THE MINUTES OF THE MEETING OF THE VESTRY

The regularly scheduled meeting of the Vestry of Saint Michael and All Angels Episcopal Church was held on Wednesday, September 16, 2026. Julie Allen, Senior Warden, called the meeting to order at 4:33 pm. The opening prayer was led by James Carrey.

Members in attendance included Julie Allen, Senior Warden, Zoe Hart, Junior Warden, J. Puckett, Warden-at-Large, Susan Barnicoat, Monique Black, Mark Cannata, James Carry, Terry Demler, Elizabeth Gambrell, Amanda Harris, Kathy Hayes and Jack Marshallsea.

Ex-Officio Members in attendance were the Rev. Dr. Chris Girata, Rector, The Rev. Ken Brannon, Vice-Rector, Becky Odlozil, Treasurer, Kelly Reddell, Chancellor and LaRee Stein, Clerk. Also in attendance were Bhavnita Masih, Alma Vega-Rouse, Rob Baber and Blair Oden.

CONSENT AGENDA

Julie Allen asked if there were any questions or requests regarding the Consent Agenda. There were none. Amanda made a motion to accept the Consent Agenda as written, and Susan seconded the motion. It was approved unanimously.

FREDERICK SQUARE BUILDING UPDATE – BLAIR ODEN

Blair Oden provided an update on the Frederick Square property.

- **Current Operations & Income:** Historically, the building operated effectively at 100% leased, generating roughly $400,000 annually in net operating income (NOI), which included a $200,000 annual gift to the church. Prior to the start of construction, several tenants were moved out to accommodate the church offices. With the Church not paying rent during the construction period, the building has operated at a break-even point. To prepare for this, management set aside cash reserves. The building continues to pay operational costs and the $200,000 annual gift to the church by pulling from reserves.
- **Long-Term Ground Lease Strategy:** The goal is to monetize the site via a ground lease to create a long-term income stream.
- **Interim Leasing Strategy:** In the interim, we are signing new three-year leases to increase revenue. These leases are structured to preserve flexibility to vacate the building for a developer when the market improves.

RECTOR'S REPORT – CHRIS GIRATA

Chris presented the Rector's Report, highlighting the following items:

- **Staff Retreat:** The annual staff retreat will be on September 17th, and the church offices will be closed.
- **Grand Opening & Dedication:** The official building dedication is on Sunday, September 27th. Vestry members are asked to gather by the stage in the atrium for a short program featuring a ribbon cutting, prayer, and musicians.
- **Building Activation & Attendance:** The new building has seen robust activity across all ministries (Project Moses, choristers, youth group, and the SMES board). For the first five weeks of the school year, Sunday worship attendance was up 19%, and education attendance was up 14% compared to the same period last year.
- **Greeter Ministry Changes:** Alma and her team are rolling out a systematized approach to the greeter ministry to better track visitor information and directly connect them to relevant ministries.
- **Stewardship Campaign:** Stewardship packets will be mailed at the end of September. Chris urged Vestry members to personally champion the campaign by asking 30-40 peers to fill out the forms. He clarified that parishioners should record the service and prayer habits they have already made, as the goal is to intentionally connect existing habits to their discipleship identity.
- **Compass Rose Meeting:** Chris, David Faulkner, Julie, and Zoe will attend the annual Compass Rose meeting in London following the October Vestry meeting.
- **South Campus Beautification:** The Buildings and Grounds committee is developing a cohesive landscape plan for the southern part of the campus (including the columbarium area, scatter garden, patio, and children's garden) to create a unified meditative destination. A report will be presented in the coming months.

SENIOR WARDEN'S REPORT – JULIE ALLEN

Julie reminded the Vestry of two important dates:

- **Saturday, October 17th:** The Fall Vestry Retreat will be held from 8:00 AM to 12:00 PM in the Coke Room.
- **Sunday, October 18th:** Following the Annual Parish Meeting, the Vestry will briefly be convened in the Power Room (first floor) from 10:30 AM to 10:45 AM to formally ratify the elections. A quorum is required.

JUNIOR WARDEN'S REPORT – ZOE HART

There were no updates.

TREASURER'S REPORT – BECKY ODLOZIL

Becky presented the financial overview as of August 2026:

- **Statement of Activities (Page 17):** Total available revenue was $6.3 million, tracking $411,000 higher than budget. This variance is primarily due to pledge categories, with the largest positive variance in Current-year pledges. Many pledges have been paid earlier than budgeted, but this variance is expected to even out by year-end. Unpledged contributions show an exceptional $92,000 positive variance, boosted by a single $25,000 gift specifically for the church.
- **Expenses (page 18):** Incurred expenses were $5.3 million, which is $142,000 lower than budgeted. Net revenue over expenses was $552,000 year-to-date. Positive expense variances include Worship and Liturgy (flower donations), Operations (delayed move-in), and an open position in Engagement. The previous negative variance in Communications has dropped from $24,000 to $5,000 due to an internal promotion and cost reductions.
- **Statements of Financial Position (Page 19-24):** Assets on the Operating side stand at $112 million, with Internal Fund /Restricted accounts at $5 million.
- **Construction Project Management Summary (Page 25):** Out of the $78 million budget, $72 million has been spent, leaving $6.7 million remaining of the Vestry-approved funds. Per the Pritchard project management report, the estimated cost to complete is $5 million, which includes a $4.6 million retainage payment to Beck anticipated to be made in October. We anticipate drawing on the loan from Inwood Bank to make this payment. The estimate of Excess cash flows over expenses for the project, including actual costs and interest earned, is just over $1.5 million.

OLD BUSINESS – J. PUCKETT

- **Clergy Housing Support Policy**

  J. provided an update on the shared-equity housing policy. The tax expert reviewed the draft and flagged several items which need adjustments to ensure tax-advantaged treatment. The committee recommended pausing the vote to modify the language and correct these issues.

NEW BUSINESS

- **Assistant Chancellor Appointment – Julie Allen**

  Rachael Jones was appointed as Assistant Chancellor to the All Angels Foundation by the Vestry in December 2025. She has stepped down and can no longer serve as Assistant Chancellor to the All Angels Foundation due to professional conflicts. Stuart Thomas, a lawyer and parishioner who previously served as President of the All Angels Foundation, has agreed to fill the role.

  A motion was made by Julie Allen, Senior Warden, to appoint Stuart Thomas as Assistant Chancellor to the All Angels Foundation, effective immediately. Kathy Hayes seconded and the motion passed unanimously.

- **Horizon Fund Facilities Committee Appointments – Julie Allen**

  Per the Horizon Fund Agreement, Vestry may appoint at least two members to the Horizon Facilities Committee. The All Angels Foundation appoints two members which require Vestry approval. In addition, the current Chairperson of the Buildings and Grounds Committee and the incoming Building and Grounds Chairperson serve on the Committee under the Horizon Fund Agreement. All appointees serve for three consecutive terms from September 16, 2026, through February 28, 2029.

  A Motion was made by the Wardens recommending the following individuals for the Horizon Facilities Fund:

  - *Vestry Appointees to the Horizon Fund Facilities Committee: Chris Bovard, Janice Bywaters, and Eric Connor to serve a term beginning on September 16th, 2026, through February 28th, 2029.*
  - *Vestry affirms the All Angels Foundation Appointees: Michael Riddell and Grady Schlyer to serve on the Horizon Fund Facilities Committee for a term beginning September 16th, 2026, through February 28th, 2029.*

- *Vestry recognizes, per the terms of the Horizon Fund Charter, Michael Grisham, the current B&G Chair, to serve on the Horizon Fund Facilities Committee from September 16th, 2026, through Feb 28th, 2027 and Robert Clark, the incoming B&G Chair, to serve on the Horizon Fund Facilities Committee from March 1, 2027 – Feb 29, 2028.*
- The motion to approve the slate was made by Wardens, seconded by Susan Barnicoat, and passed unanimously. Vestry noted future appointments should be staggered to preserve institutional memory.

- **Digital Organ Replacement – Chris Girata**

  Chris reported that the recently installed digital organ suffered a complete software/hardware failure and lacked any dedicated service support from the Arnold Organ Company. With Chancellor Kelly Reddell's assistance, the church secured a 75% refund agreement ($64,000) from the vendor, payable in two installments (December and March). The Allen Organ Company, which has excellent local support and is used by many local churches, can provide and install a replacement digital organ by September 27th.

  A motion was made by Julie Allen to purchase a fully integrated replacement digital organ from the Allen Organ Company for $110,000. The purchase will be funded using the refund from Arnold Organs of $64,000, with the balance covered by the Horizon Facilities Fund. The motion was seconded by Amanda Harris and approved unanimously.

- **SMES Leasehold Improvement Debt – Chris Girata**

  Chris asked the Vestry to empower J. Puckett, Becky Odlozil, and himself to meet with Saint Michael's Episcopal School leadership to discuss a way to address the leasehold improvement debt currently on the school's audited statement.

  A Motion was made by Julie Allen to empower J. Puckett, Becky Odlozil and the Rev. Dr. Chris Girata to meet with SMES leadership to discuss the leasehold improvement debt on their audited statement. The Motion was seconded by Zoe Hart and passed unanimously.

- **Settlement Matter - Julie Allen**

  A Motion was made by Julie Allen to authorize the Vice-Rector, the Rev. Ken Brannon, to execute a Settlement Agreement on behalf of Saint Michael and All Angels at the upcoming mediation on September 29, 2026, for an amount to be mutually agreed upon by both Saint Michael and All Angels and the parties involved, and in consultation with defense counsel for Saint Michael and the chancellors for Saint Michael and All Angels. Zoe Hart seconded the Motion and it passed unanimously.

ANNOUNCEMENTS

- The official slate for the Vestry and Foundation delegates will be announced to the parish this Friday.

ADJOURNMENT AND EXECUTIVE SESSION

The regular business meeting was adjourned at 5:51pm, and the Vestry, Clerk, Chancellor, Treasurer, Rector and Vice-Rector moved into a closed Executive Session.

Julie then moved the meeting out of Executive Session and back into the regular session at 6:17pm. There being no further business, the Vestry meeting was adjourned at 6:20pm.

Respectfully submitted,

LaRee Stein,

Clerk of the Vestry