

BYLAWS OF
ST. TIMOTHY'S EPISCOPAL CHURCH

St. Timothy's Episcopal Church, Centennial, Colorado, a parish acceding to the Constitution and Canons of the Episcopal Church and the Constitution and Canons of the Diocese of Colorado and being constituted by the Convention thereof, does hereby establish and adopt these Bylaws for the governance of the parish in order to enable it to perform those responsibilities reposed upon it by Canon and to provide for its orderly governance.

References throughout these Bylaws to one gender shall apply to both genders equally.

ARTICLE I - NAME

The name of the Corporation is St. Timothy's (the "Parish"), incorporated under the laws of the State of Colorado.

ARTICLE II - MEMBERSHIP

Any person who has received the Sacrament of Holy Baptism with water in the Name of the Father, and of the Son, and of the Holy Spirit, whether in this Church or in another Christian Church, and whose Baptism has been duly recorded in this Church, is a member thereof.

ARTICLE III - PARISH OFFICERS

The Parish shall be governed by the Vestry, which shall consist of the Rector of the Parish as President, a Senior Warden, a Junior Warden, and nine (9) Vestry Members.

Section 1 - The Rector - The Rector shall be the head of the Parish, shall have control of all spiritual matters, including the appointment and direction of services and Christian education, the use of the Church buildings, the management of any Church school, and shall preside at all Parish and Vestry meetings. The Rector shall develop with the Vestry a job description and qualifications for the Rector, other Clergy and paid staff in accordance with the guidelines established under the Canons of the Diocese of Colorado. The Rector shall act as the Chief Executive Officer of the parish and is vested with those powers conferred by canon. He shall execute, upon approving action of the Vestry, all deeds, mortgages, conveyances, or other instruments which shall require execution by the Corporation. He shall perform any other duties pertaining to his office as directed by the Vestry.

Section 2 - Assistant Ministers and Curates - Assistant Ministers or Curates shall be employed by the Rector subject to the approval of the Vestry. Said Assistant Ministers or Curates shall possess the powers and shall perform such duties as may be delegated to them by the Rector.

Section 3 - Wardens and Vestry Members - The Wardens and Vestry Members shall have charge of the temporal matters and shall attend to all the business matters of the Parish, including

the providing and keeping in good order of a house of worship and all the necessary furniture and appointments of the same, the furnishing of all things requisite to the proper carrying on of the work of the Church in the Parish, and the payment of all properly authorized Parish obligations and dues.

A. Eligibility - The Wardens and Vestry Members shall be elected from among the communicants in good standing, as defined in the National Canons of the Episcopal Church, and who are eighteen (18) years of age or older, and who have been members of the Parish Register for at least six (6) months. Only one member of an immediate family (husband, wife, children) may serve on the Vestry at any one time.

B. Term - The Senior and Junior Wardens shall be elected annually. Each may be nominated by the Rector and shall hold office for not more than three successive one-year terms as Senior or Junior Warden. In the event of a vacancy occurring in the office of Senior or Junior Warden, the Rector will nominate a candidate to fill such vacancy and this recommendation may be approved by the Vestry.

Vestry Members shall be elected for three-year terms, with one-third of the Vestry Members being elected each year, and no Vestry Member may be eligible for reelection as Vestry Member until after the expiration of one year from the date of the termination of his previous elected term. Vacancies occurring in the office of Vestry Member shall be filled by the Vestry until the next Annual Meeting of the Parish, at which time additional Vestry Members shall be elected to fill out the unexpired terms. Any Vestry Member appointed by the Vestry shall be eligible for election to the Vestry at the next Annual Parish Meeting. Any Vestry Member elected at an Annual Parish Meeting to fill an unexpired term of less than two years shall be eligible for re-election for a full three-year term at the next Annual Parish Meeting.

In the event of unusual circumstances, such as the resignation or retirement of the Rector, when there is a need for continuity of leadership as determined by the Vestry, the Vestry may submit the name(s) of any Warden to the congregation, at the annual meeting for a one year extension of term past the above limits. This extension may be done no more than twice.

With the exception of the conditions of the paragraph above, no person shall serve more than six consecutive years as a combination of Warden or Vestry Member.

Section 4 - The Clerk of the Vestry – The Clerk of the Vestry shall be appointed by the Vestry and shall keep full minutes of all Parish and Vestry meetings, shall issue all calls for meetings as directed, shall notify all officers of their election, and shall have charge of and keep the seal of the Corporation and affix the same, attested by his signature, to such instruments as may require the same.

Section 5 - The Parish Treasurer - The Treasurer shall be appointed by the Vestry and shall have custody of all funds of the parish, keep financial records and issue reports on the same to the Vestry as requested. The Treasurer shall remain in compliance with all applicable canons of

the Episcopal Church in the USA and the Diocese of Colorado, and shall be bonded if such canons so require. The Vestry may appoint an assistant treasurer, if needed. The Treasurer shall be a non-voting participant in Vestry meetings unless he is a Vestry Member.

A financial report shall be submitted at each regular meeting of the Vestry. Quarterly, if so requested by the Vestry, a detailed financial transaction report will be submitted advising the Vestry as to budget expenditures and balances and setting forth the areas of budget deficit. All treasurers' reports will be summarized in the Clerk's report of each Vestry meeting and available upon request to any member of the Parish.

Section 6 - Convention Delegates - Delegates to the Annual Convention of the Diocese of Colorado and the Diocesan Regional assemblies must be adult communicants of this Church in good standing, as defined in the National Canons of the Episcopal Church. Delegates shall attend the Annual Convention and such other special meetings as may be called by the Diocese, and each shall represent the Parish as the delegate's conscience requires, bearing in mind any specific voting direction by resolution from the Vestry.

ARTICLE IV - VESTRY MEETINGS

Section 1 - Regular Meetings - The Vestry shall meet each month for its regular meetings. Such regular meetings may be waived by majority vote of the Vestry and Wardens, but in no case shall the Vestry meet less than ten (10) times per year. The Vestry, at its first meeting held after the annual meeting, shall set the time and place for its regular meetings for the succeeding year. No notice of such regular meetings thereafter need be given.

Special meetings of the Vestry may be called by the Rector, either Warden, or two (2) Vestry Members. Notice of such special meetings must be delivered either orally or in writing not less than five (5) days prior to the date of the said meeting, stating therein the purpose of the meeting.

Section 2 - Quorum, Participation and Voting - A majority of the Vestry shall constitute a quorum, and a majority of the members in attendance at any meeting shall, in the presence of a quorum, decide Vestry action. A Vestry Member may participate in any meeting by speaker telephone by which all members of the Vestry participating in the meeting may hear and communicate with each other simultaneously. After a meeting has been convened with a quorum present, withdrawal of members to less than a quorum prior to adjournment shall not invalidate any action taken by the remaining members present, provided that a majority of those present when the action is taken decide the Vestry action. If only a minority of the Vestry are present when a regular or special meeting is convened, the minority may, in the absence of a quorum, adjourn to a later date, but may not transact any business. Each Vestry Member shall have one vote, and a majority vote of the Vestry Members participating shall constitute the affirmative decision of the Vestry. No proxy votes shall be allowed.

Section 3 - Rules of Order - The Vestry may set its own rules of order by custom or by resolution. In the event no rules of order are recognized, or if any Vestry Member shall request, *Robert's Rules of Order*, most recently revised, shall govern the conduct of all meetings of the Vestry and membership. In the event of the establishment of committees and commissions, the Vestry in the resolution establishing the same, may require the use of such rules of order by such committee or commission.

Section 4 - Unanimous Consent in Lieu of Meeting - The Vestry may take action by unanimous written or electronic consent in lieu of a meeting. To accomplish unanimous written or electronic consent, each Vestry Member shall be presented with and execute approval of an identical resolution or other proposed Vestry action. Such approval shall be manifest by the Vestry Members' handwritten signature, or by delivery of the Vestry Members' intentionally affixed electronic signature, sound, symbol, or process logically associated with the return of the resolution and otherwise executed in accordance with the Uniform Electronic Transaction Act, COLO. REV. STAT. '24-71.3-101 et seq.

Section 5 - Officers of Vestry Meetings - The Senior Warden, if present, shall preside at all Vestry meetings. In his absence, the Rector shall preside. In his absence, the Junior Warden shall preside. No meeting of the Vestry shall be held without the Rector present unless the Rector has not objected to the meeting being so held, provided the Rector has received notice of the same as required by these Bylaws. In no case shall a meeting be held without a Warden present. The presiding officer at the Vestry meeting shall only vote on a resolution in order to break a tie vote.

Section 6 - Election of Clerk and Treasurer - The Vestry, at its first meeting after the Annual Parish Meeting, shall elect a Clerk of the Vestry and a Parish Treasurer, both of whom must be qualified electors of the Parish but need not be members of the Vestry. Said Clerk and Treasurer shall be elected to serve for the ensuing year and until the election of their respective successors.

Section 7 - Replacement of Vestry Members - A Vestry Member missing three consecutive meetings, without a valid excuse accepted by the Vestry, may be replaced at the discretion of the Vestry.

ARTICLE V - PARISH ANNUAL MEETING

Section 1 - Annual Meetings and Agenda - An annual meeting of the membership shall be held in the month of January or February of each year at a time and place to be set by the Vestry. The Senior Warden shall set the agenda for the annual meeting in accordance with these Bylaws and the Articles of Incorporation of the Parish. In addition, the Senior Warden shall include a matter on the agenda of the annual meeting if ten or more qualified voting members have requested (in a writing delivered to the Senior Warden at least ten days prior to the annual meeting) that a matter be so included. The agenda of the annual meeting shall also include those items of business required by the Canons of The Diocese of Colorado, if any.

Section 2 - Voter Qualifications - All communicants in good standing listed in the Parish Register who are eighteen (18) years of age or older shall be entitled to vote at the meeting.

Section 3 - Notice of Meetings - Notice of the time, place, qualification of voters and purpose of any meeting of the membership shall be given at the Sunday services for not less than two (2) consecutive Sundays preceding said meeting, or by publication, no less than ten days nor more than forty-five days in advance of the annual meeting, in any newsletter or other type of general communication regularly sent to all the members.

Section 4 - Special Parish Meetings - Special Meetings of the Parish, for any purpose or purposes, unless otherwise prescribed by canon or statute, may be called and held pursuant to a resolution of the Vestry, or pursuant to the call of the Rector of the parish, or to a call signed by ten members in good standing of the Parish.

Section 5 – Quorum - Fifty qualified voters of the Parish shall constitute a quorum at any Parish meeting, and a majority of such quorum shall decide any question brought before such meeting. After the meeting has been convened with a quorum present, withdrawal of voters to less than a quorum prior to adjournment shall not invalidate any action taken by the remaining voters present, provided that a majority of those present when the action is taken decide the action. In the absence of a quorum when the meeting is initially convened, those present may adjourn the meeting to a later date, but until a quorum is secured, no business may be transacted. No proxy votes shall be allowed.

Section 6 - Officers of Parish Meetings - The Senior Warden, if present, shall preside at all Parish meetings. In his absence, the Rector shall preside. In his absence, the Junior Warden shall preside. No meeting of the Parish shall be held without the Rector present unless the Rector has not objected to the meeting being so held, provided the Rector has received notice of the same as required by these Bylaws. In no case shall a Parish meeting be held without a Warden present.

The Clerk of the Vestry shall keep a full record of the proceedings of all Parish meetings. If the Clerk is not present, the presiding officer shall appoint a clerk pro tem.

Section 7 – Voting - The voting at all Parish Meetings for election of Wardens and Vestry Members shall be accomplished by written ballot, prepared and issued by the Clerk of the Vestry. Only those members of the Parish present at the meeting shall be entitled to vote. No proxy votes shall be allowed.

A majority vote shall be required to pass any measure at the annual meeting, unless a greater percentage is required by law or by the Articles of Incorporation. The election shall be held by secret ballot at the request of any member, or in the event of an election contest.

Section 8 - Inspectors of Election - Two Inspectors of Election shall be appointed by the Vestry before or at each Parish meeting at which an election shall take place. The Inspectors shall be chosen from among the communicants in good standing qualified to vote in said election, shall receive and take charge of all ballots, and shall assist the Clerk of the Vestry in deciding all

questions regarding the qualification of voters, the eligibility of candidates, and the acceptance and rejection of votes. In case of disagreement on any question, the vote of two of the three above mentioned shall decide.

ARTICLE VI - COMMITTEES

The Vestry shall establish a Finance Committee, a Stewardship Committee, a Columbarium Committee, and an Endowment Committee with such duties and powers as the Vestry determines. The Vestry may additionally establish such committees and commissions as it deems necessary to carry out the purposes of the parish. The duties and powers of such additional bodies shall be set forth in the minutes of the Vestry.

ARTICLE VII - SEAL

The Seal of the Corporation shall be the name, "St. Timothy's Episcopal Church, Centennial, Colorado" in a circle and in the center thereof, the word, "Seal" beneath a Latin cross.

ARTICLE VIII - AMENDMENTS

Section 1 - Notice of Proposed Amendment - Any proposal to alter, amend or repeal any part or all of these Bylaws must be submitted in writing to the Vestry at least twenty (20) days prior to a Vestry meeting and signed by the person or persons submitting the same.

Section 2 - Adoption of Amendment – A three-quarters majority of Vestry Members present is necessary to alter, amend, or repeal any part or all of these Bylaws.

ARTICLE IX - ENDOWMENT COMMITTEE

Section 1 - Function of Endowment Committee - All major gifts and bequests (remainder interests and special gifts) received by St. Timothy's will be invested and managed under the direction of the Endowment Committee consisting of five (5) people. Said Endowment Committee will be established by the Vestry with the tasks of management, investment and raising endowment funds within the parish. The Vestry shall set standards for the determination of a threshold amount which shall constitute a "major gift" or "bequest."

Section 2 - Qualifications of Committee Members - In order to qualify for appointment to the Endowment Committee by the Vestry, potential members must be communicants of the Parish in good standing, as defined in the National Canons of the Episcopal Church. The term of committee membership shall be three (3) years; however, initial appointments will be staggered such that two (2) committee members will serve an initial one (1) year term, two (2) committee members will serve an initial two (2) year term, and one (1) committee member will serve an initial three (3) year term. No more than one (1) member of the Endowment Committee can be a member of the current Vestry appointing committee members.

Section 3 – Term - After expiration or a term of service, Endowment Committee Members may be appointed to another term on the Endowment Committee after being off for one year.

Section 4 – Quorum - In order to constitute a quorum, at least four (4) members of the Endowment Committee shall attend any regular or special meeting. Except as hereinafter set forth, all decisions of the Endowment Committee regarding the management, investment and raising of endowments shall require consent of a minimum of four (4) of the five (5) members.

Section 5 - Maintenance and Distribution of Funds - The Endowment Committee shall invest, maintain and monitor the funds of the parish endowment in accordance with the laws governing fiduciaries under the statutes and common law of the State of Colorado. Investments shall be made at the Colorado Episcopal Foundation unless the Endowment Committee and Vestry concur that a different investment vehicle is preferable based upon sound investment criteria.

Concerning the distribution of the income from endowment funds, the committee shall determine what is principal and income according to generally accepted accounting procedures. Moreover, all endowment funds shall accumulate until they reach an amount of \$100,000.00, after which the income generated from the investment of that principal must be expended. Distributions of income are to be made at least annually once the principal has reached \$100,000, unless two-thirds (2/3) of the Vestry resolves that the income or a part of it be retained in the fund and added to principal.

Unless redirected by a unanimous vote of all Vestry Members, income from the endowment funds shall be available to the Vestry annually to accomplish the following purposes:

- 25% used for major maintenance, capital improvement, or debt service, either immediately or placed in escrow for the future.
- 75% is to be used as recommended by the Endowment Committee with the approval of a majority of the Vestry for such purposes as may be appropriate for the operation of the Parish, with particular concern for outreach, both local and that promoted by the Anglican Communion Worldwide.

Section 6 - Use of Principal - Principal may be taken from endowments only for emergency parish needs. Distributions of principal may be made only with the concurrence of two-thirds (2/3) of the Endowment Committee, two-thirds (2/3) of the Vestry, and two-thirds (2/3) of the voting members of the Corporation.

Section 7 – Meetings - The Endowment Committee shall meet annually and other times as necessary. Special meetings of the Endowment Committee may be called at the request of at least three (3) committee members. A report of the Endowment Committee shall be made to the parish at its annual meeting each year.

Section 8 - Removal of Members - Any member of the Endowment Committee may be dismissed from said committee by unanimous vote of the full Vestry. Should all members of the Endowment Committee be dismissed, the responsibilities of said committee shall revert to the

Vestry for a period not to exceed ninety (90) days. By the end of said ninety (90) day period, the Vestry shall appoint a new Endowment Committee pursuant to these Bylaws.

Section 9 - Financial Transactions - All financial transactions of the Endowment Committee shall require the signature of two (2) committee members, or one committee member and the Parish Treasurer.

Section 10 - Bonded Status - The members of the Endowment Committee may be bonded in an amount determined by the Vestry, and the cost of said bond shall be paid by the parish.

Section 11 - Disposition upon Parish Dissolution - Should the parish close or this corporation be dissolved without succession, the endowments shall revert to the corporation known as the Bishop and Diocese of Colorado, Inc., also known as the Episcopal Diocese of Colorado, to be placed in its general endowment, with the income to be spent according to the determination of the Ecclesiastical Authority of the Diocese, his or her designated committee, or his or her successor.

ARTICLE X - CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1 – Contracts - The Vestry may authorize the Rector or any Officer or Officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the parish, and such authority may be general or confined to specific instances.

Section 2 – Loans - No loans shall be contracted on behalf of the parish and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Vestry and in accordance with the applicable provisions of the Canons of the Diocese of Colorado, if any. Such authority may be general or confined to specific instances.

Section 3 - Check and Drafts - All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the parish shall be signed by such Officer or Officers, agent or agents of the Parish and in such manner as shall from time to time be determined by resolution of the Vestry. In no case shall the Rector or other member of the Clergy be an authorized signatory of checks or drafts.

Section 4 – Deposits - All funds of the parish not otherwise employed shall be deposited from time to time to the credit of the parish in such banks, trust companies or other depositories as the Vestry may select.

ARTICLE XI - REPORTS, BOOKS AND ACCOUNTS

Section 1 – Reports - The Vestry shall prepare a written annual financial report listing the assets and liabilities of the parish, and describing its affairs throughout the preceding year. Such report shall be available to members at reasonable times at the parish office and shall be mailed to a member upon the member's written request. All such other reports as required by taxing and other governmental authorities shall be filed by the Parish.

Section 2 - Books and Accounts - The parish shall keep at its principal office complete and correct books and records of account, required notices and minutes of the proceedings of its members, Vestry and Committees, a record of names and addresses of the members and the Vestry, and all written communications sent within the past three years as a communication made to all members. All books and records may be inspected by any member to the extent provided by law, these Bylaws, or pursuant to any applicable Vestry policy.

The parish shall comply with all applicable laws relating to the maintenance and disclosure of its financial, medical, business and other records.

ARTICLE XII - INDEMNIFICATION AND INSURANCE

Section 1 - Indemnification of Vestry and Officers - At the sole discretion of the Vestry, the parish may indemnify and hold harmless, to the fullest extent allowed by law, any person who at any time serves or has served as a member of the Vestry or Officer of the parish. To be eligible for indemnification, the person's conduct shall conform to the strictures of COLO. REV. STAT. ' 7-129-102 (as it may be amended from time to time), to wit: the person's conduct shall have been made in good faith, in the reasonable belief that his or her conduct was not opposed to the corporation's best interests, and, in the case of a criminal proceeding, that the person had no reasonable cause to believe that the conduct was unlawful. The extent of the indemnification of the person may include, at the discretion of the Vestry: (a) reasonable expenses, including reasonable attorneys' fees, actually incurred by him or her in connection with any threatened, pending or completed action, suit or proceedings and any appeal thereof, whether civil, criminal, administrative or investigative, seeking to hold him or her liable by reason of the fact that he or she is or was acting in such capacity; and (b) reasonable payments made by him or her in satisfaction or any judgment, money decree, fine, penalty or settlement for which he or she may have become liable in any such action, suit or proceeding.

Section 2 - Indemnification of Employees and Agents - The Vestry, at its sole discretion, may indemnify an employee or agent of the parish who is not a Vestry Member or Officer of the Parish to the same extent as to a Vestry Member or Officer, if such indemnification is not inconsistent with public policy.

Section 3 - Evaluation - The Vestry shall take all such action as may be necessary and appropriate to authorize the parish to pay the indemnification required by this Article, including, without limitation, making a good faith evaluation of the manner in which the claimant for indemnity acted, the amount of indemnity due him or her, the impact of the indemnification upon the parish as a whole, and the justice of the matter.

Section 4 – Insurance - The parish shall have the power, by resolution of the Vestry, to purchase and maintain insurance on behalf of any person who is or was a Vestry Member, Officer, employee or agent of the parish, or is or was serving at the request of the parish as a

director, officer, employee or agent of any other corporation, partnership, joint venture, trust or other enterprise, against any liability asserted him or her and incurred by him or her in such capacity, or arising out of his or her status as such.

Section 5 - Non-Exclusivity of Rights - The right of indemnification herein above provided shall be in addition to the other rights of indemnification permitted by applicable law, and shall not be exclusive of any rights to which any such Vestry Member, Officer, employee or agent may otherwise be entitled under the Articles or Bylaws, any agreement, vote of the Board of Directors or otherwise with respect to any liability or litigation expenses arising out of his or her activities in such capacity.

ARTICLE XIII -- CONFLICTS OF INTEREST AND CONFIDENTIALITY

Section 1 – Conflicts of Interest - The parish’s affirmative policy shall be to require that all actual or potential conflicts of interest be disclosed promptly and fully to the Vestry and all other appropriate parties. This policy shall apply to all Vestry Members, Officers, members of committees appointed by or reporting to the Vestry, and all employees having discretionary management authority. When any such person has an actual or potential conflict of interest, as defined by the written policies of the Vestry and/or COLO. REV. STAT. ' 7-128-501, he or she shall make a prompt and full disclosure of such interest to the Vestry prior to its acting on the matter. Such disclosure shall include any relevant and material facts known to such person about the person’s relationship or interest and about the matter or transaction which might reasonably be construed to be adverse to the parish’s interest.

The body to which such disclosure is made shall thereupon determine, by a majority vote, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use any personal influence on, nor participate (other than to present factual information or to respond to questions) in, the discussions or deliberations with respect to such contract or transaction. Such person may be counted in determining whether a quorum is present but may not be counted when the Vestry or a committee votes on the transaction. The minutes of the meeting shall reflect the disclosure made; the vote thereon; where applicable, the abstention from voting and participation of the interested person; and whether a quorum was present.

Section 2 - Confidentiality - All persons who may serve the Parish as Clergy, or as a Vestry Member, Warden, committee member, employee, or agent shall recognize the confidentiality of information provided to such person in his or her official capacity. Information which may be considered confidential shall include financial information of individuals or families, medical or psychological information, information concerning personal or spiritual history, legal information, personnel records, and any other information which a reasonable person would consider confidential. The confidentiality of such information shall be maintained with the care that a reasonably prudent person would utilize to maintain the confidentiality of his/her own confidential information. This provision shall not be interpreted to prohibit the sharing of such information among such Clergy, staff, agents or volunteers who have a reasonable need to know such information to carry out their duties on behalf of the parish.

CERTIFICATE OF BYLAWS

These Bylaws were amended by unanimous vote at a regular meeting of the Vestry of St. Timothy's Episcopal Church held on October 26, 2010. The minor amendments to Article IV, section 5 and Article V, section 6 designate the Senior Warden as the presiding officer at Vestry meetings and Parish meetings such as the annual meeting.

Rector

Senior Warden