

## THE MINUTES OF THE MEETING OF THE VESTRY

The regularly scheduled meeting of the Vestry of Saint Michael and All Angels Episcopal Church was called to order at 4:30 p.m. Wednesday, September 17, 2025, by Senior Warden, Dee Ann Anigian, in the Coke Room #201. Before the meeting, the service of Holy Eucharist was held in the Saint Michael Chapel with the Rev. Ken Brannon officiating.

Members in attendance were Dee Ann Anigian, Senior Warden; Hudson Weichsel, Junior Warden; Julie Allen, Warden-at-Large; Susan Barnicoat, Allison Bovard, James Carry, Jim Chambers, Squeaky Connolly, Terry Demler, Amanda Harris, Zoé Hart, LeAnne Langholz, Jack Marshallsea, and J. Puckett.

Ex-officio members in attendance were the Rev. Dr. Chris Girata, Rector; Ken Brannon, Vice Rector; Becky Odlozil, Treasurer; Dianna Bowen, Chancellor; and Bitsy Hudnall, Clerk. Also in attendance were the Rev. Dr. Andrew Grosso, Rob Baber, Alma Vega-Rouse, Meredith Turner, Colleen O'Hara, Todd Hart, Arnold Spencer, Brett Ratliff, Rick Currey, and Bhavnita Masih.

Amanda Harris led the Vestry in prayer.

### **CONSENT AGENDA**

Regarding the Consent Agenda (August 20, 2025 minutes, Standing Committee reports including Stewardship Committee – Alma Vega-Rouse; Youth Ministry Committee – Samuel Moore, Affiliates and Other Reports from Saint Michael's Episcopal School (SMES) Bylaws changes – Margaret Spellings, and Community Partner Reports from Saint Phillip's School and Community – Elizabeth Keogh), Dee Ann pointed out that the Bylaws changes for SMES are primarily cleaning up and clarifying with no major shifts in the way they operate so they have been included in the Consent Agenda for a vote rather than having them as a separate part of today's meeting. She then inquired if there were any requests to remove items or for further discussion of any items, and there were none. Susan Barnicoat moved to adopt the Consent Agenda as written. Lee Ann Langholz seconded, and after a vote the motion was adopted.

### **CONSTRUCTION UPDATE – BRETT RATLIFF and RICK CURREY**

Rick was happy to report that the construction project is on time and on budget despite BECK having a few challenges. The roof is not quite the same as the plans as the metal that came out here was not as expected, but they worked with it and stayed on schedule. The building will be dried in by the middle of October. Mechanical, electrical, and plumbing are going in now. Once building is dried in, everything will go faster. BECK has been fantastic in this process and he needs to commend them.

Brett reported that the construction budget sheet is detailed and self-explanatory, but he and Rob Baber are happy to answer any questions if anyone has them. He then stated that he needed to step back and give the big picture overview. With everything on budget and on time, he was tasked to see if there was anywhere in the construction budget he could find cost savings, while at the same time, Chris and Rob found huge savings by way of interest income. With these savings, in the beginning of the summer, the Architectural Review Committee revisited many of the amenities and site upgrades they set aside in the beginning when they signed the contract with BECK. The extra interest income has allowed for some upgrades such as capturing back the outdoor canopy on the exterior plaza, extending the outdoor lighting down Colgate along west parking lot, upgrade the current level of audio/visual in the Parish Hall, glassing in the children's area which will help with acoustics, and adding some interior security lighting among a mirid of other things, totaling about \$1.7 million in change orders.

Brett continued that they feel good about where we stand with construction finances with approximately \$1.23 million remaining for contingency situations. They know that the furniture will go over the \$1.2 million budgeted, but there is some room for this since they have been conservative in other areas and construction has been timely. He asked if there were any questions for him or Rob about the construction budget.

Squeaky commended the construction crews on their cleanliness. She stated how nice it has been to come to church on Sundays with everything behind the fence and out of sight. Brett replied that BECK has high standards, and it has been evident in this process. He will relay the compliment.

J. asked if there is additional funding for maintenance in the budget as this is a larger space and will cost more to maintain. Chris replied that the increase in day to day maintenance will be discussed at the October Vestry Retreat but has been part of the projection process for the church's operating budget. Chris also stated that some of the reserve funds that the church has been holding can also be reallocated since some of those funds for repairs are for items that have already been updated or replaced in the construction process. He concluded that all of this is fluid, has been part of conversations about future budgets, and really will be discussed in detail in October at the retreat.

Dee Ann called for any additional questions. There were none. She thanked Rick and Brett for their time.

## **RECTOR'S REPORT – CHRIS GIRATA**

### **Construction Update Letter:**

A construction update letter was sent to all parishioners, and the form of the letter was a bit different depending upon the category a parishioner falls in for the capital campaign. Some donors received an update with a thank you and notice of pledges that came in earlier than

expected, and some received an update with an ask if they could meet their pledge early. He was happy to report that the option for a bridge loan was anticipated for Fall 2025 but because parishioners have donated more quickly than pledged, they do not anticipate needing the loan until Summer 2026. Every gift received allows the church to push out any need for the loan and Chris hopes that the letters will encourage parishioners to give sooner and the bridge loan can be pushed out to 2027 or maybe not even need it, which would be fantastic!

#### Give and Serve Update:

This year for stewardship the church is asking parishioners not only to give but to also make a commitment to serve. Pledge packets should hit homes next week. Pledge cards have a front and back. One side is give and the other side is serve. The serve side has six options of ways to serve within the church and six options of ways to serve outside the church, along with an option to ask if someone doesn't know what to do. Those who are not sure what to do, will have the ability to have a one-on-one moment to visit with someone about SMAA and their own personal interests to help find the right fit or place for them.

#### Attendance Update:

Through August 2025 compared to August 2024, we're up 14% attendance for the worship services and close to 3 times more attendees in Sunday School (approximately 400 people in classes).

#### General Update of Colleague Group Meetings:

Chris notified the Vestry of ways he connects with other Episcopal churches. For about 14 years, a group of Rectors and Deans in large Episcopal, mostly urban, churches primarily in the Southeast gather and discuss various things within their churches and communities.

Last year, Chris worked with the Rector of Trinity Wall Street to invite the Rectors and Deans of the eight or nine largest Episcopal churches in the country, which includes the Washington National Cathedral, to come together to get to know one another and discuss how to be supportive of The Episcopal Church. Currently, there is not a lot of shared work in the Dioceses as most Dioceses focus on smaller churches. This a way to bring everyone together and share ideas of roles some of the larger churches can and should have in their respective dioceses.

During their meetings last year, Chris reached out to Bishop Sean Rowe, who was in town for a conference, to see if he would be able to meet with them. Seven of the churches who were there spent the whole day talking with Bishop Rowe. At the close of the meeting, everyone felt that it was very productive, so they are all meeting again and bringing Vice Rectors or Sub-Deans, or whomever works in that capacity. These meetings are unofficial, and they are keeping them quiet so not to alarm any group or church. This November Chris will be bringing Ken with him to New York. He is not sure what will come of this but wanted the Vestry to know and that they are just letting the spirit guide them in a way to help the churches.

### Compass Rose Society:

Chris reminded everyone that we are members of the Compass Rose Society that helps support the Anglican Communion through the Archbishop of Canterbury. Every year he goes with one of our priests, this year Robin is going. The Senior Warden and Junior Warden are always invited to attend, so Dee Ann and Hudson, are going to join them for this meeting as well. In October, they all will be going to London where the Archbishop of York will be speaking. He is serving as the Secretary General as the search for the Archbishop of Canterbury is still ongoing. Supposedly there is a slate for the new Archbishop of Canterbury but will most likely not be selected prior to the meeting in October.

### Bishop Coadjutor Update:

The Bishop Coadjutor has been consecrated. It was a lovely service. Bishop Rob Price will be the next Diocesan Bishop of Dallas. Saint Michael has pledged \$25,000 to support his new ministry through multiple gifts.

### Resolution Around DEPO:

Monday night of last week, September 8, went very well with approximately 175 people attending the meeting. The energy felt good. There were some very good questions and provided an opportunity for them, the clergy and the Vestry, to clarify some things. After about 70 minutes of information seeking, there was happy laughter in the audience. Chris had thought there might be tension, and was mentally prepared for that, but it was respectful and clear about the expansion of our worship. Since Monday, he has only been notified of disagreement by three parishioners, all of whom were present that night and sent notes that they wish to not have to go through the DEPO process but trust Chris and the Vestry and will stay at the church since they love it. Everyone's sense of ownership in the church has been great.

Chris commented that Saint Michael's commitment to communion across difference is a thoughtful model of being a church. Large churches typically do an easier thing, but we are working to hold everyone together and understand that our identity is in Christ rather than a position on a particular issue. As a resource, we are doing everything we can to let people see that we are putting Christ first regardless of differences.

Chris said that he feels we are better for what we are doing and might see this ripple farther as we will be a model for other churches. He thanked the Vestry for their support.

Chris then asked if there were any questions about anything he covered. There were none.

## **SENIOR WARDEN'S REPORT – DEE ANN ANIGIAN**

### **Vestry Nominating Committee Update:**

Dee Ann reported that the Nominating Committee has finished its work, and the slate was posted in the Vestry packet which everyone received prior to this meeting. The committee consists of five outgoing members of the Vestry plus Julie and four parishioners who sit on the Parish Ministry Council.

There was a solid group of nominees from which to choose. All candidates, as well as their nominators, have been notified. The committee felt that the five which were chosen had a breadth of experience, skills, and talent to serve the Vestry well for the next three years. The slate names are Monique Black, Mark Cannata, Tom Fenton, Kathy Hayes, and Stephen Miller.

The committee also selected the Diocesan Delegates to represent us for the next three years. There are three delegates and two alternates. The Delegates are Kim Snyder, Lauren Parker, and Kathleen Wallace. The Alternates are Matt Bomberger and Jack Rubarth.

Dee Ann asked the Vestry to keep the slate confidential until it is published on Friday. Dee Ann called for a motion to approve the slate as presented by the Nominating Committee. Jim made a motion and Zoe seconded. All voted in favor.

## **JUNIOR WARDEN'S REPORT – HUDSON WEICHSEL**

Hudson did not have a report.

## **TREASURER'S REPORT – BECKY ODLOZIL**

### **Financial Overview:**

The summary Financial Overview as of August 31, 2025, is on page 23 of the Vestry packet.

### **Statement of Activities:**

Becky reported that the total revenue available of \$5.2 million, which is ahead of budget by \$10,000. This is mostly due to Plate and Other Income with the Pledge categories basically flat when taken together. The year-to-date operating expense is \$4.9 million, which is lower than we budgeted. This is mostly due to hiring staff later than anticipated (so those positive variances should hold through the rest of the year and Operations having less space (building maintenance, utilities, etc.). Mission & Outreach is the only vacant position. Operation expenses were also lower due to less space at the church right now. Finances were also lower because the consultant budgeted for PushPay conversion was not needed.

Becky added that ending the 8-month period Revenue over Expense a bit over \$240,000 which is about \$200,000 better than budget. Details of everything she just spoke about are on the following page, page 24 of the Vestry packet.

Becky then called for any questions on the Statement of Activities. There were none.

#### Statements of Financial Position:

Becky reported on the Operating Statement that there are assets of \$110 million, and on the Internal Fund Accounts Statement there are assets of \$6 million. These are consistent with last month. Detailed statements of these numbers are on pages 25 through 31 of the Vestry packet.

Becky asked if there were any questions on the Statements of Financial Position. There were none.

#### Line of Credit Renewal:

Becky then asked the Vestry to refer to pages 32 through 35 of their packet. She reported that the church has an unsecured revolving line of credit with Bank of Texas for \$400,000 with a 14-month term at a rate of Secured Overnight Financing Rate (SOFR) plus 2.1% which matures October 10, 2025. (*SOFR is benchmark rate produced by the Federal Reserve Bank of NY.*) She stated that it has been in place for several years and has never been used and its purpose is a safeguard for cash flow needs. No bank fees are charged. She reported that the bank has confirmed the following terms for renewal of the line of credit:

- i. Principal amount of \$400,000
- ii. Term of 24-months
- iii. Interest rate of SOFR plus 2.1%

Becky stated that these are the same terms as the existing LOC which extended the term date to 24-months where it has been historically, and we just renewed it this last time for a shorter maturity so we could rotate its renewal time frame to September instead of middle of summer

She stated that the Finance Committee recommends the Vestry approve the renewal of the Bank of Texas line of credit with a principal amount of \$400,000, a term of 24-months and a rate of SOFR + 2.1%. If the Vestry give an affirmative vote, it would require signatures of the following people: Senior Warden, Dee Ann Anigian, for note documentation (including Promissory Note, Notice of Final Agreement, Addendum to Note, Corporate Resolution to Borrow / Grant Collateral, and Disbursement Request and Authorization) and Vestry Clerk, Bitsy Hudnall, for the Corporate Resolution to Borrow / Grant Collateral.

Dee Ann then called for a motion to accept the recommendation of the Finance Committee that the Vestry approve the renewal of the Bank of Texas Line of Credit with a principal amount of \$400,000, a term of 24-months, and a Secured Overnight Financing Rate (SOFR) plus 2.1% with Dee Ann Anigian as Senior Warden and Bitsy Hudnall as Vestry Clerk, as signatories. LeAnne moved to approve, and Jack seconded. The vote was unanimous in favor, none opposed.

#### Construction Project Management:

Becky stated that she has no official report since Rick Curry covered the construction status and reporting. However, she does have a follow-up to everything he shared with the Vestry.

She shared a quick update on future of Frederick Square, a preview of planned coming events. The Church will move out in 2026 when construction is completed, and all other leases will expire end of 2027. The plan is to market the property for a Ground Lease.

Becky reported that Blair Oden, Matt Waller, Jay Grogan, and Michael Gresham have been working on the RFP which is now complete. Their findings focused on zoning use for Multifamily, Hospitality, or Senior Living. The next step is to send the RFP to a curated group of developers mid-October. It will be sent to approximately 8 different developers (3 multi, 2-3 Senior and 4 hotels). They are requesting questions by November and a response with donation to the Church (\$5 or \$10K). Then they will schedule in-person meetings in early 2026.

She continued that once the developer is selected, it will come to Vestry for approval in the 1<sup>st</sup> quarter of 2026. The “winner” will be asked to make \$100,000 donation to the Church which will function as earnest money. Donations received by the applicants will be used to pay expenses of RFP process (e.g., lawyer) and deposited into a restricted fund. As remaining leases expire in 2027, the Church will turn building over to the developer.

On the financial side, the anticipated lease could be around \$50,000 per month, or \$600,000 per year. This will be offset somewhat by the church no longer receiving the \$200,000 annual dividend from tenant leases.

Dee Ann commented that she loves how they require a donation to the church in order to be considered for the project.

Becky then called for any questions. There were none.

## **OLD BUSINESS**

### **Resolution: Access Approved Episcopal Liturgies – Dee Ann Anigian**

Dee Ann stated that the Resolution to Access Approved Episcopal Liturgies was formally presented to the Vestry at their meeting on August 20, 2025. Following that meeting, information regarding the process was presented to the congregation in a variety of formats – via letter and email, including the Weekly Newsletter, Rector’s Friday Newsletter, the Sunday Bulletin, Sunday worship announcements, as well as in the form of an in-person question and answer session held on Monday, September 8, 2025.

The Vestry was also given one month to pray about and reflect on what this decision would mean for our church. You, the Vestry, received the resolution in advance, along with background information covering what the Constitution and the Canons of The Episcopal Church say. That information was sent to make sure we all understand exactly how our diocese is out of alignment with The Episcopal Church and how, depending upon the outcome of this vote, Saint Michael will be in alignment with The Church.

As announced before, a super majority or 2/3 vote is required for the Resolution to pass. With a vote of this significance, the Vestry will be asked to vote by roll call so that each member’s vote may be individually recorded. A “yes” vote is for the Resolution and a “no” vote is opposed to the Resolution. The wardens, Hudson as Junior Warden and Julie as Warden-at-Large, moved and seconded the motion to proceed with the vote.

Dee Ann stated that this vote for the Resolution will be to approve and affirm that our rector and clergy have access to and may use all the authorized rites of The Episcopal Church and allows:

- 1- The ability of Saint Michael and All Angels Episcopal Church parishioners who pursue and, following their discernment process, are recommended for ordination by our church to choose among all Episcopal seminaries.
- 2- The ability of Saint Michael and all Angels Episcopal Church clergy to access all approved Episcopal liturgies. Specifically, let it be resolved that pursuant to Resolution B12, passed in the 79<sup>th</sup> General Convention of The Episcopal Church, the Vestry of Saint Michael and All Angels Episcopal Church affirm and supports our Rector and parish clergy’s discretion to access and use all the rites of marriage authorized by The Episcopal Church.
- 3- The ability of Saint Michael and All Angels Episcopal Church to competitively recruit clergy as the majority of Episcopal clergy will not consider working at a church that is not fully aligned with The Episcopal Church.

Dee Ann asked if there were any questions about the vote or this process before proceeding. There were none.

Dee Ann, as Senior Warden, began the roll call vote of the Vestry in alphabetical order, then ending with herself. The votes are recorded below with the Vestry member's response following their name:

Julie Allen – Yes  
Susan Barnicoat – Yes  
Allison Bovard – Yes  
James Carry – Yes  
Jim Chambers – Yes  
Squeaky Connolly – Yes  
Terry Demler – Yes  
Elizabeth Gambrell via proxy\* – Yes  
Amanda Harris – Yes  
Zoe Hart – Yes  
LeAnne Langholz – Yes  
Jack Marshallsea – Yes  
J. Puckett – Yes  
Hudson Weichsel – Yes  
Dee Ann Anigian – Yes

Dee Ann thanked the Vestry for their votes and announced that the Resolution passed unanimously.

\* Prior to proxy vote, Dee Ann relayed that Elizabeth knew in advance that she was going to have to miss this meeting. She cared very much about this topic and wanted to be counted in this vote. Elizabeth came up to the church and signed an affidavit that was notarized, making Dee Ann proxy for her vote.

## **NEW BUSINESS**

### **Resolution: Clergy Housing Allowance – Dee Ann Anigian**

Dee Ann presented a Clergy Housing Allowance for Dean Wolfe to the Vestry. Typically these are voted on annually by the Vestry for approval, however, with Dean's recent arrival to SMAA we have been asked to address his request at this time. As a reminder, the IRS allows each ordained Clergy member to designate a portion of their salary as "housing." This does not change the salary or benefits of the Clergy and has no effect on the church financials but does require the documentation and vote of the Vestry of the church for them to be able to declare it on their personal taxes.

A motion to approve the resolution pertaining to Clergy housing allowance as set forth for Rev. Dean Wolfe was made by Amanda and seconded by Zoe. The motion was unanimously approved.

The written resolution had been prepared in the event of approval and was signed by the Clerk following the vote.

Following the vote, J. asked for clarification of this process as the Vestry has been asked to approve several this year, which is not a problem as we are happy to support our clergy. He stated he was just curious about the process.

Ken responded that there is a three-way test by the IRS which allows clergy to take this deduction from their salary. The IRS uses the lowest of the three tests. One of the tests is Fair Market Value of the property, another is amount spent on housing, and the third is Vestry approved allocation. This does not change the agreement between the church and the clergy member, just how the clergy member files taxes and claims homestead. Chris concurred.

#### Indemnity, Insurance and Cooperation Agreement – Todd Hart and Arnold Spencer

Todd stated that it has been a privilege to serve as the chair of the Risk Management Committee. The first order of business, besides working on renewing our insurance is working on the Indemnity Agreement with Saint Michael's Episcopal School (SMES). Indemnity Agreements are typically about allocating risk, who is going to be responsible for things if something goes wrong. However, this one is a little different because the school is a ministry of the church, so it is to collectively protect assets of both organizations. They set out on a path last spring to essentially put order to how the two party's insurance companies would respond to an event. Both parties have a strong interest in making sure there is a large amount of money to protect their collective assets of the organizations as both could be sued. In the spirit of that, they spent a lot of time negotiating this indemnity agreement which deals with essentially how each party's insurance company will respond, and the order in which it does. This is so that we eliminate risk of the two insurance companies fighting each other, which reduces the amount of money that would protect us.

Ken then stated that the group who worked on this worked tirelessly for several months. The first several months of this process, so probably April through August, were just spent getting all parties to trust each other. Once the trust issues were resolved, the meetings went well, and this will make the next agreement for the shared services agreement between the church and school much easier.

Dee Ann reiterated that the SMES Executive Committee has approved this as well as the Risk Management Committee. The wardens have read and support it as well. As this has been brought forth by a standing committee, a motion has been made by committee and Todd asked for a motion to accept.

Diana, as Chancellor, added that these agreements did receive legal approval from several lawyers. As note to the Vestry, the relationship between SMES and the church are very intertwined. Knowing that both entities would likely be sued for anything that happens,

especially at the school, they wanted to make sure that both entities were both ultimately protected. While both entities do exist separately, the church is the parent corporation in this relationship and likely would always be part of any liability issue.

Arnold asked to speak on behalf of the school. He stated that this was an odd process and trust was the underlying issue that he felt they were able to resolve. In a missional way, there is an enormous amount of trust, but in this vulnerable economic way, it was really an exercise. Arnold was very impressed with the Saint Michael School Board. They took this very seriously, as a fiduciary obligation, to make the right decision for the school. As the Vestry, please appreciate the nature of the relationship between the church and the school. What started as an awkward moment, through the process they just went through, both the church and the school can continue to grow in trust, mission, and vision.

Arnold, as a side note, stated that he thought it was really incredible that there are very few church schools in this situation. At one point, they asked Netra, Head of SMES, to ask around in the Episcopal School Association to see if anyone else had done this. Virtually nobody in the country has this sort of indemnification agreement. He found it very odd that almost no one else had this in place, and it occurred to him that this was a very smart thing on behalf of both the church and the school. It is likely that other churches and other schools are going to copy this over the next 5-10 years. So, for what it's worth, it's kind of fun to have SMES and SMAA at the cutting edge of indemnification insurance.

Dee Ann called for a vote. All voted in favor.

#### **EXECUTIVE SESSION, ADJOURNMENT**

Dee Ann then adjourned the meeting at 5:28 p.m. and moved the meeting into Executive Session. She invited Chris, Ken, Dianna, Becky, and Bitsy to stay. Dee Ann then moved the meeting out of Executive Session and back into regular session at 6:06 p.m.. There was general discussion about the next steps of the DEPO process now that the Resolution has passed which involves formal paperwork for Chris but will be seamless for the congregation. Dee Ann then adjourned the meeting at 6:09 p.m.

Respectfully submitted,

Bitsy Hudnall, Clerk of the Vestry