

# **ST. DAVID'S EPISCOPAL CHURCH**

## **February Meeting of The Vestry**

**March 1, 2025**

**Location:** At Retreat, Tyrolia Ranch, Waco, Texas

Vestry Members: John Crow, Allison Marshall, Bunny Neible, JC Sanders, Matt Carlberg, Meg Erskine, Rick Patrick, Dan Salter, John Fitzpatrick, Clare Knapp, Melanie Moore, Mity Myhr, Colby Simpson

Clergy: Chuck Treadwell

Opening with Compline & Call to Order – Fr. Chuck

Welcome: Rev. Hope Benko, Associate Rector, and new Vestry Members

- Fr. Chuck welcomed the Rev. Hope Benko and the new Vestry members
- How can the Vestry support Mother Hope in her transition? Meet with her to get to know her. Notice when she is in the room.

Clerk's Report – JC Sanders, Clerk

- Review of Minutes of the January 2025 Vestry Meeting
- Motion to approve the minutes for January. The motion was seconded and passed.

Treasurer's Report – Bunny Neible, Treasurer

- St. David's Columbarium Rates Evaluation and Funding for Future Expansion
  - Each columbarium niche accommodates one person. Charge \$1,500 for a niche if the location is selected at purchase; \$1,300 is charged for a niche randomly selected when interred. There is no charge for the nameplate engraving (\$45).
  - It is unknown the last time this pricing was adjusted.
  - The last version of the regulations is dated 2004; it is assumed at this time the \$1,500 charge was set.
  - The Church of the Good Shepherd charges \$5,000 for a niche which accommodates two people in their new columbarium. Triumphant Love Lutheran Church charges \$2,000 for up to two urns and charges an additional \$1,500 for plaques.
  - There are currently 82 unsold niches in the St. David's columbarium; 35% of the columbarium is "vacant." Selling the remaining 82 niches at \$1,500 will generate \$123,000 in revenue that could be available to build a new columbarium.
  - Currently, revenues from the sale of columbarium niches goes into operating expenses.

The Finance Committee Moves to increase to \$2,000 the rate of reserving a space in the columbarium.

- Discussion regarding the cost and space for two individual remains being placed in a single space was held.
- The motion did not need a second because it was a motion from the financial committee. Vote of taken, all in favor, motion carries

The Finance Committee Moves to reserve the proceeds of future sales of space in the existing columbarium to expand when space in the existing columbarium is no longer available.

- Discussion regarding the amount of space left available in the columbarium.
- The motion did not need a second because it was a motion from the financial committee.

Vote was taken, all in favor, motion carries

#### Robinson Estate Final Donation

The final donation from the Robinson Estate, in the amount of \$954,463.59, was received in January 2025.

It was Jim Robinson's intentions that this donation be used to fund the organ cleaning, services, and repairs undertaken as part of the Historic Church renovation. The remaining funds, \$763,781, are designated for the organ replacement.

The Finance Committee moves to approve the proceeds received from the Robinson Estate designated for the organ replacement be moved to the Foundation's non-endowed Organ Fund, to be managed in cooperation with the Organ Committee members and their efforts to replace the current organ by building and installing a new pipe organ.

- Motion does not require a second, vote was taken, all in favor, motion carries

At the October 29, 2024, Vestry Meeting, the Vestry approved the Organ Committee's requested recommendation to begin the process of replacing the current organ by building and installing a new pipe organ.

To achieve this, the Vestry approved the Organ Committee to take the following set of actions:

- Begin an educational process to build the parish's awareness of the current and pending issues with the organ.
- Work with staff to develop and implement a financial plan to replace the organ that includes an initial monetary goal which, once met, will allow for further action.
- Once the initial funds have been raised, identify an optimal organ builder to help determine the project's final scope and cost.
- If needed, work with staff to develop and implement a separate stewardship campaign to raise additional funds.
- Negotiate contract(s) with the organ builder and other potential consultants as appropriate.

#### Historic Tax Credit Sale Update and Capital Campaign Pledges

St. David's applied for and was granted Historic Structure Credit from the State of Texas for the renovation of our historic church. The eligible expenses from the total renovation costs were \$6,099,460. The Available Historic Structure Credit, based on this amount, was \$1,524,865.

St. David's does not pay franchise tax so we are able to sell these credits to an entity that pays franchise tax.

The parish administrator secured the services of Credits and Incentives Corporation to secure a buyer and be the mediator between the church and the buyer. The buyer in this case is Molina Healthcare of Texas. The Texas Comptroller of Public Accounts certified St. David's Episcopal Church has an Available Historic Structure Credit of \$1,526,113. Molina HealthCare purchased the Available Historic Structure Credit, paying \$0.95 per dollar.

Proceeds from Sale of Historic Structure Credit.....	\$1,449,827.00
Less Sale Mediator Services Fee.....	<u>\$ 30,667.52</u>
	\$1,419,159.48

At the recommendation of the Finance Committee, the Vestry directed that, at the time of the Available Historic Structure Credit sale, the proceeds be used to pay down the Construction Term Loan Balance to the extent possible. Funds from Capital Campaign pledge overpayments were available to retire the Construction Term Loan. This action mitigated continued further interest costs from carrying the Construction Term Loan because of the unavailability of funds from pledges still owed.

Construction Term Loan Balance February 17, 2025.....	\$1,473,587.28
Historic Structure Credit Sale Proceeds used to pay loan.....	\$1,419,159.48
Funds from Available Campaign Pledges to Pay Loan.....	<u>\$ 54,427.80</u>
Loan Balance February 17, 2025.....	\$ 0.00

A total of \$618,505 in Capital Campaign Pledges are owed through December 2025. Capital Campaign Pledges are intended by the Vestry to be used for the project's total costs.

#### 2018 Capital Campaign

Pledges Still Owed	(\$256,499)
Pledge Overpayments	\$ 76,322
Total Still Owed to Meet Pledges	(\$180,177)

#### 2022 Capital Campaign

Pledges Still Owed	(\$166,096)
Pledge Overpayments	\$ 12,769
Total Still Owed to Meet Pledges	(\$153,328)

Total Still Owed to Meet Pledges	\$333,505
----------------------------------	-----------

The Vestry directed the Available Historic Structure Credit sale proceeds be used to retire the Construction Term Loan if Capital Campaign pledges were not enough to retire the loan. The Construction Term Loan was retired because Capital Campaign pledges still owed were "pre-paid" by using proceeds from the tax credit.

Parishioners should continue to be encouraged to pay Capital Campaign pledges to "reimburse" the tax credit monies.

The Vestry previously approved use of remaining tax credit monies to pay the balance of the HR&A feasibility study, \$39,000.

The Vestry, with recommendation from the Finance Committee, will determine the best use of the proceeds from the Sale of the Historic Structure Credit, after Capital Campaign Pledges are met.

- 2025 Annual Giving Update – February 22, 2025
  - 214 Pledges Received
  - \$1,150,741 Total Pledged
  - \$5,377 Pledge Average
- Summary – Statement of Financial Position (Balance Sheet)
 

Total Assets = Total Liabilities + Fund Balances + Temporary Restricted

\$16,651,018.89 = \$1,425,749.40 + \$12,119,584.20 + \$3,105,685.29
- Summary – Statement of Activities (Income Statement)

	<u>January 2025</u>	<u>Prior Jan 2024</u>	<u>2025 Actual YTD</u>	<u>2024 Prior YTD</u>	<u>2025 Budget</u>	<u>8.33% of Budget</u>
TOTAL REVENUES	\$306,493.92	\$386,694.48	\$306,493.92	\$386,694.48	\$4,349,700.00	7.05%
TOTAL EXPENSES	\$325,790.21	\$372,720.63	\$325,790.21	\$372,720.63	\$4,346,585.26	7.50%
NET SUPRLUS (DEFECIT)	(\$19,296.29)	\$13,973.85	(\$19,296.29)	\$13,973.85	\$3,114.74	

#### Jr. Warden's Report – Allison Marshall, Jr. Warden

- Facilities
  - Update for windows in Bethell Hall and handrail in Historic Church.
  - Metal fencing was installed.
  - The canopy is pending but Jim Lamm hopes it will be completed by April 13th before Holy Week. Donations could be provided to support the cost of the canopy.
- Reports from Landscaping
  - Go students may be able to start with watering
  - Decision about contractor bidding for installation of new outdoor water facet.

#### Rector's Report

Open to any questions - no questions at this time

#### New and Old Business

- St. David's Church Foundation Board Member Election
  - Motion from Foundation committee for board elections
    - Resolved: The St. David's Church Foundation Board recommends that the Vestry elect Art Boone and Terri Orton to each serve five-year terms as Directors of the Board.
  - The motion comes from committee, no second is needed, vote taken, all in favor, motion carries
- 2025 Vestry Committee Assignments were discussed and new members were set
  - Next-2-New - Mity Myhr
  - Foundation - John Crow
  - Environmental Guild - Colby Simpson
  - Organ Committee - Colby Simpson

■ Project 32 - Clare Knapp

- Motion to appoint Vestry representatives on the committees seconded. Vote was taken, all in favor, motion carries
- Finalize 2025 Vestry Dates (schedule on pg. 2)
  - Motion to move the Vestry meetings from the fourth Tuesday of each month to the fourth Wednesday of each month starting March 26, 2025. Seconded. Discussion followed, asking if any conflicts or any groups we would leave alone on Tuesday. All in favor, motion carries.
  - March Finance and Executive Committee meetings moved to March 10<sup>th</sup>.
  - November and December require rescheduling. Vestry meeting dates were reviewed and November was moved one week earlier.
- Upcoming Dates (Full calendar of events at [St. David's Calendar](#))
  - March 10<sup>th</sup>: Finance & Executive Committee meetings (rescheduled), 6p/7p
  - March 15: Consecration of Bishop-elect Angela Cortiñas, 10a, St. John's Episcopal Church, McAllen, Texas.
  - March 26<sup>th</sup>: March Vestry Meeting, 6:30p
  - April 16<sup>th</sup>: Finance & Executive Committees, 6p/7p.
  - April 23rd: April Vestry Meeting
  - April 24: Trinity Center, Barbara Jordan Fundraising Event
  - April 27<sup>th</sup>: World Music Encounters: Soundscapes of Japan, 5p.  
(Final show of 24-25 season)
  - May 1st: Camp Allen Starring Nights honoring Fr. Chuck
- A discussion regarding Vestry meeting norms and practices was held. Suggestions for interpersonal connections to be included in future meetings.
- Ratify the parochial report that was approved in an email on January 25, 2025 - motion, second, vote taken, all in favor, motion carries

Motion to recess until tomorrow morning. Second, all in favor, motion carries.

Close of Compline – Fr. Chuck

\*\*\*\*\*

Sunday, March 2, 2025

Resume Vestry meeting Sunday, March 2, 2025

New and Old business

- Motion to adopt changes to the Vestry Expectations. Updated Vestry norms proposed by JC Sanders, Clerk.
  - Vestry Expectations will now be known as Vestry Meeting Agreements
    1. Keep Jesus between us
    2. Equity of voice
    3. Speak your truth
    4. Be fully engaged, lessen distraction

5. Communicate with compassion. When things become difficult, turn to wonder
  6. Presume positive intent
  7. Begin and end on time
- Motion seconded, vote taken, motion carries
  - Clerk, Senior Warden, and Fr. Chuck will look into the best means to share Vestry documents and meeting information then report back to Vestry members for how documents will be shared in the future.

#### New Business

- Approve Taskforce charter resolution
- Commitments made from the Vestry January 2025 were reviewed.
- Draft Resolution was shared and discussed.

#### WHEREAS,

Effective January 1, 2025, St. David's experienced a reduction in Garage Lease Income of approximately \$250,000/year,

The 2025 Operating Budget was approved by the Vestry as amended below:

A Motion: With the recommendation of the Vestry Finance Committee, the Vestry approves the 2025 operating budget of St. David's Episcopal Church.

[Amendment]: The 2025 Vestry will form a sub-committee or task force to begin the 2026 budget planning process in Q1, 2025 to identify solutions and build a plan that would increase revenues and/or reduce expenses addressing any forecasted 2026 projected budget shortfall. The sub-committee will have regular report-outs to the Vestry.

This commitment was shared with the Congregation at the Annual Parish Meeting on January 26, 2025.

#### THEREFORE, BE IT RESOLVED THAT:

A temporary subcommittee of the Vestry, Marketing Analysis Taskforce, is hereby chartered and tasked with, but not limited to, the following areas of study:

- Market analysis of parking revenue trends
- Potential increase of revenue streams from alternate uses of space
- Opportunities for increased events and hospitality income
- Other sources of income

The Taskforce shall conduct its work from Q1, 2025 through Q4, 2025 with a final report in November 2025 to inform the 2026 Operating Budget.

The Taskforce shall include at least two Vestry members and have an established membership comprised of individuals from staff and congregation with specialized knowledge in a particular area of study.

The Taskforce chair shall provide a summary bi-monthly reports to the full Vestry at the regular monthly meeting.

The Vestry resolves also to include the following charges to the committees listed below.

- Finance/Budget Committee: The Budget Committee will begin the work on the 2026 budget in Q1 to begin to look at budgeting for 3-year projection plan.

- Project 32: Project 32 committee will elect a Chair and set regular meetings to review the feasibility study and create a draft plan for the next chapter of St. David's.
- Stewardship Committee: The Stewardship Committee will explore the idea of a 2- or 3-year giving pledge, and look for other ways for parishioners to quickly donate digitally. The Vestry commits to be active in stewardship of the Church.

Motion moved to adopt the above resolution, seconded. All in favor, motion carries.

Motion to adjourn, seconded, vote was taken and motion carries. Meeting ended at 10:11 AM.

#### **Vestry Members (by End of Term)**

2025	2026	2027
John Crow	Matt Carlberg	John Fitzpatrick
Peni Ellis	Meg Erskine	Clare Knapp
Allison Marshall	Bunny Neible	Melanie Moore
Rick Patrick	Dan Salter	Mity Myhr
Joe Sanchez	JC Sanders	Colby Simpson

#### **Vestry Meeting Dates** *(Vestry Conference Room, time: 6:30-8:30p. unless noted)*

Month & Date	
March	March 26 <sup>th</sup>
April	April 23 <sup>nd</sup>
May	May 28 <sup>th</sup>
June	June 25 <sup>th</sup>
July	July 23 <sup>nd</sup>
August	August 27 <sup>th</sup>
September	September 24 <sup>th</sup>
October	October 29 <sup>th</sup>
November	November 19 <sup>th</sup>
December	December 17 <sup>th</sup>
January	January 21 <sup>st</sup>