

THE MINUTES OF THE MEETING OF THE VESTRY

The regularly scheduled meeting of the Vestry of Saint Michael and All Angels Episcopal Church was called to order at 4:30 pm, Wednesday, March 20, 2024, by Senior Warden Kelly Reddell in Room 224. Before the meeting, the service of Holy Eucharist was held in the Bishop Moore Chapel with the Rev. Ken Brannon as Celebrant.

Members in attendance were Kelly Reddell, Senior Warden; Dee Ann Anigian, Warden-at-Large, Julie Allen, Allison Bovard, Stuart Brown (by phone), James Carry, Jim Chambers, Squeaky Connolly, Zoé Hart, LeAnne Langholz, and Hudson Weichsel.

Ex officio members in attendance were the Rev. Dr. Chris Girata, Rector; the Rev. Ken Brannon, Vice Rector; Arnold Spencer (representing Dianna Bowen, Chancellor), Becky Odlozil, Treasurer; and Nancy Wilbur (representing Mary Louise Hopson, Clerk). Also in attendance were the Rev. Dr. Andrew Grosso, Matt Waller, Bob Campbell, Tony Briggles, Rob Baber, Caroline Moore, Bhavnita Masih, and Meredith Turner.

Julie Allen led the Vestry in prayer.

Kelly asked if there were any changes to the Consent Agenda, and there were none. She then thanked Ken Brannon for the enormous amount of work done on the Standing Committee Snapshot included in the Vestry packets, and she said that these changes will enable the Church to raise up new leaders. She then moved to adopt the Consent Agenda as written. The motion was seconded by Jim Carry. The agenda was approved.

Matt Waller and Bob Campbell, representing the HOF Committee, were in attendance seeking approval from the Vestry of the HOF Proposal that was included in the Vestry packet. Matt asked if there were any questions about the proposal of the classification of the HOF committee. He pointed out that the changes were intended to be more in alignment with the Church's model of committee members serving two three-year terms. Matt said it makes sense to classify the HOF board to have more continuity and be able to expand the board and allow more engagement from other parishioners. He pointed out that this will not in any way change the Fund Usage Agreement. The Vestry will be able to nominate three of the seven members of the HOF Board, and the Foundation must agree to any changes. Kelly complimented both Matt and Bob on their chart structure explaining the proposal. There being no questions, LeAnne Langholz made the motion to approve the HOF Proposal, and Zoé Hart seconded. After a vote, the proposal was approved.

RECTOR'S REPORT

Chris expressed his appreciation for the conversations he has had with different groups about the goals. He said that we are just under the \$60 million goal in our Capital Campaign, and that on Pentecost Sunday, May 19, the church will have a formal

groundbreaking ceremony and a reception celebrating the campaign. He thanked Caroline Moore and her team who continue to raise money. Caroline added that the campaign information is up to date on the Campaign Hub. Chris asked Bhav to send the online link to the Vestry members.

Chris mentioned the Missional Conversation in May that will be the third held in the series. This one will focus on the major arms of grantmaking and will identify which groups do certain types of grants and their intentionality. He thinks this is important for our parishioners. He said that there are no updates since last month.

Construction Update:

Chris discussed the upgrade of the AVL room during the Easter season. While that upgrade is going on, the AVL room will be temporarily relocated. The AVL upgrade will create more of a digital capacity all over the campus such as bringing the Chapel online for streaming etc. Ultimately, the permanent home of AVL will be in the basement level.

Chris reminded everyone that next month the Vestry will host a social with the Trustees from the Foundation and the Board members of SMES.

SENIOR WARDEN'S REPORT

Kelly told the Vestry that there will no longer be Vestry meetings at the Church beginning in May. Going forward the meetings will be at the Park Cities Baptist Church. Regarding the Standing Committee Snapshot in the packet, Kelly asked all Vestry members to think of anyone they might know who might be an asset to a committee and to share those names with Ken Brannon. Ken then offered that there will eventually be a consistent nominating process across the church. Kelly will be working with Carol on the upcoming Vestry nominating process.

TREASURER'S REPORT

Statement of Activities and Statements of Financial Position (Unrestricted and Restricted) as of Feb. 29, 2024

Becky Odlozil reported that the year is off to a good start. The Church has \$2 million in revenue available which is \$74,000 ahead of budget. Expenses were \$1.3 million which is lower than budget by about \$15,000. The two-month period ended with \$702,000 in revenue over expenses which is almost \$90,000 over budget.

The Unrestricted Statement of Financial Position reflects \$94 million in total assets, largely increased from last year due to the Capital Campaign fund balances, thanks to the efforts of Caroline Moore and her team. The Restricted Statement of Financial Position reflects about \$4 million in restricted assets.

Pritchard – Budget vs. Actual Document for The Construction Project as of March 13, 2024.

\$8.6 million has been spent to date, mostly in construction line item, about 12% of the total budget. Draws now are around the \$2 million range; due to the size, Rob pays via ACH. The Finance Committee discussed the plan to create a cash flow model, the purpose of which is to project when pledges collected will no longer cover the construction expenses. That timing is projected to be Fall of 2025. The Committee plans to review the model in the Fall of 2024 to identify options for funding the shortfall. Proposals for a loan have been obtained from three banks to consider; other less costly means to fund the difference will be researched.

Allison Bovard asked if the idea of asking pledgers to pay their pledges early had been considered. Chris said that this has been discussed for the fall of 2024. If pledges are paid earlier, it would reduce the amount of interest we would have to pay. Kelly then asked Vestry members to pay their pledges early if possible. Chris thinks that the Fall of 2025 is when we shall cross the line of not having cash on hand to pay our expenses even though we have pledges against expected expenses. Caroline Moore said the most current donor list is online. Chris then asked Bhav to send the Capital Campaign link to the Vestry.

NEW BUSINESS:

Ken then asked that the Vestry adopt the Amended Resolutions for the Standing Committees Report, March 2024, that is included in the Vestry packet. This will allow for adjustments in the members of standing committees such as a member moving from one committee to another.

Also, in this document, Is the Financial Commitments Policy from April 17,2022, provides that the Rector may transfer some or all of his authority as described in this policy, to the Vice Rector on an annual basis with Vestry approval beginning January 1, 2024, ending December 31, 2024. This must be approved by the Vestry every year. Kelly moved to adopt the amended resolutions of the Vestry, and Hudson Weichel seconded. After a vote, the policy was adopted.

Ken told the Vestry that the revised Community Partner List in the packet is the reporting schedule of the organizations we support through our budget. They then will report back to us as to how they are using our help and report the number of Saint Michael volunteers involved. Jim Carry made a motion to adopt the new reporting schedule, and Zoé Hart seconded it. After a vote, the amended resolutions were adopted.

Approval of SMWE Standing Rules Amendment

Becky explained that the changes pertain to the makeup of the Board of the Saint Michael's Woman's Exchange (SMWE). If approved, two treasurers and six department heads will

have seats on the Board. This allows for consistency and participation in decision making by the volunteers who have the most responsibility for managing the business. The remainder of the Board positions will be held by volunteers who have rotating terms. A Member-at-Large and a Website position also have been added. There are a few other clarifications and general wording changes.

These changes have been approved by the Exchange General Membership, and the Standing Rules require that they be presented to the Vestry. These changes were adopted in June. Squeaky Connolly made a motion to approve the report, and LeAnne Langholz seconded it. After a vote, the motion was approved.

PAROCHIAL REPORT

Rob Baber referenced the copy of the 2023 Parochial Report that was in the Vestry packet. He explained that this report has to be submitted annually to the National Church, and it has to be approved by the Vestry. He said that our assessment is based on pledge revenue, and there is no assessment on the \$50 million that has been raised. Ken told the Vestry that he is grateful for Celise and her excellent work collecting the data that is necessary for this report. Julie Allen made a motion to approve the report, and Allison Bovard seconded. The report was approved.

FREDERICKS SQUARE LINE OF CREDIT

Rob then asked for approval of the revised Fredericks Square Line of Credit, a copy of which is in the Vestry packets. The revision relates to the change of date to a 2-year note through 2026 that was incorrect on the first copy. Rob explained that the \$300,000 Line of Credit is a separate line of credit from the Church. The note secures the building's positive cash flow in case of any big-ticket items going forward; it is a safety blanket that we have never used. The Church occupies about 25% of the building at this time. The Finance Committee has reviewed this document. Kelly moved to adopt the renewal of the Fredrick Square Line of Credit, and Jim Carry and Squeaky Connolly seconded. After a vote, the Line of Credit was approved.

Chris asked everyone on the Vestry to go to Church for Easter services, and he said the queuing up to enter the church will be the same as it was at Christmas. There will be good signage everywhere. He also encouraged everyone to attend the three services on Wednesday, Thursday and Friday leading up to Easter Sunday.

Kelly adjourned the meeting, and it went into Executive Session.

The Vestry meeting resumed after the Executive Session ended and having no further business, the meeting was adjourned.

Respectfully submitted,

Nancy Wilbur

Substituting for
Mary Louise C. Hopson
Clerk of the Vestry