



SAINT JOHN'S CATHEDRAL

Minutes of the Vestry Meeting August 21, 2022

The meeting was called to order at 4:02pm

Present: Illana Poley, Greg Movesian, Bradley Jackson, Rebecca Richardson, William McMechen, Michael Koechner, Leigh Grinstead, Audrey Chapman, Dave Loos, Shirley Traettino, Katie Pearson, Broderick Greer, Kate Dykstra, Tom Barbour. Mark Werry, Helen Richards, Amy Newell-Large, Michael Vente

Absent: Richard Lawson, Jenipher Jones, Kathleen DeMars, Rodger Hara

Guests: Enrique Cintrón, Saint John's Digital Ministry Coordinator

Summary of Actions:

The Vestry voted unanimously to approve Reverend Amy Newell-Large's housing allowance for 2022.

The Vestry voted unanimously to approve the recommendation from the Finance Committee to use Fund 8 to pay for the needed sound/speakers improvements in the cathedral. The proposal will go through a couple of minor alterations but should not exceed \$10,000.

The Vestry voted unanimously to approve the consent agenda as presented.

Opening Prayer – Leigh provided a Scottish Prayer

Guests Introduction

Audrey introduced two new staff members: Rev. Amy Newell-Large (Curate for Parish Life) and Enrique Cintrón (Digital Ministries Coordinator). Audrey, Broderick, and Katie spoke to the incredible contributions they both have made already, from organizing upcoming events like Saint John's Day and the relaunch of Cathedral Nights to streamlining AV and live streaming and pitching in already with team building ideas for staff. Amy and Enrique are also working together to develop a Parish Directory, just one example of an important need that was not possible to get to, from a bandwidth perspective, until their positions were able to be created this year due to the remarkable 13% growth in pledging.

Lux AVL Proposal Review and Discussion

Enrique discussed the need for replacing existing speakers and adding them to the Bell towers, Chancel, Shannon room, Narthex and Sacristy. They noted that the wiring is fine, we just need to install new equipment. The cost will be approximately \$10,000.



SAINT JOHN'S CATHEDRAL

Arts & Architecture (A & A) Committee Update

Rebecca noted that the Architecture Committee was founded in 1919 and the Arts Committee in 1922. Now the responsibilities have expanded, and the committee is very busy... William McMechen an engineer and Vestry member, and Gordon Brooks, an architect, have both newly joined A & A. The committee is working on updated policies and sub-committees. They are working on cataloging all art, books, etc., the art displayed on the walls (Julie Fletcher is in charge of the wall displays), and on cleaning up all of the now unused furniture that has built up around the building.

Capital Campaign Feasibility Study Update

Greg reported that this group will complete 50 interviews with members to gauge interest in the different Capital Campaign priorities (Stained Glass Windows, Columbarium, Extending Air Conditioning to the 2nd and 3rd floors of the parish building, and have already completed half of those. A lot of research has been done, and they are looking for members of all ages and demographics to have diversity in their interviews. In the month of September, they will be forming focus groups which will be open to all. Illana recommended that we ask people to be part of the campaign instead of waiting for volunteers.

2023 Pledge Campaign

Richard has put Broderick in charge of Stewardship. The theme of the campaign is "Behold, I am doing a New Thing" and at the launch, the clergy will speak during services on October 9th, 16th, and the 23rd about the campaign. The pledge solicitation letter will arrive in people's USPS mailboxes on or around October 1st. Evans is working on videos of parishioners and why they give, to help motivate giving. Starting in November, Broderick, carefully selected volunteers, and Richard will start reaching out to people that have not yet responded to the solicitation. A dollar goal for the campaign has not yet been established; Richard and Audrey will have that soon.

Q2 Financials

Audrey, Tom and Shirley presented the financial reports as of June 30, 2022. Greg asked and Audrey confirmed that Non-Pledge giving is a little bit low for this point in the year; she will continue to monitor it, but she did remind the Vestry that 40% of Non-Pledge giving comes in each December. Pledge fulfillments are also ahead showing 65% YTD. The Endowment Fund shows a balance of \$26,130,770 YTD.

Total Revenues are up 2.25% YTD and up 7.76% for the quarter. Pledged revenues are up 14.70% YTD and up 13.07% for the period budget splits. Non- Pledge revenues are down 25.07% YTD and up 14.79% for the period budget splits. Offertory/Plate revenues are down 3.03 % YTD and up 102.24% for the period budget splits. Kimberly Apartments income is down 9.83% YTD and down 39.34% for the period budget splits. Audrey informed the Vestry that if she is able to (with Chancellor Larry Kueter's help) regain the Kimberly Apartments Tax Exempt status and get a refund of the almost \$30,000 she paid for 2021's taxes, then Kimberly would actually be on track YTD. Several Vestry members and Audrey feel



SAINT JOHN'S CATHEDRAL

strongly that the revocation of the Kimberly's tax-exempt status was an error and are hopeful they will get in reinstated.

Investment Committee Report

The financial markets have been incredibly volatile this year; however, through June 30, 2022, they have rebounded. The committee's recommendation is to stay the course. The investments are fully diversified and rebalanced to the 60/40 split between stocks and bonds respectfully.

Fund 8/Sinking Fund History/Update from Finance Committee

Tom Barbour led a discussion about the sinking fund, Fund 8, which has since 2018 been used primarily for building emergencies. Tom flagged that Fund 8 is getting low at around \$300,000, especially now that the Spencer mineral rights in Weld County have been sold (the sale eliminated the bonus payment that was received every three years when a new lease was signed, and the bonus payment traditionally funded and was the biggest source of revenue for Fund 8). Tom noted that Saint John's building is old and requiring more and more maintenance. Additionally, Tom noted that while Saint John's does have more than three months of all payroll related expenses (as shown in the June 30 Unencumbered Cash Estimate, which is different monies than the Fund 8 savings), we do not have three months of all operating expenses, and so by all measures we are in a place where we need to be even more conservative in approving non-budget projects (which often come out of Fund 8).

Mark Wherry commented that while yes, the building is old, a lot of good preventative maintenance and/or repairs and upgrades have been completed in the last six years. Rebecca asked about a building preventative maintenance evaluation. Michael Vente mentioned the list that the old Buildings & Grounds committee had developed, which continues to be referenced and proves to be quite accurate and helpful. Audrey noted that a couple of years ago she received a quote from a vendor to do a whole building evaluation and it was \$40,000. Tom and the vestry then discussed that Fund 8 is currently how we address repairs and maintenance items that are smaller than HVAC and stained glass, but larger than ongoing maintenance items like the quarterly changing/checks of the HVAC system.

Audrey then flagged for the Vestry that, while in 2021 Dan's expertise and abilities resulted in around \$10,000 in savings on Repairs & Maintenance expenses, 2022 has brought many unexpected and needed repairs and maintenance, and so the R & M 2022 budget will be exceeded by a significant amount. Audrey is tracking the amount and will report more to the Vestry in coming months.

Fund 8/Lux AVL Proposal Vote

Michael Vente motioned to approve the recommendation from the Finance Committee to use Fund 8 to pay for the needed sound/speakers improvements in the cathedral. Rebecca seconded the motion. The proposal will go through a couple of minor alterations but should not exceed \$10,000. The motion passed by unanimous vote.



SAINT JOHN'S CATHEDRAL

Report from the Director of Operations

Insurance Renewal Update

Audrey reminded the Vestry that the cathedral's liability insurance premium period is from August to August of each year. For this year's policy there is an increase in the value of the building because of the HVAC upgrades, which resulted in \$4,000 savings on the premium.

Kimberly Apartments Safety Upgrades Progress Update

The safety upgrades, which are being paid for from the funds from the sale of the Spencer gift of mineral rights in Weld County, are going well. Currently, Audrey and the contractors and consultants are waiting on an annual report from the Fire Department in order to move forward. The list of upgrades includes new fire-rated doors and larger fire-rated and illuminated exit signs at the ends of the hallways on each floor, fixing the intercom system, fixing the back entrance staircase so it is not slippery in the winter, and locking the laundry room door.

Kimberly Apartments Property Management 2023

Currently, we are using Real Property Management (RPM) at a cost of \$2,400 per month. However, Audrey has been analyzing the costs for RPM's management of repairs and maintenance/work order requests from the tenants, and thinks that especially in light of the ongoing safety upgrades, now would be a good time to compare RPM's services with other similar local companies, to see if there could be a savings by switching companies. Stephen Burris, a realtor and long-time member, is helping Audrey do the research. A question was asked about if the cathedral's insurance covers the Kimberly Apartments – Audrey informed the Vestry that yes, the cathedral's liability insurance covers the Kimberly Apartments.

Timeline: Missioner, Stewardship, and Accountant staff positions

Rebecca, Greg, and Kate met with the candidate for and the Director of Stewardship position. The reported that the meeting went very well, and they think he is a good fit for the role. Broderick and Audrey will meet with them next. Regarding the accountant, Audrey has been receiving assistance editing the job description and determining the salary range from Nancy Jones, an accountant who will be taking over as Treasurer of the Standing Committee at the Office of the Bishop. The position will have increased responsibility; they will be in charge of the entire audit and must attend Finance Committee and Vestry meetings. Currently, based on research of similar positions in the Denver nonprofit sector, Audrey noted that the salary of similar job descriptions varies widely, but Nancy Jones is helping Audrey further research a good starting salary. Audrey will post the job description soon and she is hoping she can find someone to start in November or December so they have at least two months overlap with Kris before she retires at the end of January.

Housing Allowance, Amy Newell-Large

Audrey reminded the Vestry that per the IRS clergy are allowed to designate housing expenses and exclude them from gross income for tax purposes.



SAINT JOHN'S CATHEDRAL

Leigh motioned to approve Reverend Amy Newell-Large's housing allowance for 2022. Michael Vente seconded the motion. The motion passed by unanimous vote.

Report from the Senior Warden

Campus Stewardship and Revenue Planning Task Force Update

Leigh explained that as part of the current phase of work, Tryba Architects has engaged industry experts to provide a parking study, which should be done by the end of the summer. Ideas are being discussed and tested to share the parking with the cathedral's neighbors, including with Metro Caring on Sundays (they will provide food truck vendors who will be in the parking lot on Sundays) and with the businesses on 13th Avenue, who used the parking lot on August 6 for a neighborhood business fair and block party. The Task Force is also discussing how to solicit organizations that would like to utilize the Robert's Building spaces

Campus Stewardship & Revenue Planning Grant Update

Richard has been invited to submit for a \$200k grant by November 2022, \$50k of which would be used for a feasibility study and market analysis of any Campus Stewardship plans by an independent 3rd party.

Nominations Committee

Michael Vente updated the Vestry that the NC has enough delegates for this year's convention. The Vestry now needs to be working on next year's nominations for Vestry. Michael and Amy Newell-Large are working on ideas to make the Nominations Committee more of a standing committee with members that stay on for at least a few years.

Consent Agenda

Rebecca motioned to approve the consent agenda as presented. Michael Koechner seconded the motion. The motion passed by unanimous vote.

Closing Prayer

Helen provided the closing prayer

Meeting was adjourned at 5:58pm