

MINUTES OF THE MEETING OF THE VESTRY OF
SAINT MICHAEL AND ALL ANGELS EPISCOPAL CHURCH

December 12, 2018

Summary of Actions taken

- * Approved Consent Agenda
- * Approved Saint Michael's assessment to the Diocese of Dallas, including the designation of our contribution to the national church through the Diocese
- * Approved allocation of certain portion (as determined by finance department) of clergy members' salaries to housing costs
- * Approved the Mission and Outreach Committee Charter

Prior to the regular meeting of the Vestry of Saint Michael and All Angels Episcopal Church on December 12, 2018 in the Theater, Eucharist was celebrated in Bishop Moore Chapel.

In attendance were Vestry members: Senior Warden, Margaret Spellings; Bonner Allen; Marla Briggie; John Ellerman; Jane Greene; Whitney Grogan; Warren Houser; Ben Leal; Jay Lipscomb; Kyle Moore (by phone); Anna Paccone; Christine Paddock; Junior Warden, Sally Schupp; Elizabeth Selzer; and Chris Wiley.

Ex-officio members in attendance included the Rev. Dr. Chris Girata, Margaret Cervin, and Kathy Kelley.

Others in attendance included Rob Baber, George Baldwin, Ginger Brown, Susan Kalen, Hallie Lawrence, Stacey Malcolmson, Caroline Marak, Steve McKenney, Blair Oden, Keith Quarterman, Charlie Sartain, Jim Skochdopole, and Tom Stewart.

Margaret Spellings called the meeting to order at the appointed time, and the Rector, the Rev. Dr. Chris Girata, opened the meeting with prayer.

Approval of Consent Agenda

Prior to the meeting, the Vestry received for its review the materials included in the Consent Agenda, including the November 2018 Vestry minutes, youth report, and Jubilee report. Anna Paccone made a motion to approve the consent agenda, Christine Paddock seconded the motion, and the Vestry unanimously approved the consent agenda.

Discussion Items:

Stewardship Report

Caroline Marak reported that the stewardship campaign has now reached \$4.835 million in intended giving for the stewardship year, \$216,000 more than last year's amount at this time. Caroline noted that the average pledge (as of now) is \$5,910.

Finance Report

Kathy Kelley presented the Income Statement and Statement of Financial Position for the period ending November 30, 2018, and noted that the church is in good financial standing. She reported that the church is ahead of budget on revenue and under budget on expenses, resulting in a positive net income variance of \$457,015 for the eleven months ended November 30, 2018. December is a high-volume month especially in expenses with Christmas and year-end reimbursements. Thus, based on internal projections, 2018 is expected to end with a positive net income of at least \$150,000 and possibly more. Kathy reminded everyone that we did not fund our normal amounts during the year for the School Transition Fund and Maintenance Fund and will likely use year-end profits to shore some of that up for the year. Further consideration will be given once the December statements are finalized.

During November, the budget process for 2019 was begun. All ministry areas presented their budget requests to the budget committee and amounts granted will be dependent on stewardship results. The 2019 budget will be finalized in early February and presented to Vestry for approval at the February meeting.

Kathy also reported that the Finance Committee approved a small fundraising request by the St. Michael's Woman's Exchange to hold an event for its upcoming 60th anniversary celebration. Solicitation letters will be targeted to Exchange volunteers and customers with an expected \$5,000 to \$8,000 being raised for distribution to agencies via the WOSM Gifts Committee.

Buildings and Grounds Report

Tom Stewart reported that the red door to the Chapel is being replaced, with an expected installation date in January 2019. The expense was covered entirely by the Renew Refresh Revive campaign. Tom also noted that the church has some aging infrastructure – an air handler drive shaft in the basement, a couple of chillers (only one of which is currently functioning), and the boiler for the older part of the church – all of which will incur costs for repair or replacement in the future.

Senior Warden's Report

Senior Warden, Margaret Spellings, reported that Saint Michael's 2019 assessment to the Diocese of Dallas is \$679,092. This amount includes our church's contribution to the national church. Margaret asked for the Vestry's approval of Saint Michael's designation to contribute to the national church through the Diocese of Dallas. John Ellerman made a motion to approve this designation, Ben Leal seconded the motion, and the Vestry unanimously approved the motion.

The Rector, the Senior Warden, and the Clerk will sign the appropriate paperwork indicating Saint Michael's designation following the Vestry's approval of the motion.

Margaret then discussed the clergy housing allowance. The allowance is a certain amount of a clergy person's salary designated for a housing allowance and is determined by the finance department. Jane Greene made a motion to approve the allocation of a certain portion of clergy members' salaries to housing costs, Christine Paddock seconded the motion, and the Vestry unanimously approved the motion.

Margaret further noted that a Vestry/Foundation working group made up of three Vestry members and three Foundation members is discussing a framework for the use of any potential proceeds from the north land development. The working group hopes to bring a recommendation to the Vestry in early 2019.

Margaret then provided a brief review of 2018, highlighting a great year full of energy and enthusiasm at church:

- She thanked the Vestry and clergy for their support
- She thanked the Rector and clergy for their dedication and ministry
- She noted the Vestry's attention to the future development of the North Land, including navigating the announcement of the project
- She noted that the Vestry has begun to plan for the North Land and church campus as a whole
- She remarked that the Vestry assisted Stewardship's efforts and thanked Caroline Marak, the stewardship committee, and Vestry for their efforts
- She noted that the Vestry has sustained the strategic planning process

Margaret was then feted with a resounding round of applause for her service and commitment to the Vestry and Saint Michael at large.

Junior Warden's Report

Junior Warden, Sally Schupp, presented the Mission and Outreach Committee Charter for the Vestry's approval. Anna Paccone made a motion to approve the charter, Ben Leal seconded the motion, and the Vestry unanimously approved the charter.

Sally then noted that outgoing Vestry members will receive an exit interview survey, the results of which will be compiled in a report for the Rector and Senior Warden.

Sally also thanked the Vestry and clergy for their support during her tenure as Junior Warden.

Sally then received another round of applause in celebration and gratitude for her service as Junior Warden.

Rector's Report

The Rev. Dr. Chris Girata, Rector, reported that the Saint Michael Episcopal School ("SMES") has been going through the accreditation process. The Southwest Association of Episcopal

Schools, the most stringent in the country, was on site last week and provided several commendations: how active the church is, how kind everyone was, and how excellently SMES and the church work together with a shared mission and deep sense of collegiality. The school should be notified in mid-spring about accreditation. Accreditation could be for one year or for full accreditation of ten years.

The Rector then reported that a meeting had been held Monday night to discuss the North Land proposed development. He noted that approximately 70 people attended. He acknowledged a recent article in The Dallas Morning News and discussed the development's expected impact on traffic in the neighborhood.

The Rector then discussed his upcoming article about Saint Michael's focus on addressing the crisis of human trafficking and why and how Saint Michael continues to care about our city and community at large.

The Rector then thanked John Ellerman and the HR committee for establishing a proper HR review process for every staff member.

The Rector then proposed a champagne toast to the following people:

- Outgoing Vestry members – Whitney Grogan, Elizabeth Selzer, and Chris Wiley
- Outgoing Clerk – Margaret Cervin
- Junior Warden – Sally Schupp

He gave a special thanks to Senior Warden, Margaret Spellings, for her tireless service, including two years as Clerk of the Vestry and a fourth year on the Vestry to serve as Senior Warden.

Elizabeth Selzer then proposed a toast to the Rector. Incoming Senior Warden, Warren Houser, noted that it has been a pleasure working with Margaret Spellings and Sally Schupp. Margaret Spellings thanked Kathy Kelley for participating in all Warden meetings and reiterated her thanks to Sally Schupp. In closing, Margaret Spellings introduced the incoming Clerk, Ginger Brown, and passed the Senior Warden pin to Warren Houser.

The regular meeting of the Vestry was adjourned at 6:00 pm. Margaret Spellings, Sally Schupp, Chris Wiley, Whitney Grogan, and Elizabeth Selzer left the meeting.

Following a brief break, the meeting of the 2019 Vestry, as elected at the October 2018 parish meeting, was then called to order by the new Senior Warden, Warren Houser. Warren welcomed the new members: George Baldwin, Hallie Lawrence, Steve McKenney, Blair Oden, and Stacey Malcolmson.

Summary of Actions taken

- * Approved Resolutions regarding leadership roles within the Church and Vestry
- * Approved Resolution authorizing the Senior Warden and Treasurer to sell, transfer, assign, exchange, and/or convey corporate securities held by or on behalf of Saint Michael and All Angels Episcopal Church

Warren explained that the Rector appoints the Senior Warden and that the Vestry elects the Junior Warden and the Warden-at-Large, a new position for a second-year Vestry member with the expectation that the Warden-at-Large will later serve as the Senior Warden.

Warren then presented a series of Resolutions (attached hereto) setting out leadership roles and authorizing the Senior Warden and Treasurer to sell, transfer, assign, exchange, and/or convey corporate securities held by or on behalf of Saint Michael and All Angels Episcopal Church. John Ellerman made a motion to approve the Resolutions, Anna Paccone seconded the motion, and the Vestry unanimously approved the motion.

Warren then presented the conflict of interest and recusal statement as well as the annual stewardship commitment statement for signature by all Vestry members.

Warren then noted that the Initiatives and Imperatives will be reviewed with clergy and staff to create further clergy/staff engagement. The Vestry will provide strategic oversight.

The meeting of the new Vestry was adjourned at 6:20 pm.

Respectfully submitted,

Margaret Cervin
Clerk of the Vestry

SAINT MICHAEL AND ALL ANGELS EPISCOPAL CHURCH

ANNUAL MEETING OF THE VESTRY

RESOLUTIONS

December 12, 2018

WHEREAS, Section 4.02.3 of the Bylaws (the “Bylaws”) of Saint Michael and All Angels Episcopal Church (the “Parish” or “SMAA”) provides that the term of Vestry members newly elected at the Annual Meeting of the Members of the Parish will commence January 1 of the following year.

WHEREAS, Section 4.02.3 of the Bylaws provides that at the Annual Meeting of the Vestry, new Vestry members will vote for the election of officers for the following year, although the term of these new Vestry members begins on January 1 of the following year;

WHEREAS, in accordance with Sections 9.04, 9.05, 9.06, 9.07, and 9.09 of the Bylaws, the Junior Warden, Warden-at-Large, Treasurer, Assistant Treasurers, Chancellor, Assistant Chancellors and Clerk are to be elected by the Vestry at its Annual Meeting.

WHEREAS, in accordance with Section 9.03 of the Bylaws, the Rector has appointed Warren Houser to serve as Senior Warden of the Parish.

NOW, THEREFORE, BE IT RESOLVED, that each of the following persons be, and hereby is, elected to serve in the office set forth by his or her name, each to serve a term beginning on January 1, 2019 and ending on December 31, 2019, or until his or her successor is elected and qualified, or until his or her earlier death, resignation or removal, and to further serve in accordance with the Bylaws:

Junior Warden – Bonner Allen	Assistant Treasurer – Grady Schleier
Warden-at-Large – Jay Lipscomb	Assistant Treasurer - Janice Bywaters
Clerk – Ginger Brown	Assistant Treasurer –Stuart Brown
Chancellor –Jim Skochdopole	Assistant Treasurer – Andy McRoberts
Asst. Chancellor – Dianna Bowen	Assistant Treasurer – Stacey Malcolmson
Asst. Chancellor – Scott Wilson	Assistant Treasurer – Barry Hancock
Asst. Chancellor – Margaret Spellings	Assistant Treasurer – Jim Smith
Treasurer – Kathy Kelley	Assistant Treasurer- Chris Wiley
	Assistant Treasurer - Jeff Kilpatrick

RESOLVED FURTHER, that notwithstanding the foregoing, the Treasurer’s term will begin on March 1, 2019 and end on the last day of February, 2020.

Committee Chairs

WHEREAS, George Baldwin, Warren Houser, Jay Lipscomb, Darrell Rice, and Chris Wiley have been nominated to serve as members of the Audit Committee;

WHEREAS, George Baldwin has been nominated to serve as Chair of the Audit Committee;

NOW, THEREFORE, BE IT RESOLVED, that George Baldwin, Warren Houser, Jay Lipscomb, Darrell Rice and Chris Wiley be, and hereby are, elected to serve as members of the Audit Committee, to serve for a term beginning January 1, 2019 and ending December 31, 2019, or until his or her successor is elected and qualified, or until his or her earlier death, resignation or removal, and to further serve in accordance with the Audit Committee Charter and Bylaws of SMAA.

RESOLVED FURTHER, that George Baldwin is elected Chair of the Audit Committee, to serve for a term beginning January 1, 2019 and ending December 31, 2019, or until his successor is elected and qualified, or until his earlier death, resignation or removal.

WHEREAS, the Buildings and Grounds Committee of SMAA has recommended that Tom Stewart serve as Chair of the Buildings and Grounds Committee for the term beginning January 1, 2019 and ending December 31, 2019.

NOW, THEREFORE, BE IT RESOLVED, that Tom Stewart be, and hereby is, elected to serve as Chair of the Buildings and Grounds Committee for a term beginning January 1, 2019 and ending December 31, 2019, until his successor is elected and qualified, or until his earlier death, resignation or removal, and to further serve in accordance with the Buildings and Grounds Committee Charter and Bylaws of SMAA.

WHEREAS, the Mission and Outreach Committee of SMAA has recommended that Arnold Spencer serve as Chair of the Mission and Outreach Committee for the term beginning January 1, 2019 and ending December 31, 2019.

NOW, THEREFORE, BE IT RESOLVED, that Arnold Spencer be, and hereby is, elected to serve as Chair of the Mission and Outreach Committee for a term beginning January 1, 2019 and ending December 31, 2019, until his successor is elected and qualified, or until his earlier death, resignation or removal, and to further serve in accordance with the Mission and Outreach Committee Charter and Bylaws of SMAA.

WHEREAS, the Human Resources Committee of SMAA has recommended that John Ellerman serve as Chair of the Human Resources Committee for the term beginning January 1, 2019 and ending December 31, 2019;

NOW, THEREFORE, BE IT RESOLVED, that the Vestry recognizes the election of John Ellerman to serve as Chair of the Human Resources Committee.

WHEREAS, Phil Ritter has been nominated to serve as Chair of the Giving Council for the term beginning January 1, 2019 and ending December 31, 2019.

NOW, THEREFORE, BE IT RESOLVED, that Phil Ritter be, and hereby is, elected to serve as Chair of the Giving Council for the term beginning January 1, 2019 and ending December 31, 2019, until his successor is elected and qualified, or until his earlier death, resignation or removal, and to further serve in accordance with the Giving Council Charter and Bylaws of SMAA.

WHEREAS, Blair Oden, Ben Leal, Warren Houser, Tom Stewart and Kim Brooks have been nominated to serve as directors of Fredericks Square Title Holding Company, Inc. (“Fredericks Square”), a wholly-owned subsidiary of SMAA, for the term beginning January 1, 2019 and ending December 31, 2019.

NOW, THEREFORE, BE IT RESOLVED, that Blair Oden, Ben Leal, Warren Houser, Tom Stewart and Kim Brooks be, and hereby are, elected to serve as directors of Fredericks Square for the term beginning January 1, 2019 and ending December 31, 2019, until his or her successor is elected and qualified, or until his or her earlier death, resignation or removal, and to further serve in accordance with the Fredericks Square Charter and Bylaws.

WHEREAS, Blair Oden has been nominated to serve as chair of Fredericks Square for the term beginning January 1, 2019 and ending December 31, 2019.

NOW, THEREFORE, BE IT RESOLVED, that Blair Oden be, and hereby is, elected to serve as Chair of Fredericks Square for the term beginning January 1, 2019 and ending December 31, 2019, until his successor is elected and qualified, or until his earlier death, resignation or removal, and to further serve in accordance with the Fredericks Square Charter and Bylaws.

WHEREAS, the Rector has appointed Bonner Allen to serve as Chair of the Memorials and Gift Acceptance Committee for the term beginning January 1, 2019 and ending December 31, 2019.

NOW, THEREFORE, BE IT RESOLVED, that the appointment of Bonner Allen as Chair of the Memorials and Gift Acceptance Committee is recognized by the Vestry.

WHEREAS, Warren Houser, Jim Skochdopole and Matt Waller have been nominated to serve as directors of SMAA Northeast Title Holding Company, Inc. (“SMAA Northeast”), a wholly-owned subsidiary of SMAA, for the term beginning January 1, 2019 and ending December 31, 2019.

NOW, THEREFORE, BE IT RESOLVED, that Warren Houser, Jim Skochdopole and Matt Waller be, and hereby are, elected to serve as directors of SMAA Northeast for the term beginning January 1, 2019 and ending December 31, 2019, until his successor is elected and qualified, or until his earlier death, resignation or removal, and to further serve in accordance with the SMAA Northeast governing documents.

WHEREAS, the Risk Management Committee has nominated and requested that the Vestry elect Jay Lipscomb, Bill McIntyre, Randy Rekerdres and Mac Wesson to serve as members of the Risk Management Committee.

NOW, THEREFORE, BE IT RESOLVED, that Jay Lipscomb, Bill McIntyre, Randy Rekerdres and Mac Wesson be, and hereby are, elected to serve as members of the Risk Management Committee to serve until his or her successor is elected and qualified, or until his or her earlier death, resignation or removal, and to further serve in accordance with the Risk Management Committee Charter and Bylaws of SMAA.

WHEREAS, the Technology Committee of Saint Michael and All Angels Episcopal Church has recommended that Tom Bowen serve as Chair of the Technology Committee for the term beginning January 1, 2019 and ending December 31, 2019.

NOW, THEREFORE, BE IT RESOLVED, that Tom Bowen be, and hereby is, elected to serve as Chair of the Technology Committee for a term beginning January 1, 2019 and ending December 31, 2019, until his successor is elected and qualified, or until his earlier death, resignation or removal, and to further serve in accordance with the Technology Committee Charter and Bylaws of SMAA.

Securities Conveyance

BE IT RESOLVED that the Senior Warden and Treasurer are hereby authorized to sell, transfer, assign, exchange and/or convey corporate securities held by or on behalf of Saint Michael and All Angels Episcopal Church.