

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

April 15, 2020

Summary of Actions Taken

- Approved Consent Agenda
- Approved a Payroll Protection Program (PPP) loan for Saint Michael and All Angels Episcopal Church and the Saint Michael Episcopal School
- Approved the Campus Committee Construction Charter

The regular meeting of the Vestry of Saint Michael and All Angels Episcopal Church was held on April 15, 2020, via ZOOM call.

Vestry members in attendance were Jay Lipscomb, Senior Warden; John Ellerman, Junior Warden; Blair Oden, Warden-at-Large; George Baldwin, Richard D'Antoni, Jane Greene, Louise Griffeth, Hallie Lawrence, Stacey Malcolmson, John McFarland, Jr., Steve McKenney, Kyle Moore, Anna Paccone, Darrel Rice, and Erica Sartain.

Ex-officio members in attendance included The Rev. Dr. Chris Girata, Rector; Kathy Kelley, Treasurer; and Ginger Brown, Clerk of the Vestry. Others in attendance included The Rev. Ken Brannon, Vice Rector, Margaret Spellings, Rob Baber, Caroline Marak, Colleen O'Hara, Steve Haal, and Stewart Thomas.

Jay Lipscomb, Senior Warden, called the meeting to order. Steve McKenney opened the meeting with prayer.

Prior to the meeting the Vestry received for its review the materials included in the Consent Agenda, which consisted of the March 11, 2020 Vestry minutes, the Saint Michael Women's Exchange Report, the Saint Michael Episcopal School (SMES) Report, the Mission and Outreach Report, the Jubilee Report and the Campus Construction Committee Charter. After a minor correction to the minutes and removal of the Campus Construction Committee Charter from the Consent Agenda for later discussion, a motion was made by George Baldwin and seconded by Jane Greene to approve the Consent Agenda. The Consent Agenda was unanimously approved by the Vestry.

Discussion of the Agenda

George Baldwin reported that there was no Audit Report for this meeting.

Stewardship Report

Caroline Marak reported that the Stewardship Committee met on April 15 and had a good meeting and discussion on moving stewardship into spring, summer and fall. 1st quarter statements were mailed to parishioners on April 13, and those who have contributed to SMAA via text will receive a note from the Rector. She said that there is a stewardship focus on appreciation for the continued support received from SMAA parishioners.

Financial Report

Kathy Kelley reported that the Finance Committee discussed and approved a loan application to be submitted under the federal Payroll Protection Program (PPP) for SMAA as well as for the Saint Michael Episcopal School (SMES) and the Saint Michael's Women's Exchange. The application, which was submitted to Bank of Texas on April 3, 2020, in the amount of \$1,153,200 is to cover 8 weeks of payroll and utilities if needed. Two-thirds of the proceeds will be for the SMAA payroll with about one-third for SMES and a small amount for the Women's Exchange. The amount of the loan is calculated on a 12 month look back on payroll and will be forgiven if properly used under the guidelines of the Payment Protection Program. The proceeds will cover payroll for the 8 weeks following the funding of the loan. Upon SMAA's presentation of supporting documents showing that all requirements have been met, the loan is scheduled to be forgiven. Some discussion followed, and it was noted that the loan does not require any collateral or guarantees. Richard D'Antoni moved for approval to authorize Jay Lipscomb, Senior Warden, to sign the loan documents. George Baldwin seconded the motion, and the motion was unanimously approved by the Vestry.

Kathy reported that first quarter financials reflect nice revenues due to a strong January and February; however, a slowdown is expected, and a revenue shortfall is predicted during the year due to the declining economy brought on by the Covid-19 situation. The PPP loan is meant to bridge any gaps resulting from possible revenue variances going forward so that SMAA can fully retain all employees. Total revenues through March 2020 were \$354M over budget, with current year pledges \$273M over budget. Expenses were \$81M under budget resulting in a net surplus of \$435M for the quarter. There were no fundraising requests reported.

Senior Warden Report

Jay Lipscomb thanked Kathy Kelley and Rob Baber for their excellent work and quick response in getting the Payroll Protection Program loan application completed and submitted to Bank of Texas. He reported that the application had been approved and that the proceeds of the loan were expected in a matter of days. He also expressed appreciation to the clergy and the staff for their great work in keeping the parish engaged with the church during this unusual time and providing a phenomenal Holy Week and Easter where everyone stepped up for a unique experience. Ken Brannon added his thanks to the technology team for their outstanding efforts.

Jay then introduced the Campus Construction Committee Charter, which had been previously sent out to the Vestry for review. Jay moved to approve the Charter in its current form, and George Baldwin seconded the motion. Discussion of the Charter followed including questions and clarification of membership qualifications, approval requirements for committee members and frequency of committee reporting to the Vestry. Erica Sartain moved to amend the motion for approval of the Charter to also require Vestry approval for any additional members added to the committee. Jane Greene seconded the motion; and the Charter, as amended, was unanimously approved by the Vestry.

There was no report from the Junior Warden.

Rector's Report

The Rector reported that an Easter Podcast would start on April 20 following a great response to the Lenten Podcast. The Easter Podcast will be 30 episodes each lasting less than ten minutes with an opening prayer, reading, meditation and a closing prayer. He also reported that church attendance had grown over the last few weeks with viewers all over the world accessing SMAA services via Livestream and Facebook. He expressed thanks to former Senior Warden Warren Houser whose efforts to upgrade and invest in technology have put SMAA in a great position to consistently offer LIVE church and further said that he was very proud of the SMAA team that is supporting the technology. He noted that there are a number of metrics that are measuring the success of the LIVE services and that the services allow SMAA to differentiate itself by offering a Sunday morning service live and online with full Eucharist and morning prayer. He also reported that the TEXT to Give program has been successful with over 9,000 gifts coming in by text on Easter, which led to further discussion about giving being a spiritual expression of discipleship and not a charitable contribution. He talked about multiple live events available in addition to the Sunday services, including the Rector's bible study, evening Compline services, live EYC events and the opportunities to incorporate more digital engagement into what is being offered by SMAA. He mentioned that

there may be some delay in the capital campaign for SMAA campus renovation; however, it will not be cancelled.

The Rector thanked Ken Brannon and expressed kudos to Ken for his role as Vice Rector as he has created, updated and ensured compliance with policies and been consistent in communication to staff and setting clear expectations, direction and boundaries. He said that the staff is working from home and has been able to make necessary changes to continue to collaborate and deliver. He further said that SMAA would continue to follow government orders as well as the Bishop's directives and to keep an eye on the staff. He noted that he and the Vice Rector were working very well together during this time, and he was pleased that it filtered down to staff. He thanked Margaret Spellings for her review of the PPP loan documents.

Jay Lipscomb moved to adjourn the meeting and the motion was seconded. The Vestry meeting was adjourned.

Respectfully submitted,

Ginger Brown
Clerk of the Vestry