

**St. Anne's Parish
Vestry Meeting Minutes
Tuesday, January 10, 2023**

Clergy and Vestry Members Present

Rev. Manoj Zacharia
Linda Adamson
Howard Buskirk
Thea Chimento (via Zoom)
Al Collins
Katie Creely
Lauren Dana-Evans
Phyllis Everette
Kevin Hays
Jason Houser
David Huggins
Townsend McNitt
Glenn Mortoro
Paul Pope
Susan Thaxton

Vestry Members Absent

Bill Silva

Non-Vestry Members Present

Caleb Briggs, Incoming Clerk of the Vestry
Katie Burke, Clerk of the Vestry

Welcome and Opening Prayer

Manoj+ and Jason thanked Linda, Paul, and Thea very much for their service, since this is their last meeting before rotating off the Vestry.

Manoj+ then opened the meeting in prayer at 7:02 pm.

Rector's Report

The Rector's Report having been distributed in advance, Manoj+ asked whether anyone had any questions.

There was a brief discussion of St. Anne's relationship with Pro MediaFire, a firm specializing in helping missions-based groups expand their reach. Manoj+ explained that St. Anne's began its relationship with Pro MediaFire in October, but that the quality of their social media posts didn't

meet with his expectations. The strategic planning process will be a way to determine whether to seek a replacement firm or to go in a different direction.

Paul noted the engagement spike on St. Anne's social media accounts on December 9, and Manoj+ confirmed that this was due to Tuba Christmas – apparently, people loved Tuba Christmas!

Linda shared that the Episcopal Parish Network (EPN) is holding a workshop on Thursday on effective communication, and that this would be exactly the type of resource to look to for guidance during the discernment period. The workshop is being recorded, if anyone is interested but cannot attend.

Paul noted that Jason Hentrich moving on from the St. Anne's choir is a true loss, and those familiar with his contributions agreed.

Jason then asked for reflections on the Christmas Eve and Christmas Day services – did they go well? Manoj+ said that it was heartwarming to him to see such a full, robust church during the Christmas season, and that these numbers reflected a good baseline from which to grow.

Dave reminded the Vestry that he had sent a summary report on attendance at the Christmas services to Vestry members, and Howard asked about the other churches included in Dave's report.

Manoj+ explained that there are basically three churches in the Diocese that are comparable in terms of metrics to St. Anne's – Redeemer in Baltimore, All Saints in Frederick, and St. John's in Ellicott City. At the moment, St. Anne's attendance is trending slightly under Redeemer's, but compared against the entirety of the Episcopal Church we are in the 97th-98th percentile in terms of attendance. This context is helpful for considering the Christmas Eve numbers report that Dave provided.

Linda took a moment to thank members of the Vestry who jumped in to fill usher slots at the Christmas Eve service. Manoj+ then shared the following story: December 23 and December 24 were the coldest days in December, and at 10:30 on Christmas Eve morning he had received a call to let him know that the pipes in the church were frozen, making the bathrooms unusable. Bill Wilbert and Paul Manning, along with Paul Pope, worked diligently to fix the problem, and by the first Christmas Eve service at 3 pm the bathrooms were in working order again. A true Christmas miracle! Manoj+ gave a special word of gratitude to Bill, Paul, and Paul for what they achieved on Christmas Eve.

Treasurer's Report

Glenn began by giving a regular Treasurer's Report, before turning to the question of what to do with the budget surplus and the discussion and approval of the St. Anne's 2023 budget. He shared the following information:

- The parish's net income at the end of December was \$375,000. Glenn will ask the Vestry to approve the allocation of the year-end net income to several restricted accounts. This net income was driven mostly by the distribution from the endowment being higher than expected, pledges being higher than expected, and expenses being less than expected.
- The cemetery's net income at the end of December was \$61,000. Glenn will ask the Vestry to approve the allocation of the year-end cemetery income to the Cemetery Restricted Account. The cemetery's net income came primarily from the endowment distribution being higher and from the increased one-time income from the parking agreement.
- PASA's net income at the end of December was \$58,000. Revenue lags as expected for PASA, but expenses have also been less than budgeted.
- The endowment lost about 20% over the course of 2022. This was expected, given the general state of the economy, but unfortunate nonetheless. The Investment Committee's change in investment advisor from Vanguard to Merrill Lynch is underway and is expected to be completed in January.
- The parish had good attendance in December, but despite this fact pledges were actually \$30,000 under budget (although given other sources of income, St. Anne's remains in good shape). Vestry members expressed surprise about this news.

Turning to decisions that needed to be made by the Vestry regarding the budget surpluses, Glenn presented for discussion six motions that he had prepared in advance. They were as follows:

1. Move to allocate sufficient funds from the 2022 Parish budget surplus to those restricted accounts with negative assets to bring their balance to zero.
2. Move to allocate an additional \$45,000 from the 2022 Parish budget surplus to the Grants Restricted account to support 2023 Grants as requested by the Grants Committee.
3. Move to allocate an additional \$37,300 from the 2022 Parish budget surplus to the Virginia Meredith Fund to support 2023 distributions as requested by the Grants Committee.
4. Move to allocate an additional \$25,000 from the 2022 Parish budget surplus to the Building Maintenance Restricted Account as a contingency for significant, unexpected repairs.
5. Move to allocate the remaining balance of the 2022 Parish budget surplus to the Capital Account.
6. Move to allocate the 2022 Cemetery budget surplus to the Cemetery Restricted Account.

Related to the third motion, Glenn explained that his plan there was to add funds to the Virginia Meredith account, a restricted account used for outreach grants, to cover what the Grants Committee wants to give from that account in 2023. The Truist allocation for 2023 would then go into the Virginia Meredith account and would become the balance for 2024. This move would allow the Grants Committee to get a year ahead – the Truist allocation can sometimes come quite

late in the year, and this way the Grants Committee wouldn't be waiting on that allocation in order to begin giving funds to grant recipients.

Glenn also said that he'd like to include an additional motion to adopt the Grants Committee budget as presented, assuming that they present a budget totaling \$45,000, as they told him they would do. Katie Creely proposed tabling that motion, since neither Glenn nor the Vestry have actually seen that budget yet, and it was agreed to table the motion to adopt the Grants Committee budget until such time as the committee officially submits it.

Linda then moved the six motions outlined above, as presented by the Treasurer. The omnibus motion was seconded, and passed unanimously.

Glenn then moved on to the proposed 2023 budget, highlighting a few areas that had changed since the 2022 budget. They were as follows:

- Pledges came in at only \$717,524, which is down from the \$906,000 that was projected in December.
- Glen increased the line in the budget for non-pledge giving from \$125,000 to \$150,000, the back pledges from \$15,000 to \$22,000, and the plate giving from \$10,000 to \$20,000, all based on recent trends.
- To balance the budget, Glenn is prepared to take \$158,209 from investment income, but he will only take this amount if it is actually needed. If back pledges come in stronger than budgeted, we might not need to take that much.
- The endowment distribution for 2023 will be \$125,394, which is down from \$162,970 in 2022, due to the effect of the market on the endowment this year.
- The adjusted expense amount for salaries reflects a 4% cost of living increase, the deployment of Meredith+ in July, contingency and overtime expenses, and housing allowances.
- Lay pension expenses are down to about \$4,500. This number reflects the fact that the residual in the Lay Retirement Fund was moved over to help reduce the budget (this move was approved by the Vestry in December).
- There are also expenses totaling \$11,000 for clergy continuing education and professional expenses.
- Glenn came to an agreement with Ernie to furnish \$16,500 for expenses for the music program in 2023.

Having discussed all of these changes, and no other Vestry members objecting, Glenn moved to adopt the parish budget as presented including the allocations for housing allowance. The motion was seconded and unanimously approved.

Glenn then moved on to the cemetery budget. The cemetery shows a surplus of \$700 at the end of December. The only difference in their 2023 budget is the lower amount of the endowment distribution – they'll be drawing \$38,245, rather than 2022's \$47,924.

Paul expressed his gratitude to those who are making sure that the cemetery is no longer constantly in the red, as it has been in previous years. Glenn agreed that the cemetery is now in good stead, with the small surplus going into their account.

Glenn then moved to adopt the 2023 cemetery budget as presented, and the motion was approved unanimously.

Jason commented that this was the quickest budget approval process he had ever been part of at St. Anne's, and offered his and the Vestry's immense gratitude to Glenn for all of his hard work. Manoj+ then also thanked Glenn, Linda, Ginger, and Mark LaBuda for actually trying to develop revenue streams for the cemetery, including their work on the parking contract. He also expressed gratitude to Kirsten Hair for everything she does above and beyond the call of duty. All Vestry members agreed, and added their thanks to Kirsten.

Stewardship Update

As a point of housekeeping, Jason reminded everyone that recurring contributions that people may set up through the St. Anne's website end at the end of the year and have to be reupped for the following year, if folks would like to continue contributing in that way.

Jason then said that phone calls to those who have pledged in previous years but have not yet pledged this year are about to begin. Dave added that historically those calls were made around Thanksgiving, but that this year we waited until after the holidays to make them. He said that we're essentially missing about a third of last year's pledges, but it is possible that the fact that the follow-up calls haven't happened yet is a major driving force there.

He continued to share trends that might be useful to the Vestry to know, saying that the rate of pledges coming in has been much slower than usual this year. Glenn added that non-pledging giving was up significantly this year, from an average of \$115,000 to this year's \$175,000, so that might explain where some of the missing pledges are going.

Dave also added that, like the St. Anne's endowment, everyone's personal savings will have gone down 20% as well, which is likely contributing to the lessening of pledges. Manoj+ confirmed that he has had a several emails like that, explaining that people have had to reduce pledges due to reduced portfolios. He reflected that he was excited to see the increased non-pledging giving amount, however – this likely reflects all the new people he's noticed recently at

St. Anne's. The question of how to softly address the issue of pledging with new parishioners is an ongoing one.

A discussion arose around the idea of printing the names of those who had pledged in the bulletin, as we used to do. Some thought that the idea could inspire those who hadn't pledged yet, but others thought that there was a slightly shaming tone to printing the names, and that this might alienate some parishioners. In the end a multi-pronged approach was decided upon – an announcement will be made to the parish that pledges are much lower than usual this year, and at the same time follow-up calls to families who used to pledge but who haven't pledged this year will be made. Dave agreed to prepare a presentation to share with the parish about the pledging levels. Additionally, names of those who have given at all during 2022 (that we know – those who give cash via the plate offering remain anonymous) will be published ahead of the Annual Meeting.

Annual Meeting

Jason then shared that there will be a quick Vestry meeting after the Annual Meeting on February 5. This meeting will allow Vestry members to take their oaths and to vote on officers for the coming year. The Vestry retreat will also be discussed, with several weekend options offered. Jason added that the names and bios of the new nominees for the Vestry will go out in the eblast on Thursday and will be published in the bulletin on Sunday.

Manoj+ thanked all the members of the Nominating Committee: Kara Friedell, Jason Houser, Bill Silva, Stan Ward, Will Knight, and Susan Thaxton.

Keve shared that the planning for the Annual Meeting is coming along. The voting process will be electronic this year, even though the meeting will be in person – voting members will use QR codes on every table to find the voting form, and there will be runners who can come to help anyone who needs help. Absentee ballots will be handled in the same way. It is possible that the Annual Meeting could be livestreamed, but since the Parish House cameras are in the process of being installed it's not a sure thing yet.

Keve added that the group organizing the Annual Meeting has received quotes on food from a bunch of places, and that they'll be meeting with the Invite/Welcome/Connect ministry on Sunday to finalize those decisions. Tempest is also helping the team find some runners.

Paul asked why we won't be voting on delegates to the Diocesan Convention at the Annual Meeting this year as we usually do, and Manoj+ explained that it turns out that St. Anne's has been overelecting delegates. Because of the upcoming Bishop election, the rules have recently been scrutinized, and this overelection has come to light. As the Rector, Manoj+ made the decision to reallocate the elected delegates, as a result of which no election is needed at this Annual Meeting.

Linda asked whether we could present the newly approved parish budget for 2023 at the Annual Meeting. Kev said that he would look at the bylaws to see whether we could do that. Manoj+ said that he was reluctant to do something for which there was no precedent, so it would be good to discover if St. Anne's has ever shared its budget at the Annual Meeting. Some Vestry members registered their support for this idea (transparency, signaling where we're headed) and some shared their concerns (giving people the wrong impression by sharing the budget without context). In the end, Jason asked Glenn if he could share the approved 2023 budget, but in a simplified way, and Glenn agreed that he would do so.

Following the discussion of the Annual Meeting, a few additional administrative concerns came up. Katie Creely asked what the preferred procedure is for communicating absences, and Manoj+ instructed folks to email the Rector and the Senior Warden when they were going to be absent. Jason then added that, although we will not return to fully virtual Vestry meetings unless it is absolutely necessary, we now have several years of experience conducting hybrid meetings, and we will always make sure going forward that there will be a way to attend virtually if you need to do so.

Manoj+ then introduced Caleb Briggs, a sophomore at St. John's who has been on the staff at St. Anne's as a very part-time communications assistant and who will now be acting as the Secretary for the Annual Meeting and the Clerk of the Vestry for at least the February, April, and May meetings.

Susan shared that the Request for Proposals (RFP) for the strategic consultant didn't get a lot of bites the first time it was put out. We received one proposal that was too "thin" and another that was too "thick", and none that were just right. The RFP will be put out again, and this time the team will hope to cast a wider net so as to find the right candidate.

Jason then added that the Vestry will be commissioned at the 10 am service on the Sunday following the Annual Meeting (February 12).

Secretary of the Vestry Report

Linda gave her final report as Secretary of the Vestry, sharing the following specifics:

- Bill would have reported on the ministries with which he liaises, but he's stuck at home today with Covid.
- The Grants Committee have been approving some grants already.
- The Nature Sacred process proceeds apace in the cemetery. An initial meeting has been held, and a steering committee is being formed. The steering committee will include Dave Huggins, representing the Vestry, a representative from the city government, and a representative from the Clay St. community, among others.
- The scheduling of worship volunteers is being done completely in Realm, though it takes a team of folks to make that work. A great deal of work is being done to fully transition

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St. Anne's to Realm, but when the transition is complete it will save the parish the cost of the Ministry Scheduler Pro contract.

Manoj+ gave a word of gratitude for all of Linda's organization, especially on the Realm project – it's been a tremendous amount of work.

Linda said what a privilege and honor it's been to serve as the Secretary of the Vestry this year, and to serve on the Vestry itself for so many years. She promised to upload as complete a set of documents as she can related to the position of Secretary of the Vestry into the Vestry folder on the drive.

Jason thanked Linda for her work as the Secretary of the Vestry and for creating the connective tissue between the Vestry and the ministries that will facilitate better communication for a long time to come.

December Minutes Approval and Closing Prayer

The December minutes having been amended prior to the start of the meeting, they were approved unanimously as amended.

Townsend then offered a closing prayer, and the meeting was adjourned at 8:39 pm.

Respectfully submitted,

Katie Burke
Clerk of Vestry