

**Holy Spirit Vestry Meeting
Minutes for Wednesday, January 8, 2025
5:30 p.m., Parish Hall**

Present: Gretchen Strohmaier, Co-Rector; Molly Bowler, Sr. Warden; Charlie Swannack, Jr. Warden; James Wiley, Treas.; Audrey Murray, Clerk; Alice Caplins; Lance Collister; Bill Drummond; Mark Dvarishkis; Kara Hanson; Kate Laney

Absent: Terri Ann Grotzinger, Co-Rector; Glenn Hladek; Blake Lineweaver

Guest(s): Sidney Stabio, DA Davidson & Co.

Opening Prayer – Molly opened the meeting at 5:35 with a prayer of thanksgiving for the past year in our parish.

Portfolio Review Sidney Stabio, DA Davidson & Co.

Ms. Stabio reviewed the parish financial portfolio managed by DA Davidson & Co. The account was opened in 2014. As of January 7, 2025, the portfolio had a value of \$592,257.20. The original goal for the portfolio was to preserve the original capital (\$378,182.85) and produce steady income. The portfolio contains a conservative 50/50 blend of equities and fixed income investments. The growth rate since inception is 4.38%. Ms. Stabio recommends the distribution be changed to 60/40 by adding a few growth equities to the portfolio. She feels the change in distribution will increase the growth rate to approximately 5.5% over the next year, while maintaining the goal of preserving capital and producing steady income. A copy of the portfolio review is attached below.

The vestry discussed the possibility of withdrawing funds from the portfolio during 2025 to pay for capital projects that are underway, such as the courtyard renovation. And, there is a possibility of volatility in financial markets due to political instability during 2025. The portfolio contains CDs that will provide steady income (about 4%) over the next 5 years. This makes the possibility of reallocating the distribution of investments more appealing. The vestry will continue this discussion at a future meeting. Jim Wiley will contact Ms. Stabio when a decision has been made about whether or not to alter the distribution of investments in the portfolio and future withdrawals from the portfolio to pay for capital projects. Jim will also provide Ms. Stabio with a copy of the current church investment policy.

Approval of 12/11 vestry meeting minutes

A motion was made and approved to accept the minutes from December's vestry meeting.

December Financial Report – Jim Wiley

On the Income side, our financial results continue to be positive, with Plate Income again well over budget and Pledge or Annual Gift Income is essentially on budget.

Looking at expenses:

- Compensation was below budget, as expected, but less than expected because we underestimated the time that our videographer would be needed.
- Operating expenses were less than \$2,000 over budget for the month, but the cause of this is an accounting practice I need to investigate further. Funds received by Holy Spirit but intended for someone else that have not been paid out by 12/31 are expensed in December and then re-adjusted in January. This has apparently been a long-standing practice, but didn't appear until this month. As said before, to be investigated. As happened in November, advertising was also over budget, but only by \$437.
- Excluding continued Capital Improvements related to the Courtyard project, Buildings & Grounds was under budget for the month.

For the entire year, 2024 was a very good year, financially. Even including the Courtyard project and the ups and downs on our investments, we ended the year with a loss of only \$15,600 versus a planned loss (which did not include the Courtyard project) of \$52,600. At the operational level (excluding the Courtyard project), we had a surplus of \$11,000 versus the budgeted deficit of \$52,600. More detail on the full year results will be in the Annual Report. On the Balance Sheet at the end of December, you will see a drop in cash on hand, due to transfer of funds received for insurance related to the July windstorm to money market accounts, under investments, until we need those funds.

Approval of the 2025 budget

A motion was made and approved to accept the proposed budget with the following correction: Increase the Marketing Budget for 2025 to \$6000. This change acknowledges the receipt of a \$2,000 donation for advertising. The donation was received in December 2024 and hasn't yet been recorded as income. Jim will adjust the proposed budget to reflect the donation, and he will let Connie know.

New Vestry / Retiring Vestry – Molly

Molly thanked outgoing vestry members for their service to the parish. Outgoing vestry members are Bill Drummond, Mark Dvarishkis, Kara Hanson, Kate Laney, and Audrey Murray.

Parishioners who have agreed to stand for election to the 2025 vestry are Patti Beckley (one-year term), Julie Benson, Bill Drummond, Bev Sherman, Jim Taylor. *A motion was made and approved to include these individuals on the slate of vestry candidates presented at the January 26, 2025 Annual Meeting.*

Molly Bowler has agreed to serve as senior warden for another year. *A motion was made and approved to elect Molly Bowler to the position of Senior Warden for another year.*

Building and Grounds – Charlie Swannack & Bill Drummond

Charlie reported that the noisy valve in the organ room has been replaced. No further repairs will be done on the exterior of the church until March or April.

Bill gave a summary of upcoming courtyard work. During the upcoming year an irrigation system and new lighting will be installed, window wells and stair wells will be screened, and the courtyard will be temporarily resurfaced. A design plan for the courtyard will be completed by 2026. Bill has received many wonderful suggestions from parishioners about the courtyard design. Implementation of a final plan will require funding and several layers of planning.

Questions for Parochial Report – Molly

Molly asked the vestry for responses to questions required in the annual Parochial Report to the Diocese.

- How is your parish reducing your carbon footprint?
 - Our new solar panels save us between \$1500 and \$2000 a year in energy cost.
 - We promote and participate in a local composting program and various recycling programs (glass and plastics).
- What is one program or initiative in your church that you feel best exemplifies your congregation?
 - Our Social Concerns Committee. The committee coordinates our outreach efforts in the Missoula community, the state of Montana, the United States, and the world.
 - Our worship service music program.
- What is one program or initiative in your Church that represents your hope for the future of your congregation or the greater Episcopal Church.
 - Our monthly Alms Sunday program
 - Outreach by our Social Concerns Committee
 - Our rejuvenated Sunday School and Newcomers initiative

Brief Items –

- Communication to parish about 2025 priorities – Parishioners received an email letter from Molly and Charlie today. The letter describes the transition toward Rev. Terri's departure in 2026.
- The 2025 Annual Meeting will be held on January 26, 2025.
- There are no updates from vestry committees as the year has only just begun.

Closing Prayer and Adjournment at 7:00 p.m.

Respectfully Submitted,

Audrey Murray

Clerk of the Vestry