



Vestry Minutes

Episcopal Church of the Transfiguration

July 28, 2020 - 7:00 p.m.

Location: Virtual Meeting using Web Conferencing

Approved by the Vestry August 25, 2020

Vestry members in attendance: Julia Trizzino, Senior Warden; Robin Caldwell; Frank DeLizza, Scott Daniels; Linda Horton; Rosemary Luquire; Mason McCamey; Mark Ramsay; and Sheila Runnels MacLennan, Evan Williams

Vestry members not in attendance: Oliver Cone, Junior Warden, and Jodi Dalton

Others in attendance: Casey Shobe+, Rector; Rebecca Tankersley+, Associate Rector; Allison Murphy, Treasurer; Peggy Kwoka, Clerk to the Vestry; Sophie Lowrance, Parish Administrator; TJ McCoy, Director of Communications; Cindy Hauser, Director of Children's Ministries; Anne Schmidt, Director of Evangelism and Welcoming Ministries; Dave Monaco, Head of School, Parish Episcopal School; Joel Martinson, Director of Music & Organist; Bill Evans, Endowment Chair; John Mottram, Endowment Committee Treasurer; Sarah Pratt, PSK, LLC

1. Opening Prayer: Mason McCamey led the Vestry in the prayer:

While we grieve our closed churches,
I wonder if, maybe,
just maybe, Jesus is happy
he's been let out of the constraints
of the physical church building for a little while, free to stretch his long limbs of love in the world.

Since we can't go to him, I imagine him coming out to us. I imagine his neck stiff
from resting his sacred head on our stone altars,
his elbows cramped
from bending to fit into the transepts,
his holy feet
always pressed against the doors to the narthex.

I imagine him bending double
to step through our low entrances
and out into crowning wreaths of cherry blossoms.

I imagine him traversing our cities,
wiping away tears with the hem of his robe, offering bread to those who need it,
keeping vigil, fingertips blessing blazing foreheads, with all those who die alone.

We long to return to our churches, incense sanctifying our plaster and stone.

But Jesus lives and breathes out here among us, and every molecule of oxygen

is holy air.

AMEN

2. **Formation:** The Rev. Casey Shobe led the Vestry in a discussion of John 9:1-8.
3. **Enthusiastic Episcopal Evangelism (EEE):** The Vestry shared their experiences since the last meeting.
4. **Adoption of Minutes:** Peggy Kwoka, Clerk to the Vestry

MOTION: Julia Trizzino moved to adopt the minutes of the June 23, 2020, Vestry meeting. Robin Caldwell seconded the motion, and the motion carried.

5. **Parish Episcopal School:** Dave Monaco, Head of School
 - a. Dallas County issued an order to close schools through September 8, 2020, which changed the school's plans. Attorney General Paxton provided an order of guidance that stated that religious schools did not need to adhere to the county orders. PES will start with remote learning.
 - b. The Board reconvenes next week, starting earlier than the usual start time at the end of August due to Covid-19 and social justice issues.
 - c. Mr. Monaco is anxious for everyone to be on-site, but also concerned about the impact on adults on the campus. They have 230 employees. The Rector said the school would continue to be in our prayers
 - d. The space requirements will be the youth center alone and not the Clothes Horse or the classrooms upstairs in the main building.
6. **Audit Report from Sarah Pratt, PSK, LLP**
 - a. Independent Accountants' Report on Applying Agreed Upon Procedures
 - b. The diocese requires that an internal audit be performed each year. Our church has an "agreed upon procedure" with the diocese that requires an independent review of the internal controls and not the actual financials.
 - c. The Vestry was given a July 9, 2020 draft of the procedures completed by PSK, LLC, for review and questions.
 - i. Three exceptions were noted:
 1. A significant variance in the Program Staff Insurance expense account due to the hiring of a new program staff person with benefits.
 2. A ledger balance on the BB&T Operating Acct (6382) reconciliation was overstated with respect to the actual general ledger balance by \$3,343.02. This issue is being researched and thought to be caused by timing.
 3. An I-9 form was not received for one of five employees.
 - ii. The report reviewed progress on prior-year commitments.
 1. Employee files – Progress was made on including I-9 forms for each employee and filing them separately from their personnel files.
 2. Overtime pay changes – The report discusses changes to the regulations from January 2020 and makes suggestions for the church to review compliance with the new regulations.
7. **Bill Evans, Chair of Endowment, John Mottram, Treasurer of Endowment**
 - a. Mr. Evans and Mr. Mottram provided an update on the financial status of the Endowment Fund. At the end of June, the fund had just a little under 1.8 MM, which is an increase from June 2019. A total of 10% is in the bank, 20% in fixed income and the rest is in equity. The current investment

managers (Westwood) have provided a return of 5.49% per year for the fund since January 2017. The benchmark was 6.79%. They invested primarily in value stocks, while the growth stocks have done better during this time.

- b. A \$50,000 gift to Youth/special fund was provided by Chris and Whitney Holley to support seminarians.
- c. The policy is to approve grant requests up to 4.5% of what is in the fund. Through June of this year, they have not received any requests. Often people wait until December to request money from the fund, which makes it challenging to manage.
- d. The Trustees recently approved changing to a new financial advisor.
 - i. There were nine weighted criteria to decide on the new financial advisory. These criteria included fees, financial advisory experience, depth of skills, length and tenure of managers, portfolio performance, and whether they could help Endowment to determine how they could grow the funds and provide new ideas to the church.
 - ii. After a long process, they decided to move to the Episcopal Church Foundation. It's been around since 1949. The Foundation uses State Street Advisors in Boston. The fee structure is much better than Westwood. They help parishes around the country on planned giving and will help us in structuring those gifts. The Endowment Committee is working on moving the assets from Westwood to The Episcopal Church Foundation.
 - iii. No vote is required because the Trustees have the authority to make this decision.

8. Treasurer's Report: Allison Murphy, Treasurer

- a. The church has a \$59,559 surplus through June.
- b. Losses (actual vs. budget) in the intentional giving account will continue to grow as this new type of giving has not been advertised given no in-person services.
- c. Current year pledges are 7% ahead of where we were last year and higher than the five-year average. Expenses are lower.
- d. 2020 Financials (YTD)
 - i. Revenues are \$ 979,291 vs. \$ 1,007,652 budgeted.
 - ii. Expenses are \$ 919,732 vs. \$1,016,030 budgeted.
- e. 2020 Financials (June)
 - i. Revenues are \$ 147,525 vs. \$156,439 budgeted
 - ii. Expenses are \$ 131,401 vs. \$151,779 budgeted.
- f. The Rector said it is remarkable how well the congregation is continuing the giving considering the social distancing requirements of Covid-19.

9. Budget, Finance & Administration: Robin Caldwell, Chair

- a. Employee Policy and Procedures book was reviewed by Eva Turner, a Human Resources Attorney, with recommendations noted. There is no travel policy in the handbook, so that is being drafted. They are looking at combining the sections on vacation, PTO, and sick leave.
- b. Church Policy and Procedures book – committee members and leaders are required to sign a conflict of interest form, and that form will be circulated
- c. Mark Ramsay discussed the Columbarium Fund. BFA is suggesting that the \$32,042 fund currently with Endowment be moved under the control of the church, along with the \$20,292 Columbarium funds currently at the church, and put in a TD Ameritrade account, after allowing approximately \$10,000 in reserve at the church. They have consulted with Paul Sternweis, who chairs the Columbarium Committee. The money needs to be all in one fund (not partially in Endowment and partially under church control). The expenses aren't much, primarily

maintenance and purchase of niche plaques. The money is not used for the maintenance of the garden. The Columbarium Committee is responsible for how the money is managed. The suggestion is that some of the money will go into a ladder CD, and some will be kept liquid to cover expenses.

MOTION: Mark Ramsay moved that the Vestry direct: Endowment to cut a check to the church for the amount they hold for the Columbarium fund; Sophie Lowrance to open a separate TD Ameritrade investment account for the Columbarium fund; Ms. Lowrance to determine the immediate cash needs of the Columbarium, and place the remainder in the TD Ameritrade account. Evan Williams seconded the motion, and the motion carried.

- d. Rosemary Luquire provided an update on the Nominating Committee, which is a twelve-member committee with several previous Sr. Wardens. They asked all of the ministries to spread awareness about what they are doing. Is there going to be a Diocesan convention this year? The Rector said there will be one and that it will likely be virtual. Robin Caldwell, Julia Trizzino, and The Rector have provided some suggested names for nomination. The voting process is complicated since we won't be in church. We could do ballots by mail, or we could use an electronic method. The Bishop may also provide guidance. Sophie will reach out to the Consortium of Endowed Episcopal Churches (CEEP) to find out how other churches are managing.

10. Mission & Ministry: Mason McCamey, Chair

- a. In the next meeting, we are going to go back and review the strategic goals.
- b. We did not have a Connections Committee meeting because a lot of our plans were dependent on the Communications Director.

11. Buildings, Grounds, and Technology: Jodi Dalton for Frank DeLizza, Chair

- a. We got the cost proposals in on the camera and audio-visual system, and it was within the authorized funds. Therefore, we are going to go ahead with it.
- b. The sunscreen is being built in the side yard. The permitting process is delayed due to Covid-19, and so the project will be delayed.
- c. Several flat roofs are being re-roofed.
- d. UV filters were put into the HVAC systems.
- e. Sheila Runnels MacLennan updated the Vestry on the Safety and Security subcommittee. They have the draft of an Emergency Response Plan and Procedures Manual.
- f. Robin asked if there is a speaker system churchwide. There is not.

12. Rector's Report: Casey Shobe +, Rector

- a. Two staff changes – TJ McCoy joined the staff as Director of Communications following Judson Watkins resignation, and Dana Jean has increased hours to focus on Outreach.
- b. The staff is working as a cohesive unit and pulling in the same direction. As a result, we are going into a Fall with lots of uncertainties, but we are going to thrive. We are going to do the things we planned but do them differently. For example, there will be an Evangelism event.
- c. We may consider having some outdoor services at some point.
- d. Caroline Georges asked if we could open the bookstore by appointment, perhaps on the days that people can visit the church, and the Vestry agreed it was acceptable. The Rector will work with her to set it up.

13. Warden's Report: Julia Trizzino, Senior Warden

- a. The church will lease the Youth Center to PES for \$60,000 (August 2020 through May 2021). The Vestry had talked about reserving some of the money for the youth, but can determine the amount and make a motion in the August meeting.
- b. An update on financials will go out with the next giving statement letters.
- c. Lana Mederos has put together the call list for the Vestry Congregation calls.
- d. Thank you notes were reviewed.
- e. Cindy Hauser asked if each of the Vestry members could write a letter to one of the third graders receiving the Bible. She asked that, in the letter, we would share three things; our first memories of the Bible, our favorite character, outside of Jesus, and our favorite story or verse from the Bible. She will need the letters by August 24. The Vestry can mail or drop off the letter at the church.

The meeting adjourned at 9:29 p.m.

Respectfully submitted,



Peggy Kwoka
Clerk to the Vestry

Upcoming Events

- Services available live on Facebook:
 - Weekdays – Daily office: 8 a.m., noon, 6 p.m., 9 p.m.
 - Saturday – 8 a.m. and 9 p.m.
 - Sundays – Worship at 9 a.m. (recorded, but the community can view at the same time), 9 p.m.
 - Formation Class on the Gospel of Mark 10:15-11:15 a.m. Sundays 6/14-8/30
 - Private devotion slots available Tuesday, Thursday and Sunday each week (sign up on REALM)

MOTIONS:

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