

Minutes of the Regular Meeting of the St. David's Vestry

March 26, 2024

Members present: Senior Warden George Zwicker, Junior Warden Allison Marshall, Treasurer Jim Norman, Clerk John Crow, Sandi Boone, Matt Carlberg, Peni Ellis, Meg Erskine, Gay Gillen, Bunny Neible, Rick Patrick, Dan Salter, JC Sanders.

Guests:

1. Mary Rose, to present a motion to certify St. David's as a volunteer organization for *The Presidential Volunteer Service Award* program.
2. Bill Landon, introduction to begin the Parish Discernment Process for Holy Orders.

Participating via Zoom teleconference: Rev. Angela Cortiñas (Associate Rector)

Clergy and staff present: Rev. Dr. Chuck Treadwell (Rector), Rev. Kristin Braun (Curate)

- Meeting began at 6:30 PM.
- Sr. Warden George Zwicker counted the members present, noted a quorum present, and Fr. Chuck called the meeting to order.
- Fr. Chuck welcomed our two guests: Mary Rose and Bill Landon and asked the group to introduce themselves.
- Fr. Chuck led the group through the first half of The Order of Compline.

The Presidential Volunteer Service Award Program – *presented by Mary Rose (guest)*

- Fr. Chuck introduced Mary Rose who presented two motions to certify St. David's as a volunteer organization in The Presidential Volunteer Service Award ("PVSA") program. These motions represent ongoing work of and are presented on behalf of the Community Engagement Committee.

Motion #1: St. David's Episcopal Church accepts the designation of being a Certifying Organization for The Presidential Volunteer Service Award (PVSA), agrees to follow the rules for PVSA as listed under "eligibility" on the presidentalserviceawards.gov website, and will appoint a representative to serve as St. David's contact for PVSA.

Motion #2: In addition to eligibility rules found on the presidentalserviceawards.gov website, the Vestry approves policies developed for certification practices at St. David's.ⁱ

*All persons eligible under PVSA rules may ask St. David's to certify hours on their behalf; formal membership in St. David's is not required.

*At least 30% of certified hours must be St. David's-connected; that is, hours must reflect PVSA-eligible activities done either for St. David's Episcopal Church directly or done for outreach promoted by St. David's. The St. David's PVSA program representative will coordinate with the Director of Community Engagement and Advocacy to identify which activities count as St. David's-connected.

*Consistent with PVSA rules, St. David's will not certify hours earned doing religious instruction, proselytizing, or conducting worship service. "Conducting worship service" is defined as leading worship service and is not intended to exclude acolytes, chalice bearers, ushers, or choir members from claiming hours spent in this service.

*St. David's PVSA representative will develop a template to record hours and work with staff to ensure they are stored in a place that is accessible for auditing purposes. The representative will be responsible for conducting appropriate audits of hours submitted.

- The committee envisions the certification as another way to connect St. David's to the greater community. There are rules in the program rules that govern what type of activities at St. David's would be eligible for certification. In summary, the committee is recommending the following:
 - Do not have to be a member of St. David's to participate.
 - All activities are eligible except religious instruction and conducting worship. Volunteer activities supporting or participating in worship are included, for example, altar guild, music, ushers, etc. as well as our community engagement volunteer opportunities.
 - St. David's will appoint a PVSA Representative to establish and maintain the program including maintain guidelines, develop reporting, record keeping and perform audits.
- As the motion came from a Vestry committee, no second was required. A vote was taken, and both motions were unanimously adopted.

Introduction – Discernment for Holy Orders – *with Bill Landon (guest)*

- Fr. Chuck introduced Bill Landon to the vestry to begin the Parish Discernment Process for Holy Orders. Fr. Chuck led the group in prayer asking for God's guidance as we begin this important dialogue together with Bill.
- He noted that he and Bill have been in conversation for about one year.
- Bill shared his spiritual story and answered questions from vestry members.
- Discernment Committee is already in place. Once their process is complete, they will make a recommendation to the Vestry for a vote.

Review of Minutes from Last Vestry Meeting – *presented by John Crow*

- The minutes of the February (March 3) Vestry meeting were adopted as written.

Treasurer's Report – *presented by Jim Norman*

- Note we are reviewing February financials not March as noted in the agenda.
- We did not receive a February Stewardship report to review.
- February Financial highlights:
 - Reviewed Statement of Financial Position:

- Main checking account balance is \$123,860.50 as of 02/29/2024.
- Plains Capital “Bridge” loan balance is \$1,847,860.91.
- We have been approved for the Texas Historic Preservation Tax Credits. Dunagan Jack is preparing financial portion of the application. Once credits are received, these are sold on the open market. The proceeds will be used to pay down the construction bridge loan.
- Reviewed Statement of Activities:
 - February pledged giving was \$73,930.29.
 - Hospitality revenues of \$53,718 are above budget and is 7.5% of revenue YTD.
 - YTD revenues are slightly ahead of budget by approximately \$8,000.
 - Expenses: most departments are at or under budget; payroll expenses are 1.36% over budget primarily due to payroll savings from staff reorganization. These should be realized in May.
 - Utilities are slightly higher than anticipated due to increased hospitality business.
 - Incurred an approximate \$7K HVAC expense to replace the boiler burners. This was in the annual budget.
 - Net deficit for February is \$45,638.28 to expenses trending slightly higher than plan. Actions have been previously taken to address the trend, albeit unrealized until May.
- Working with Jim Lamm and Kimberly to simplify the financial reporting and update financial statements.
- The first financial review session for vestry members will be held at 6pm before the March Vestry meeting. **[This will be rescheduled for a later date and time.]**
- Dunagan Jack is no longer our auditor. We have engaged [Chris Bauer with Bauer & Company, LLP](#) as our new auditor. He is already working on Trinity Center and will start our 2023 audit in June/July.
- Jim reported out on his follow up to have the Finance Committee reconsider engaging a tax attorney to provide an opinion on the ERTC issue. Jim said it was found that a motion to hire a tax attorney was previously adopted in the September 2023 Vestry meeting to do so yet was not initiated. In discussing with the Finance Committee, the committee recommended that the motion be rescinded. Jim yielded the floor to Clerk John Crow to introduce the Motion to Rescind.
- John introduced the Motion to Rescind below as reviewed and recommended by the Finance Committee. There was a second and the item opened for discussion.

~ Whereas on September 26, 2023, the St. David's Vestry adopted a motion to engage a tax attorney to provide a Letter of Opinion on St. David's eligibility for Employee Retention Credit program benefits.

~ Whereas the 2022 audit closed and a new audit firm engaged to start the 2023 audit in May, all with this action inadvertently already postponed without a motion.

~ Whereas Treasurer, Jim Norman presented this issue to the Finance Committee for review on Wednesday, March 20th, the Finance Committee members discussed and believe there is little value to the opinion at this time that cannot be gained from our new incoming audit firm if so requested.

THEREFORE, it is the recommendation of the Finance Committee that St. David's does not engage a tax attorney at this time, and the committee respectfully asks that a motion be made by a Vestry member to rescind the prior action as copied below from the September 26, 2023 Vestry [meeting] minutes.

“Allison made a motion to hire a tax attorney for a letter of opinion, Sandi second; all approved. Auditor will let us know his final opinion after review of additional information provided and letter of opinion received (Joe Jack)”

- **Motion Discussion Summary:**

- Members discussed the various options of how to act upon the September motion, e.g. deferring it, amending it, or rescinding it as recommended. Jim said the Finance Committee recommended rescinding as they felt the opinion was not valuable because the statute is new, and the IRS has likely not interpreted how it applies to churches. Also, the motion as written cannot be fulfilled as Joe Jack is no longer our auditor.
 - A member asked if we had opinions from other auditors on the ERTC issue. Jim Lamm said that those we interviewed in selecting a new auditor said that while not a formal response, their approach would likely have not reached the same conclusion as Joe Jack did.
 - In conducting our 2023 audit, we are considering having Chris Bauer revisit the qualification of the 2022 audit. The Finance Committee will come back to the Vestry with more information and a request if needed.
- John Crow asked if there were any other questions or items for discussion. There were none. He called for a vote. The vote was taken, and the motion to rescind was unanimously adopted.

The Junior Warden’s Report – *presented by Allison Marshall*

- The two elevators in the garage passed inspection.
- Our Sexton position responsible for the outside of the facility is open again. This position handles janitorial duties and ordering of supplies for Trinity Center as well as maintains responsibilities for the building outside grounds.
- Portable toilette on Trinity and 7th will be removed, likely tomorrow; the one on the surface lot will remain for now.

Rector’s Report – *presented by Rev. Dr. Chuck Treadwell*

- Fr. Chuck provided an update on St. David’s 2024 Year of Discernment:
 - As the Lenten book study ends, it has been a good foundation to kick off our upcoming engagement with our ministry leaders during the great fifty days of Easter.
 - Over the summer, there will be two discernment listening sessions.
 - The staff and vestry will hold a working session on November 16th to compile the results. A placeholder for this meeting should already be on your calendar. The staff have identified creative ways to summarize and communicate the compiled results and narratives.
 - The Project 32 committee will begin meeting again after Easter and will continue its work concurrently.
- Staff update: Alexis Washington, our new Director of Events started last Wednesday, March 20th.
- Trinity Center Fundraiser Barbara Jordan Event, Thursday April 11, 5:30pm - 7:30pm

- Fr. Chuck provided an update on the “pastoral meets practical” working group. The group has been formed from community partners and internal St. David’s staff, Trinity Center, and St. David’s Day School to address the impact of the increased number of neighbors sleeping on St. David’s property. The recommendation from our community partners is that we do not allow camping on our property at any time. There are no easy solutions given our commission and the communities we serve. The group will continue to meet, and Fr. Chuck will continue to provide updates to the vestry as appropriate.
- Fr. Chuck provided his revised summer schedule. He has resigned his position as Alternate Delegate to General Convention given the many priorities at St. David’s this summer. Also, St. David’s was invited to Trinity Wall Street to present on Project 32 which he will attend.
- Update on Malawi pilgrimage. Given that Malawi just approved the ordination of women, we are now proclaiming this a “women’s pilgrimage.” All registrants up to this point are women.

New and Old business

- Motion to increase Rev. Angela Cortiñas’ housing allowance was unanimously adopted.

Whereas the Rev. Angela Cortiñas is employed as a minister of the Gospel by St. David’s Episcopal Church in Austin, TX, which does not provide a residence for her, the vestry resolves that, of the total compensation to be paid to the Rev. Angela Cortiñas during 2024, \$43,000 be designated as a housing allowance within the meaning of the term as used in Section 107 of the Internal Revenue Code of 1986; and be it further resolved that \$43,000 of compensation is designated as housing allowance for all future years, unless otherwise provided. This is an increase of \$8,000 per year, due to increases in taxes and insurance.

- Motion to ratify new Warm Heart International board members unanimously adopted:
 - First Year, First Term: Eric Malnassy and Rex Hunt
 - First Year, Second Term: Linda Gebhard and Tom Gebhard
- The June Executive and Finance meetings have been moved to June 12th. June Vestry meeting has been moved to June 17th.
- Fr. Chuck closed the meeting by leading the group through the closing prayers of Compline.
- Meeting adjourned at 8:05pm

Upcoming Dates:

- Holy Week services
 - i. Maundy Thursday: March 28, 2024, 7p
 - ii. Good Friday: March 29, 2024, Noon and 7p
 - iii. Great Vigil of Easter: March 30, 2024, 7:30p
 - iv. Easter Day: March 31, 2024, 7:30a, 9a, 11:15a
- Next Finance Committee: April 17, 2024, 6:00 pm
- Next Exec Committee: April 17, 2024; 7:00 pm
- Next Vestry Meeting: April 23, 2024, 6:30 pm
- May 18; Caritas Block Party
- **May 19: One service at 10:30a; Parish Picnic, Bishop Ryan’s Visit - wear RED**

Respectfully submitted,
John Crow
Clerk
