the temporarily restricted net assets.

NOTE E – CASH DEPOSITS

The Church maintained cash and cash equivalent balances at a financial institution in Sewanee, Tennessee. Accounts at this institution are insured by the Federal Deposit Insurance Corporation up to \$250,000.00. At December 31, 2013, the Church’s cash is made up of the following amounts:

Schedule of Cash:	
Unrestricted	\$ 201,297.74
Restricted	<u>43,691.43</u>
Total Cash	<u>\$ 244,989.17</u>

**OTEY MEMORIAL PARISH CHURCH
NOTES TO FINANCIAL STATEMENTS
December 31, 2013**

NOTE F – FAIR VALUE MEASUREMENTS AND INVESTMENTS

The Church's investments are reported at fair value in the accompanying statement of financial position.

	<u>2013</u>	
	Fair Value	Quoted prices in active markets for identical assets (Level 1)
Mutual funds	\$ 246,572.01	\$ 246,572.01
Episcopal Endowment Corp.	<u>107,196.14</u>	<u>107,196.14</u>
	\$ 353,768.15	\$ 353,768.15

Level 1 Fair Value Measurements:

The fair values of mutual funds are based on quoted market prices.

Level 2 Fair Value Measurements:

There are no investments valued using level 2 input valuations.

Level 3 Fair Value Measurements:

There are no investments valued using level 3 input valuations.

Returns on investments for the past year are as follows:

	<u>2013</u>
Investment income	\$ 29,259.34
Realized gain	14,006.32
Unrealized gain	7,242.99
Investment fees	<u>(79.00)</u>
Total Return	50,429.65
Average principal value	767,149.52
Approximate annual rate of total return	7%

NOTE G – RETIREMENT PLAN

Otey Memorial Parish is a participating employer of The Episcopal Church Lay Employees' Retirement Plan, which is a defined benefit plan available to employees and is administered and sponsored by the Church Pension Fund. An employee of a participating employer becomes eligible upon reaching age 21, completing at least one year of service, and works a minimum of 1,000 hours. Otey Memorial Parish pays assessments to the plan based on a percent of the enrolled lay employee's wages. A separate pension plan, the Church Pension Fund, is available for clergy.

Pension expense (assessments) for the year ended December 31, 2013, totaled \$15,437.88.

**OTEY MEMORIAL PARISH CHURCH
NOTES TO FINANCIAL STATEMENTS
December 31, 2013**

NOTE H – BUILDING EXPANSION/RENOVATION

The Church is continuing the replacement of the existing Parish Hall. Fund-raising activities resulted in promises to give of \$915,097.00 of which \$226,767.67 was collected in 2011, \$309,852.32 was collected in 2012, and \$280,360.14 was collected in 2013. A loan is anticipated to be secured to provide additional financing. Construction began in early 2013. The total contract costs are estimated to be \$2,015,000.00, of which \$1,334,368.17 was disbursed as of December 31, 2013 for design and pre-construction purposes.

NOTE I – PROPERTY AND EQUIPMENT

A summary of plant assets follows:

	<u>December 31, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>December 31, 2013</u>
Buildings and grounds	\$ 1,101,628.31	\$ 0.00	\$ 0.00	\$ 1,101,628.69
Furniture and equipment	148,597.69	0.00	(10,806.97)	137,790.72
Construction in progress	<u>138,907.93</u>	<u>1,195,460.62</u>	<u>0.00</u>	<u>1,334,368.17</u>
	1,389,133.93	1,195,460.62	(10,806.97)	2,573,787.58
Less Accumulated Depreciation	<u>(284,748.80)</u>	<u>(41,731.28)</u>	<u>10,806.91</u>	<u>(315,673.17)</u>
	<u>\$ 1,104,385.13</u>	<u>\$ 1,153,729.34</u>	<u>\$ (0.06)</u>	<u>\$ 2,258,114.41</u>

The Church has responsibility for maintaining and insuring a church, rectory, and parish hall situated on land leased from the University of the South. The buildings were constructed from 1889 to 1907 and have been added to and improved over the years. No records of original cost are available. In order to initially record depreciated cost, the Church entered \$12,000 as the estimated non-depreciated amount for buildings as of January 1, 1997, and \$4,029 for furniture and equipment. Property additions since January 1, 1997, have been recorded at cost and depreciated using the straight-line method. Depreciation expense for the year ended December 31, 2013, was \$41,731.28.

NOTE J – PROMISES TO GIVE

The Church held a fund-raising campaign for funds to replace the existing Parish Hall. Promises to give are restricted to payment of the Parish Hall building costs. The promises to give, as of December 31, 2013, are unconditional and the remaining pledge balance of \$98,116.87 is expected to be paid within the next fiscal year. An allowance for uncollectible promises of \$4,905.84 has been accrued, and the receivable balances are shown net of accrual.

NOTE K – MANAGEMENT REVIEW

Management has evaluated all subsequent events through August 27, 2014, the date that the financial statements were available to be issued.