

MINUTES OF THE MEETING OF THE VESTRY

The regular meeting of the Vestry of Saint Michael and All Angels Episcopal Church met on Wednesday, September 21, 2022, at 4:30 pm in the Theatre. Before the meeting, a communion service was held in the Saint Michael Chapel with the Rev. Chris Girata presiding.

Vestry members in attendance were Richard D'Antoni, Senior Warden; Erica Sartain, Junior Warden; Arnold Spencer, Warden-At-Large; Eric Gilmore, Carol Goglia, Louise Griffeth, John McFarland, Jr., Holly Pena, Kelly Reddell, Darrel Rice, Carol Roehrig, Jack Rubarth, Ginger Sager and Keller Webster.

Ex-Officio members in attendance were The Rev. Chris Girata, Rector; Dianna Bowen, Chancellor; Janice Bywaters, Treasurer; and Nancy Wilbur, Clerk. Others in attendance were The Rev. Ken Brannon, The Rev. Robin Hinkle, Caroline Law, and Caroline Marak .

Richard D'Antoni welcomed everyone to the meeting and gave the opening prayer. He asked if everyone had read the Consent Agenda and asked that the word June be changed on the agenda to the word August. Keller Webster made a motion to approve the Consent Agenda, and it was seconded by Darrel Rice. The motion was approved. Richard told everyone that the Vestry meeting would end early at 5:30 to begin our social hour recognizing our Senior Staff members with refreshments being served.

RECTOR'S REPORT

Chris Girata reminded the Vestry that the fall Parish meeting is October 23, at 10:00 in the main sanctuary, and he would like the Vestry to be well represented. Immediately following the meeting, the Vestry will meet in the Chapel Conference Room to certify the election. The meeting will be very short.

Chris said that in October we shall be approaching the Parish about pledging to support the church in the next year. The leadership of the church is being asked to get their pledges in first before the pledge packets go out. He stressed that the Vestry is included in that group, and we can pledge early by contacting Caroline Marak by email. This ask is going out to the Stewardship Committee, Finance Committee, All Angels Foundation Trustees and Parish Ministry Council in the church

The next item Chris presented is a proposal that will be a new model for lay leadership in the parish. The vision is to name a set of leadership committees that parishioners can serve on that partner with directors on our staff. Chris reminded the Vestry that for the last 18 months or more, we have been shifting the Vestry toward a strategic position that mirrors Chris' role on the staff. Essentially the Vestry would work with Chris to achieve more strategic roles on the staff. He said we want to give each of our staff directors the same kind of explicit partnership with lay leaders in the parish because when you bring more leaders into the parish, they will naturally bring other

people to the parish because people are feeling more ownership. There are many people who attend our church that would like to be involved and helpful, and this will be a way they can use their personal expertise to help their church. Also, Chris said that this would be very helpful to our directors in making sound decisions internally as no one person can be responsible to make sound decisions, but groups and partnerships are better able to make those decisions that will impact the church.

SENIOR WARDEN'S REPORT

Richard reminded the Vestry to get their pledges in by October 1. He said it is great for the parish to know that the leadership is fully committed.

JUNIOR WARDEN'S REPORT

Erica Sartain said that Holly Pena has been chairing a HR committee along with Chris and Erica that has been reviewing Chris' goals. These goals are directly tied to Chris' quarterly rocks that express what needs to be done so that these goals are completed. The goals are both personal and professional in nature. This process so far is part one of a two-part process that going forward will be referred to as "Mutual Ministry". This coincides with Chris' concept of achieving mutual strategic goals. The second part of this is the Vestry's role as Chris will give the Vestry feedback twice a year on its progress. Erica then asked Holly to further define this concept.

Holly said that the Vestry feedback on Chris' goals will be done twice a year, once at the conclusion of the EOS year which runs from May to May and then the second time in December which would then cover half of the current EOS year. Holly said that next month Chris will bring a written self-evaluation to the Vestry on his 2021-2022 goals. She reminded the Vestry that every time Chris is giving his Rector's Report, he is speaking to the goals and how they are progressing towards those goals over the course of the year. Each time the committee comes to the Vestry to get its feedback on those goals, they will give us Chris' self-evaluation, and the Vestry can reflect on their notes on Chris's Rector's Reports. Holly said that next month they will come to the Vestry's to get its feedback on the 2021-2022 to then conclude and close that out and then they will return in December to do it over the first half of the current EOS.

WARDEN-AT-LARGE REPORT

No report.

THE VESTRY THEN WENT INTO EXECUTIVE SESSION

Richard D'Antoni moved to accept the Nominating Committee's slate of nominees for the 2023 Vestry and to accept the nominees for Delegates and Alternate Delegates to the 2023 Diocesan Convention. Kelly Reddell seconded the motion, and the motion was passed unanimously.

Richard thanked Arnold Spencer for chairing the Nominations Committee. Both Arnold and Richard suggested that everyone begin thinking now about good, well-qualified possible nominees for next Vestry.

THE VESTRY MEETING WAS RECONVENED

TREASURER'S REPORT

Janice Bywaters, Treasurer, reported on the Finance Committee meeting Tuesday, September 20th.

As of the end of August, Total Revenue for the 8-month period was \$4.4MM which is \$183M or 4% under budget. Like last month, this variance is driven by a \$220M shortfall in Current Year Pledges. 2022 YTD Total Revenue is almost identical to YTD revenue in 2021, but we are budgeting a 5% increase. I said last month, the pattern of giving seems less predictable recently. We do not have any reason to be overly concerned however Advancement has broken down this shortfall and is successfully making calls and sending letters. September current year pledge revenue totals appear to be closing this gap. In FC yesterday, we talked at length about possible improvements in communicating with parishioners earlier as they fall behind. It is common for us to have shortfalls at this point in the year.

Total operating expenses were \$69M under budget. This is driven primarily by shortfalls in CFM and Youth staffing. In addition, so far in 2022, we have not experienced the number of repairs we had expected. We have a few positive variances. In communications, their major printer was still out in August, and we had to outsource a couple of major jobs. The bottom line is that at 8 months ending August revenues minus expenses resulted in a \$68M negative variance.

FC recommends for Vestry approval a \$400M working capital line of credit with Bank of Texas. This line has been in place for as long as any of us can remember and has never been used. It does not cost us anything but would be available if we had an operating cash short fall. There was a motion from the Finance Committee to approve the no cost line of credit for \$400,000 at the Bank of Texas. The motion was seconded by Holly Pena, and the motion was approved.

ADVANCEMENT REPORT

Caroline Law told the Vestry that there is still very positive movement in the Capital Campaign, and that they are very pleased with the progress to this point. They expect to continue this trajectory in the fall. Caroline spoke to the exciting kickoff of the Stewardship campaign. She said that they have identified donors who are behind on their pledges and are having good success contacting them.

STEWARDSHIP REPORT

Caroline Marak said that the annual Stewardship Campaign packets would be in the mail this week. She told the Vestry that this year there are 5 different letters going out which is a more targeted and personalized way of recognizing a parishioner's charitable contributions based on their giving history. They have also been able to update changes of address through a national data base from their printer which has been very helpful. Chris pointed out that the committee is working on identifying those people who give gifts but do not pledge. We would like to reach out to these donors to suggest giving in another way that is more helpful to the church in its planning. Caroline Marak said that Caroline Wilkes has been working very hard on identifying those who pledge so that there are no duplications. She expressed her gratitude to Caroline for her extraordinary effort.

Richard asked Ken to give us an ARC report. Ken referred to the information that we addressed in the Special Meeting regarding the pricing that has gone up, and ARC is now asking us to make some choices to enable us to get back online. Ken feels that they are being very creative and that we may be able to save a considerable amount of money due to some structural changes that will not change the beauty of the design but the infrastructure. We do not have any data yet. Ken also said that SMES did a very good job of making sure that we knew what they needed for the school but because of the macro decisions made by ARC, we may have to pause in our response to the school. Ken wants us to know that we really have incorporated many of their critical needs for the school. Richard also reminded the Vestry that these changes will also have to go to the Campus Construction Committee for their recommendation. Richard then asked Janice to give the monthly CCC report.

CCC Update

Included in your packet is the Pritchard and Associates update on capital construction expenditures. It is not materially different from what you saw last month. As we are giving design additional time, you can expect the only major expenditures will be in advancement, design, and consulting. For the past month, \$79,000 was spent as budgeted in these areas.

Richard refreshed our memory about the utilities project that is occurring on the West side of the parking lot on Colgate for which we have already approved the \$488,000 cost. That is now underway.

NEW BUSINESS

Carol Goglia addressed the Mission and Outreach Minutes in the Vestry packets that name the three recipients of the Christmas offering chosen by M&O. They are as follows: Local, United We Learn and Foster Elementary School in Dallas; National, Children's Bereavement Center in South Texas in partnership with St. Phillips Episcopal School; and International, Holy Spirit Episcopal Scholarship Fund in Honduras. Arnold Spencer made a motion to approve the three recipients,

and Louise Griffeth seconded the motion. The motion passed unanimously. Richard thanked the M&O for a job well done.

Richard then brought up the concept of going from grants to line-item budgets in M&O. Ken said that this is something that has been discussed in the past. Chris has asked if we should be giving outright grants to organizations or rather our primary focus with M&O should be to mobilize parishioners to work with those partners that we have identified. We would have line-item budgets as our parishioners are engaged in those areas. Robin Hinkle added that M&O is beginning their work on a budget process that they could look at for next year. She said that it is a process of discovery that could possibly lead to restructuring the M&O budget going forward. Robin said that the way it is being done now is time consuming with a lot of paperwork on both sides doing the same thing year after year with little knowledge of the impact we are making in return.

The Rev. Ken Brannon asked the Vestry to refer to their Vestry packets for the information about Standing Committees of the Vestry and how important they are. They are suggesting more standing committees with more opportunities for leadership, and their work would be more aligned with Chris' priorities now. The old charter did not talk about leadership rotation This would increase the leadership development pools by rotating the leadership which would keep them fresh and robust. The idea is to grow into the EOS system where standing committees need to be aligned with planning documents. Ken said that his role is that of an integrator between the Staff and the Vestry, Chris and the Wardens. This document outlines a reporting process that structures the flow when names are being considered for leadership positions. The names would first go to Ken, then to Chris and the Wardens including their background information relating to their qualifications. There would be an approval process from the Directors before going to the Vestry for approval. This ensures that the integrative procedure that is going on at the staff level is continuing. The few exceptions would be the four named Standing Committees that are governed by the by-laws. Ken said that this document represents a lot of work on behalf of the leadership in the church. Ken and the Chancellors have refined this projected process eight times. He said that this would shift the way the Vestry functions as there would be core groups with a Vestry representative assigned to each group.

Chris thanked the Chancellors and Ken for a huge amount of work. He then told the Vestry that this could potentially shift the way that Vestry members function when it comes to the core ministries of the church. Instead of the classic liaison model that the Vestry now uses, Chris wants to shift in 2023 to where he and the Vestry will be working together to help achieve the goals. He said that members of the Vestry who are not Wardens will be assigned to Chris to help him achieve the goals as we are shifting the Vestry's responsibility to very strategic work. Chris thinks that we should do less but do it very well as the standing committees will become more present in what is done month to month outside of the Vestry and then they will report to the Vestry. Instead of a Vestry representative being a liaison to the committee, the Chairman of the committee would come to the Vestry to present. The Priests representing the committee chairs will also be very important in this process. The committees will shift based on specific goals and participation by the parishioners. Arnold Spencer added that this plan is about running the church

more efficiently. He said that this corporate structure is focused on church management and church operations. We shall have different relationships with entities outside of the church.

Richard then asked the Vestry how much review is necessary for them before approving this plan. He pointed out that the decision does not need to be rushed as this information given to the Vestry is in draft form, but the Vestry is being asked to approve it today since so much work has already been done, and time is of the essence getting started on the plan. Erica said that she agrees. Carol Roehrig addressed the transition process for committees such as the CCC that are not standing committees and asked if there was a way to migrate those together. Ken referred her to the printed material in the handout where they are named. Darrel Rice made a motion to approve the plan as is, adding that any tweaks, if necessary, could be made by the Wardens, Ken and Chris, and the final draft would then be sent to the Vestry for approval. Kelly Reddell seconded the motion. Jack Rubarth then asked how the communication works between the committees and the Vestry. Richard said that the Chairman of a committee and/or the Clergy or Staff person would come to the Vestry for approval. Chris said that the Building and Grounds Committee chaired by Tom Stewart is a good example of how this works. The B&G report is submitted to the Vestry each month and then is approved on the Consent Agenda. Ken said that this process is addressed in the plan. He said that the Vestry can also ask a committee for a report if necessary. Richard asked for a vote on the proposal, and the motion was approved.

Richard reminded the Vestry that the nomination process for the Vestry and the Delegates to the Diocesan Convention will not be over until the Parish meeting as nominations could still be offered through petition October 10. Chris mentioned that the fall Vestry retreat is October 22 from 8:00 am until 12:00 pm. He then said that immediately following this meeting we shall be entertaining the Staff Directors with refreshments and encouraged everyone to stay and visit.

Having no further business, the meeting was adjourned.

Respectfully submitted,

Nancy Wilbur
Clerk of the Vestry