

St. Matthew's Episcopal Church  
Vestry Meeting Minutes - January 7, 2024 @ Noon  
Location: B-14

Vestry Members in Attendance: Joyce Statz (Senior Warden), Bob Ascott (Junior Warden), Natalie Lynch (Clerk), Ann O'Connell, Armando Ruiz, Christopher Hansen, Gary McNeil, Anne Webster, Stephanie McCollum, Jenny Watson, Steve Ryder, Carole Taxis, and Jason Bagshaw

Vestry attending by Zoom: David Kennedy,

Vestry Absent: Blythe Wilson

Clergy in Attendance: Rev. Katie Wright (Rector)

Business Manager: Chris Schumacher (present)

Treasurer: Lisa Ottenbacher (present)

Guests: Lise Harding (Exec Assistant to the Rector)

Observers: none

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The January 7, 2024, meeting of the Vestry of St. Matthew's Episcopal Church was called to order in B-14 by the Rector Katie Wright at 12:05, who determined that a quorum of members was present. Armando opened the meeting with a prayer that began with a reading from Ephesians, a jointly spoken prayer from Barbara Holmes, and then covered additional readings.

Approve December 2023 Meeting Minutes:

The first order of business was to approve the prior meeting's meetings. Joyce made a motion to approve, and Anne Webster seconded. **The motion carried.**

There was a motion to approve the \$425 Endowment grant for senior birthday cards approved by the Endowment Committee on 10/09/23. **After a second, it was unanimously approved.**

Gary made a motion to approve the resignation of our previous portfolio manager Nora Foster and the selection of Russell Hur as the new portfolio manager, joining Chris Wilson. Armando seconded the motion, and the discussion was as follows:

Portfolio Manager resigned effective January 7, 2024. Ann O'Connell asked If Russell Hur meets the qualifications of the Portfolio Manager as amended by the vestry in May 2022. Mother Katie explained that Russell's credentials and qualifications are satisfactory because he has a bachelor's degree in economics, and an understanding of the markets, principles, and practices. He will get Safeguarding God's People training as soon as the program exists again, and there are expectations that he will pass a background check. The policy was pulled up and read to the Vestry in its entirety as follows:

H-02. Portfolio Managers - Appointment and Qualifications.

The invested assets of St. Matthew's Episcopal Church, Austin, Texas are overseen by two in-house investment Portfolio Managers (PMs). Having been proposed by the Rector and approved by the Vestry, the two PMs serve staggered 4-year terms and share equal authority, responsibility, and accountability. Should either PM develop concerns about the other's performance of their duties, they must report those concerns to the Rector and Wardens immediately. The required qualifications to serve as Portfolio Manager are: bachelor's degree in finance, economics, accounting, or a related field; an understanding

of capital markets, investment strategies, principles, and practices of institutional investing; an active certification from The Diocese of Texas' Safeguarding God's People class with the associated background check; and no prior instances of a revocation of a related certification.

The recommended qualifications to serve as a Portfolio Manager are (at least one of the following certifications):

- CFA – Chartered Financial Analyst
  - CMT – Chartered Market Technician
  - CAIA – Chartered Alternative Investment Analyst
  - CPA – Certified Public Accountant
  - FINRA Series 7, 63, and 65
  - FINRA Series 7 and 66
- (and per Chris W's suggestion - CFP - Certified Financial Planner)

Ann O. clarified that the background check will be done quickly, and Mother Katie explained that the Safeguarding certification process was not currently a functional program. Ann O. remarked that a Portfolio Manager could not transact business on the accounts without paperwork and that the background check should be received and reviewed before granting account access to bank accounts. There was consensus regarding this order of events.

There was thanks given to Nora for her efforts over the years.

The motion was repeated as a motion to approve the resignation of our previous portfolio manager and the selection of Russell Hur as the new portfolio manager. The appointment is contingent upon the background check. Mother Katie agreed to guide him in safeguarding principles until the Safeguarding program is re-started. **The motion passed unanimously.**

TREASURER'S REPORT: Lisa Ottenbacher and Mother Katie

Katie reminded us that this meeting was vital because we had expenditures related to the storm and higher personnel expenses. Those matters are contemporaneously documented in prior vestry records.

Jenny made a motion to cover the 2023 deficit of \$162,709.40 by moving these funds to account 299100 with the following transfers:

\$30,971.10 - 805155 Wardens Contingency Fund

\$119,907.36 - 805157 Commemorative & Legacy Not Restricted

\$11,830.94 - 805225 OPS Reserve Fund

Anne Webster seconded the motion. **The motion was unanimously approved.**

2024 Budget Discussion led by Katie Wright

There was a motion by Ann W. to approve the 2024 budget. Armando seconded. The discussion was as follows:

Many staff members will work reduced hours. There is awareness that some tasks simply will not be performed. Staff and vestry consensus is that we will need congregation volunteers to backfill some tasks that are not being performed.

Regarding budgetary line items, some line items, like flower guild, are pass-through because when someone gives money for flowers, almost the same amount is spent on flowers. Vacation Bible School is another example of a program that should be regarded as pass through. In the notes about the designated program offerings, you can see what we spend under that program. There is also a decision to signal that we do not intend to make money on our shared meals. Utility costs are reflected the same as last year with last year's increases, although, there is a thought that solar will be installed before the end of the year and we could save some money on electricity.

The operation receipts show that the Diocese covers half of the curate's salary.. There is a list of the groups that are currently using the facilities and an indication of the increased payment for the use of facilities by the school. Joyce added that we continue to look into the option to pay the credit card fees when someone uses a credit card to make a gift to us.

We are budgeting \$1,260,335 for the year. This is an increase over last year's income, but Mother Katie said she is prayerfully hopeful that we will make it. There is thought about minimizing the nursery expenses, and there is talk about establishing a nursery guild to reduce costs. There is money in the budget for paid nursery staff, but we continue to explore ways to reduce this expense with congregation volunteers.

Chris S. and Joyce reported that office supplies like lights, desks, and rugs needed replacing after the pandemic, and those were expensive. The auditor's expense shown is known to come with a returning donation from the auditor. The IT expense estimates that we will need quarterly assistance.

Chris said he is negotiating with the copier, HVAC, trash removal, and other providers to reduce costs. While Chris hopes to find some discounts, those are not shown in the budget. Ground maintenance was halved because 2023 was abnormally high due to storm issues and we are switching landscape services. Seminary support went down because our agreed commitment for \$3000/year to Seminary of the Southwest was fulfilled. Chris is in the process of negotiating a better deal with our existing internet provider.

An Endowment grant paid for safekeeping security services in 2023, but we are paying for it in 2024. The church opted not to pay help the Day School pay for the safekeeping during the week, because we would not otherwise have one during the week. Insurance went up; the day school contributed a share to that amount. Last year, we could give more funds for outreach than we can contribute to the community this year, although some of the donations of 2023 were moved to other places on the budget. Senior lunches are no longer happening so that line is zero. Anne Webster asked if we shouldn't have at least one funeral's worth of money in the budget, but Mother Katie explained the options for where funds could come from if a family could not cover their own funeral.

There is no money for donuts and snacks in this year's budget, and the children's snacks are currently coming from a congregation member. Donuts cost \$33.58 per week.

Allen was tasked with creating a young adult program, which will launch in February. We will ask the endowment fund to cover the expenses for building the program.

In conclusion, we are budgeting a \$39,648 deficit, and there was discussion of all the attempts that will be made to turn this positive. Multiple vestry members expressed gratitude for all the work preparing this budget and the sacrifices behind them.

**The motion to adopt the 2024 budget was unanimously passed.**

Joyce moved, seconded by Ann W., to accept the Finance Commission's recommendation to use Montemayor Britton Bender as our audit firm for the 2023 Financial Audit of St. Matthew's.

**The motion passed unanimously.**

Mother Katie reported that we still have open positions for next year's vestry but we are not desperate for new members yet.

The following upcoming activities were discussed:

January VOM: Stephanie McCollum and Armando Ruiz

1/21 Annual Meeting at 9am in Huffman Hall (Ann O., Armando, Joyce, Blythe, Jason count ballots)

February VOM: Anne Webster and Stephanie McCollum

2/1 Vestry Retreat - 6:30-8:30pm in Youth Center

2/2 Day School La Noche fundraiser at 6pm

2/3 Vestry Retreat - Saturday 9:00-4:30 (9:00 Commissioning, 2:30 Meeting) in Sanctuary, Youth Center, B-14

Katie led a closing prayer, asking that the vestry receive God's nudges to do great things for our church.

Meeting Adjourned at 1:29 pm

Submitted by Natalie Lynch, Clerk of the Vestry