

THE EPISCOPAL CHURCH, et al.,)	IN THE DISTRICT COURT OF
)	
VS.)	TARRANT COUNTY, TEXAS
)	
FRANKLIN SALAZAR, et al.)	141ST DISTRICT COURT

EPISCOPAL PARTIES' MOTION TO STRIKE AFFIDAVITS OF JANE PARROTT

Now come the "Local Episcopal Parties,"¹ and the "Local Episcopal Congregations,"² (collectively, the "Episcopal Parties") and file this motion to strike the "Affidavit of Jane R. Parrott," executed March 20, 2011, and the "Second Affidavit of Jane R. Parrott," executed April 22, 2011, both of which were filed with Defendants' Motion to Set Supersedeas on April 25, 2011. In support of this Motion to Strike, the Episcopal Parties would respectfully show the Court as follows:³

INTRODUCTION

Ms. Parrott admitted the following facts in her deposition that contradict the statements contained in her affidavits:

- **Defendants opened a bank account in Louisiana and transferred some undisclosed amount into that account for the express purpose of making these funds harder for the Court to reach.⁴ This account was not listed in the Defendant Diocese's books.**
- **More than \$500,000 is missing from operating accounts of the Diocese despite Ms. Parrott's affidavit testimony that "the funds in these accounts generally roll over monthly as new contributions replace withdrawals."**

¹ The term "Local Episcopal Parties" includes the Rt. Rev. C. Wallis Ohl, Robert Hicks, Floyd McKneely, Shannon Shipp, David Skelton, Whit Smith, Margaret Mieuli, Anne T. Bass, Walt Cabe, the Rev. Christopher Jambor, the Rev. Frederick Barber, the Rev. David Madison, Robert M. Bass, the Rev. James Hazel, Cherie Shipp, the Rev. John Stanley, Dr. Trace Worrell, the Rt. Rev. Edwin F. Gulick, Jr., and Kathleen Wells.

² The term "Local Episcopal Congregations" means those parties represented by Frank Hill who filed the First Amended Original Plea in Intervention of Episcopal Congregations on November 15, 2010.

³ The Episcopal Parties also continue to urge their separately-filed objections to the January 27, 2011 Affidavit of Charles A. Hough, III, also filed in support of Defendants' Motion to Set Supersedeas.

⁴ Parrott Dep. at 93:18-22. Excerpts from Ms. Parrott's deposition testimony are attached as Exhibit A.

- **Defendants' representations to the Court that the accounts "haven't gone down, they've gone up" were based on balances dated after the schism and were limited to only six of 18 Diocesan accounts.**
- **Ms. Parrott has made no effort to ascertain what amount could be posted by the Defendant Diocese or the other Defendants as a supersedeas bond. As far as she knows, nobody else has done so on behalf of the Defendants, either.**
- **Ms. Parrott does not know whether the Defendant Diocese or other Defendants have assets that are not subject to the Court's judgment.**
- **The Defendant Diocese has ten new congregations that are not subject to the judgment, each with their own real and/or personal property.**
- **Defendants have improperly diverted funds from restricted accounts and otherwise depleted Diocesan funds outside the ordinary course of business.**

Ms. Parrott's affidavits are inadmissible as evidence at the supersedeas hearing because they are hearsay. If the affidavits are considered anyway, individual statements within the affidavits are inadmissible because they are conclusory and/or not based on personal knowledge. Finally, these same and other statements do not constitute competent evidence because they were thoroughly discredited by or are admittedly false based on Ms. Parrott's testimony at her deposition. The affidavits should be stricken entirely. Alternatively, the individual statements listed below should be stricken as inadmissible and disregarded by the Court in favor of Ms. Parrott's more recent deposition testimony.

ARGUMENT AND AUTHORITIES

I. Parrott's affidavits are hearsay and should not be admissible at the hearing.

The Episcopal Parties object to any consideration of Parrott's affidavits as evidence at the hearing on Defendants' Motion to Set Supersedeas because the affidavits are inadmissible hearsay pursuant to Texas Rules of Evidence 801 and 802. This is not a summary judgment proceeding, and Defendants have provided no basis for submitting hearsay affidavits as evidence. Parrott's affidavits should be stricken in their entirety.

II. Ms. Parrott's testimony on substantial economic harm is inadmissible because it is conclusory.

Ms. Parrott's statement in her Second Affidavit that "[p]osting a bond in anything higher than a nominal amount would cause substantial economic harm to the Diocese and its current operations" is nothing more than an unsupported conclusion regarding a key issue in the supersedeas analysis.⁵ Legal conclusions and opinions made in an affidavit are not competent evidence,⁶ and "[c]onclusory affidavits are not enough to raise fact issues. . . . They are not credible, nor susceptible to being readily controverted."⁷ Ms. Parrott's conclusory statement regarding substantial harm should be stricken and disregarded.

III. Ms. Parrott admitted that she lacks personal knowledge of statements made in her affidavit.

Ms. Parrott's deposition testimony establishes that she had no personal knowledge to support many of the statements in her affidavits, all of which were written for her.⁸ "A witness may not testify to a matter unless evidence is introduced sufficient to support a finding that the witness has personal knowledge of the matter."⁹ Ms. Parrott's statements are set forth below with deposition testimony demonstrating her lack of knowledge:

1. **AFFIDAVIT:** "In addition, no real or personal property . . . has been sold, transferred or dissipated except in the ordinary course of business of the Episcopal Diocese of Fort Worth and/or its parishes and missions since November 2008."

DEPOSITION:

Q. Okay. And you're aware that there are 48 congregations in this case that are represented by Mr. Weaver and affiliated with the Defendant Diocese?

⁵ See *Ramco Oil & Gas, LTD. v. Anglo Dutch (Tenge) L.L.C.*, 171 S.W.3d 905 (Tex. App.—Houston [14th Dist.] 2005, no pet.) (discussing legal factors courts consider in evaluating substantial economic harm). As shown in Section IV below, Ms. Parrott's own deposition testimony directly contradicts her conclusion.

⁶ *Green v. Unauthorized Practice of Law Committee*, 883 S.W.2d 293, 297 (Tex. App.—Dallas 1994, no writ).

⁷ *Ryland Group, Inc. v. Hood*, 924 S.W.2d 120, 122 (Tex. 1996) (citing *Brownlee v. Brownlee*, 665 S.W.2d 111, 112 (Tex. 1984) and TEX. R. CIV. P. 166a(c)).

⁸ Parrott Dep. at 45:13-15.

⁹ TEX. R. EVID. 602.

A. I am aware, yes, sir.

Q. Okay. And you didn't review a single document relating to those entities?

A. No, sir.

Q. Okay. Are you prepared to speak about their financial and business affairs?

A. About the congregation's financial and business affairs?

Q. Yes, ma'am.

A. No, sir.¹⁰

2. **AFFIDAVIT:** "The only substantial new encumbrance of any of the property . . . since November 2008 is the lien granted by the Corporation of the Episcopal Diocese of Fort Worth to Jude Funding, Inc."

DEPOSITION:

Q. And you say the only substantial new encumbrance of church property is Jude Funding. I'm asking were there any other encumbrances?

A. Not that I know of.

Q. Who would know that for sure?

A. I would say the trustees.¹¹

3. **AFFIDAVIT:** "As a result of the summary judgment order . . . The Defendants Episcopal Diocese of Fort Worth and The Corporation for The Episcopal Diocese of Fort Worth do not have sufficient unencumbered real or personal property to give as security to obtain a bond."

DEPOSITION:

Q. Okay. And you're aware that there are 48 congregations in this case that are represented by Mr. Weaver and affiliated with the Defendant Diocese?

A. I am aware, yes, sir.

Q. Okay. And you didn't review a single document relating to those entities?

A. No, sir.

Q. Okay. Are you prepared to speak about their financial and business affairs?

A. About the congregation's financial and business affairs?

Q. Yes, ma'am.

A. No, sir.¹²

¹⁰ Parrott Dep. at 33:20-34:7.

¹¹ Parrott Dep. at 181:16-21.

Q. There are 12 individual defendants in this case.

Are you personally involved in the financial and business affairs of any of those 12 individual defendants?

A. No, sir.¹³

Q. Okay. So today you are here to talk about the financial and business affairs of the Defendant Diocese; is that correct?

A. Yes, sir.

Q. Are you also here today to speak about the Defendant Corporation and its business affairs?

A. No, sir, not totally.

Q. Okay. So there are 62 defendants in this case that have judgments against them and you are only prepared today to speak on one of those 62 defendants?

A. Yes, sir.¹⁴

Q. So is it your position that every single piece of property in the possession of the Diocese as you sit here today is encumbered by this lawsuit and subject to this lawsuit?

A. I really couldn't answer that question. I don't know.¹⁵

[Y]our answer is, you don't know if the Diocese holds any separate property?

A. That is my answer.¹⁶

Q . . . So you didn't call up any surety and say, these are our assets, these are our donors, this is what we typically take in, this is what we take in in donations, what sort of a bond do you think we can get?

A. No, sir, I did not.¹⁷

¹² Parrott Dep. at 33:20-34:7.

¹³ Parrott Dep. 34:22-35:2.

¹⁴ Parrott Dep. at 35:13-23.

¹⁵ Parrott Dep. at 120:2-7.

¹⁶ Parrott Dep. at 122:21-23.

¹⁷ Parrott Dep. at 67:11-16.

4. **AFFIDAVIT:** "Posting a bond in anything higher than a nominal amount would cause substantial economic harm to the Diocese and its current operations."

DEPOSITION:

Q. So this is an organization that has about a \$1.8 million a year operating budget with several line items and your entire analysis on whether or not the Diocese could post any bond at all was done in your head?

A. Pretty much, yes, sir.

Q. How long did it take you to do that analysis?

A. It did not take long.¹⁸

Q. Have you contacted any of those big donors to ask if they would be willing to put -- to make any contributions towards a bond?

A. I have not, no, sir.

Q. Has anybody?

A. Not to my knowledge. I don't know. I couldn't answer for someone else.¹⁹

Q. . . So you were able to fund a truly large litigation mostly through extraordinary contributions from donors; is that correct?

A. Yes, sir.

Q. Why couldn't you do the same with a bond?

A. I don't -- I can't answer that.²⁰

5. **AFFIDAVIT:** "A line of credit was established by the Episcopal Diocese of Fort Worth with Jude Funding, Inc. for a total amount of \$3.5 million; however, the current balance of the indebtedness to Jude Funding, Inc. is \$94,500.00. . ."²¹

DEPOSITION:

Q. . . The Diocese was able to secure a \$3.5 million line of credit for Jude Funding; is that correct?

A. I don't have personally any knowledge of transactions with Jude Funding. That has not been in my purview.

Q. Okay. You have no -- so you could not

¹⁸ Parrott Dep. at 111:23-112:5.

¹⁹ Parrott Dep. at 115:20-116:1.

²⁰ Parrott Dep. at 129:11-16.

²¹ This entire paragraph in Ms. Parrott's First Affidavit should be stricken because it relates to the Jude Funding transaction, of which Ms. Parrot admitted she has no personal knowledge.

testify to anything about Jude Funding?

A. No, sir, I could not.²²

Each of the above statements in Ms. Parrott's affidavits should be stricken because of her demonstrated lack of personal knowledge.

IV. Ms. Parrott's affidavit statements are directly contradicted by her deposition testimony, so the Court should disregard the affidavit testimony.

The same statements addressed above and other statements made by Ms. Parrott in her affidavits were directly contradicted by her testimony in the deposition. Thus, the Episcopal Parties request that the Court disregard Ms. Parrott's affidavit testimony in favor of her deposition testimony as follows:

1. **AFFIDAVIT:** "From and since November 2008, the accounts listed . . . have experienced gains . . ."

DEPOSITION:

Q. And this was the basis to tell the court, hey, we don't need a bond; the accounts are bigger today than they were back then, correct?

A. Correct.

Q. Okay. But if we actually use the October, the true before -- you know, before and after and now I'm on 3826, that balance was \$217,989, wasn't it?

A. Yes.

Q. And it went down in the after column, which is 211,000; is that correct?

A. Yes.²³

Q. . . I'm asking just because the accounts got bigger doesn't mean nobody took money out of them, does it?

A. No, it does not.

Q. In fact, someone could have taken a lot of money out of them and all we know is that they're bigger, but we don't know if they're as big as they should be; is that right?

A. You can assume that, yeah.

Q. It's true, right? We have no documents to

²² Parrott Dep. at 75:24-76:7.

²³ Parrott Dep. at 189:15-25.

know whether that has happened?

A. That's correct.²⁴

Q . . . When you told the Court there has been no dissipation, that conclusion was based on six out of at least 18 accounts held by the Diocese?

A. That was based on the invested funds of the Diocese, yes, sir.

Q. Okay. Yes. So you only looked at a third of the accounts?

A. I was asked to look at those accounts, yes, sir.²⁵

2. **AFFIDAVIT:** "Any withdrawals . . . were made in the usual and ordinary course of business of the Episcopal Diocese of Fort Worth . . . since November 2008."

DEPOSITION:

Q. Okay. Good. So if we saw massive dissipation over time, that would be very surprising wouldn't it?

A. Probably, yes.

Q. Yeah, we wouldn't expect hundreds of thousands of dollars to disappear from operating accounts, would we?

A. I would not, no, sir.

Q. Okay. We could call that dissipation, couldn't we?

A. Yes, sir.²⁶

Q . . . So operating accounts . . . , which leads to a total of \$547,030.13 gone between October 31st, 2008 and February 28th, 2011 from these 12 accounts; is that correct?

A. That's what it adds to, yes, sir.²⁷

Q . . . You have told us that in your ten years' experience as the director of business and finance for the Episcopal Diocese of Fort Worth you have never opened an out-of-state bank account to transfer funds out of state for the Diocese before; is that correct?

A. That's correct.²⁸

²⁴ Parrott Dep. at 197:8-20.

²⁵ Parrott Dep. at 58:11-19.

²⁶ Parrott Dep. at 55:5-14.

²⁷ Parrott Dep. at 63:12-64:4.

Q. So you thought that that money would be harder for a court to reach out of state?

A. That is not what I said, but that was the thought of the Diocese, not of me, but of the Diocese, that was the decision that was made.²⁹

Q. So they came out with an official trustee declaration that you ought to do this. How much money did you remove from the Diocesan Fund to pay for these legal fees?

A. I don't remember the exact amount. I'm going to say approximately 30,000.

Q. Approximately \$30,000. When was this distribution made?

A. It was this year. I don't remember the exact date.

Q. And you say in your affidavit that the ordinary annual draw from the Diocesan Fund is \$2,500?

A. Right.³⁰

3. **AFFIDAVIT:** "In addition, no real or personal property . . . has been sold, transferred or dissipated except in the ordinary course of business of the Episcopal Diocese of Fort Worth and/or its parishes and missions since November 2008."

Q. In your history as the director of business and finance for the Diocese, how many \$3.5 million liens has the Diocese taken out on church property?

A. How many?

Q. Uh-huh.

A. Other than this, none.³¹

Q. Did you put it on the books?

A. The -- no, sir, it is -- it's not on the books.³²

4. **AFFIDAVIT:** "Any record reflecting any sale, transfer or dissipation of any real or personal property . . . has been produced for copying and inspection . . ."

²⁸ Parrott Dep. at 101:5-10.

²⁹ Parrott Dep. at 93:18-22.

³⁰ Parrott Dep. at 207:8-20.

³¹ Parrott Dep. at 80:6-11.

³² Parrott Dep. at 83:13-15.

DEPOSITION:

Q. You would want to see all of the accounts, wouldn't you?

A. Sure.

Q. So why did you only show the Court six accounts?

A. Those were what I was asked to produce. These are -- this is what I was asked to produce at the time.

Q. Okay. Who asked you to produce that?

A. I was asked by the attorneys to produce that.³³

Q. So other than your testimony today, we have no way of knowing how much money you transfer -- you, the Diocese, transferred out of state to Louisiana, do we?

A. Not from this information, no.

Q. The opening balance could have been \$5 or it could have been 500,000? We don't know; is that right?

A. I guess that's right, yes, sir.³⁴

A. The balance sheet -- the Louisiana account was probably not listed on the balance sheet, no, sir, but the funds were reported, yes, sir.

Q. Why wasn't it listed on the books?

A. I don't have an answer to that. It just wasn't.

Q. Did you prepare these books?

A. Yes.³⁵

Q. . . . Defendants only produced financial statements for those four months we discussed earlier; is that correct?

A. Yes.

Q. So plaintiffs have not received from defendants any year-end financial statements that would summarize the whole year; is that correct?

A. I don't think so is my recollection, no.³⁶

5. AFFIDAVIT: "The only substantial new encumbrance of any of the property . . . since November 2008 is the lien granted by the

³³ Parrott Dep. at 50:19-51:3.

³⁴ Parrott Dep. at 91:15-23.

³⁵ Parrott Dep. at 97:25-98:7.

³⁶ Parrott Dep. at 146:12-19.

Corporation of the Episcopal Diocese of Fort Worth to Jude Funding, Inc.”

DEPOSITION:

Q. Okay. So here we have an example of a lease that was acquired after the schism; is that correct?

A. Yes, sir.

Q. And it says St. Elizabeth's at the top. What does that mean?

A. That means that evidently this property is -- this lease was acquired because of the St. Elizabeth's property there.³⁷

Q. As of the signing of this lease, were they associated with you?

A. No, sir. I mean, they're -- they're one of our missions, but they don't -- they don't associate with us.

Q. And yet Chad Bates who is a trustee of the Diocese signed this lease?

A. Yes.

Q. And the money, \$24,000 plus \$5,000 -- or at \$5,000 per net acre, is payable directly to the Corporation of the Episcopal Diocese of Fort Worth; is that correct?

A. Yes, sir.³⁸

Q. . . Did this money here, the 24 -- \$20,400, did it ever go to St. Elizabeth's?

A. No, it did not.

Q. So it stayed with the Diocese?

A. Yes, sir.³⁹

Q. All right. You knew that -- that your office has received over \$8,000 in mineral leases on All Saints property, didn't you?

A. We did receive some oil and gas lease.⁴⁰

Q. And the lease was signed well after the split, wasn't it?

A. I don't remember when the lease was signed, but probably.⁴¹

³⁷ Parrott Dep. at 160:11-18.

³⁸ Parrott Dep. at 161:1-13.

³⁹ Parrott Dep. at 162:9-13.

⁴⁰ Parrott Dep. at 235:18-21.

Q. All right. I'm going to represent to you it was signed after the split. Now, then, what did y'all do with the money?

A. It went probably into the operating account of the Diocese of Fort Worth.

Q. Didn't go into the All Saints account?

A. No, sir, it did not.⁴²

6. **AFFIDAVIT:** "The bank accounts of the Diocese are maintained with Frost Bank."

DEPOSITION:

Q. Why didn't you tell the Court about the Louisiana bank account?

A. Because at the time, it did not enter my mind. I forgot.⁴³

Q. You said you opened this account; is that correct?

A. I was one of the -- I participated in opening the account, yes, sir.⁴⁴

7. **AFFIDAVIT:** "Except for the Diocese operating accounts, all other accounts of the Diocese with Frost Bank have been frozen, making them unavailable to the Diocese since approximately April 11, 2011."

DEPOSITION:

Q. So other than your testimony today, we have no way of knowing how much money you transfer -- you, the Diocese, transferred out of state to Louisiana, do we?

A. Not from this information, no.

Q. The opening balance could have been \$5 or it could have been 500,000? We don't know; is that right?

A. I guess that's right, yes, sir.⁴⁵

8. **AFFIDAVIT:** "The current balance in the non-frozen operating accounts as of the execution of this affidavit is approximately \$275,000.00. As monthly operating expenses normally approximate

⁴¹ Parrott Dep. at 236:20-23.

⁴² Parrott Dep. at 237:1-13.

⁴³ Parrott Dep. at 88:3-6.

⁴⁴ Parrott Dep. at 91:2-5.

⁴⁵ Parrott Dep. at 91:15-23.

this balance, the funds in these accounts generally roll over monthly as new contributions replace withdrawals.”

DEPOSITION:

Q. (BY MR. TOBEY) Well, maybe I was confused, so this is good. You -- we established there was over half a million dollars missing from bank accounts, correct?

A. Yes, sir.⁴⁶

Q. Okay. Good. So if we saw massive dissipation over time, that would be very surprising wouldn't it?

A. Probably, yes.

Q. Yeah, we wouldn't expect hundreds of thousands of dollars to disappear from operating accounts, would we?

A. I would not, no, sir.

Q. Okay. We could call that dissipation, couldn't we?

B. Yes, sir.⁴⁷

Q. . . So operating accounts . . . , which leads to a total of \$547,030.13 gone between October 31st, 2008 and February 28th, 2011 from these 12 accounts; is that correct?

A. That's what it adds to, yes, sir.⁴⁸

9. **AFFIDAVIT:** “In addition, we have a revolving fund account with a balance of approximately \$110,000.00 set aside for emergency parish expenses that is not used by the Diocese.”

DEPOSITION:

Q. But it is true that there was a \$100,000 loan made by the revolving fund to the Diocese of special funds; isn't that true?

A. That's true.

Q. And that largely went to legal fees, didn't it?

A. Yes, it did.

Q. And those were the Diocese's legal fees?

A. The Corporation and the Diocese, yes, sir.⁴⁹

⁴⁶ Parrott Dep. at 84:12-16.

⁴⁷ Parrott Dep. at 55:5-14.

⁴⁸ Parrott Dep. at 63:12-64:4.

⁴⁹ Parrott Dep. at 179:11-19.

10. **AFFIDAVIT:** "As a result of the summary judgment order . . . The Defendants Episcopal Diocese of Fort Worth and The Corporation for The Episcopal Diocese of Fort Worth do not have sufficient unencumbered real or personal property to give as security to obtain a bond."

DEPOSITION:

Q . . . So you didn't call up any surety and say, these are our assets, these are our donors, this is what we typically take in, this is what we take in in donations, what sort of a bond do you think we can get?

A. No, sir, I did not.⁵⁰

Q . . . You have told us that the property held by these congregations is their independent property, it is -- which is to say it is not held by the Diocese; is that correct?

A. Right.

Q. Is it your position that the property of these ten churches is not subject to this lawsuit?

A. Yes. I mean, I agree. They are not -- it's not subject to the lawsuit.⁵¹

Q. Have you approached any of these new congregations about using that separate property to secure a bond?

A. No.

Q. To your knowledge, has anybody?

A. Not to my knowledge.⁵²

11. **AFFIDAVIT:** "Posting a bond in anything higher than a nominal amount would cause substantial economic harm to the Diocese and its current operations."

DEPOSITION:

Q. Let's talk about the first one. You have raised funds for legal defense over the past two years of litigation?

A. There has been pleas for help, yes.

Q. And those pleas have been answered, haven't they?

⁵⁰ Parrott Dep. at 67:11-16.

⁵¹ Parrott Dep. at 166:22-167:5.

⁵² Parrott Dep. at 168:7-12.

A. There has been some donations, yes, sir.
Q. Well, not just some, substantial donations?
A. Right.
Q. If I remember correctly, something like 1.2 million in donations to the Diocese for legal fees since November of 2008; is that correct?
A. If that's what it says in the financial statement, that sounds correct, yes, sir.
Q. So you had a need -- the Diocese had a need and people responded generously?
A. Yes, they have.⁵³

Q. (BY MR. TOBEY) Right now in your budget you have \$86,000 dedicated to a voluntary gift to ACNA. If you put that money instead towards a supersedeas bond, that would cause no substantial economic harm to the Defendant Diocese; isn't that true?

...
A. I would say that if the decision was made to do that, that it would not harm the Diocese, no.⁵⁴

Q. Bishop Iker is set to receive a \$145,000 salary this year; is that correct?
A. That includes housing and -- yes.⁵⁵

Q. So the auto -- I'm just looking at the second item, it says auto allowance, \$3,000; is that correct?
A. That's correct.
Q. Okay. \$26,000 in pension?
A. Yes, sir.
Q. \$9,500 in travel out of Diocese?
A. Yes.
Q. And another \$9,000 for meetings and conferences?
A. Yes.⁵⁶

12. AFFIDAVIT: "As of the signing of this affidavit, litigation costs have been made mostly from gifts and contributions, which are not assets of the Diocese or Diocesan Corporation."

DEPOSITION:

Q. But it is true that there was a \$100,000 loan

⁵³ Parrott Dep. at 114:13-115:4.

⁵⁴ Parrott Dep. at 137:17-25.

⁵⁵ Parrott Dep. at 209:3-5.

⁵⁶ Parrott Dep. at 209:18-210:7.

made by the revolving fund to the Diocese of special funds; isn't that true?

A. That's true.

Q. And that largely went to legal fees, didn't it?

A. Yes, it did.

Q. And those were the Diocese's legal fees?

A. The Corporation and the Diocese, yes, sir.⁵⁷

Q. Who took funds from the Diocesan Fund?

A. The Diocesan Fund is a nonrestricted fund and there was money -- some funds taken from the Diocesan Fund to help pay legal expenses.⁵⁸

Given these numerous contradictions and inconsistencies in Ms. Parrott's testimony, the Court should disregard the affidavit statements listed above.

CONCLUSION AND PRAYER

For the reasons set forth above, the Episcopal Parties request that the Court strike Ms. Parrott's affidavits in their entirety. In the alternative, the Episcopal Parties request that the Court strike the inadmissible affidavit statements identified above and disregard Ms. Parrott's affidavit statements that were contradicted by her deposition testimony.

⁵⁷ Parrott Dep. at 179:11-19.

⁵⁸ Parrott Dep. at 206:17-24.

Frank Hill w/permission

Frank Hill
State Bar No. 09632000
Hill Gilstrap, P.C.
1400 W. Abram Street
Arlington, Texas 76013-1705
(817) 261-2222
(817) 861-4685 (fax)

***Attorneys for the Local Episcopal
Congregations, all Affiliated with The
Episcopal Church***

Respectfully submitted,
Jonathan D. F. Nelson

Jonathan D. F. Nelson
State Bar No: 14900700
JONATHAN D. F. NELSON, P.C.
1400 West Abram Street
Arlington, Texas 76013
Telephone: 817.261.2222
Facsimile : 817.274.9724

Kathleen Wells
State Bar No. 02317300
3550 Southwest Loop 820
Fort Worth, Texas 76133
Telephone: 817.332.2580
Facsimile: 817.332.4740

William D. Sims, Jr.
State Bar No. 18429500
Thomas S. Leatherbury
State Bar No. 12095275
VINSON & ELKINS L.L.P.
2001 Ross Avenue, Suite 3700
Dallas, Texas 75201-2975
Telephone: 214.220.7792
Facsimile: 214.999.7792

***Attorneys for the Local Episcopal Parties,
all Affiliated with The Episcopal Church***

CERTIFICATE OF CONFERENCE

A conference was held on May 16, 2011 with J. Shelby Sharpe, counsel for Defendants, on the merits of this motion. A reasonable effort has been made to resolve the dispute without the necessity of court intervention and the effort failed. Therefore it is presented to the Court for determination.



CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing document has been sent this 16th day of May, 2011, by facsimile and electronic mail, to:

J. Shelby Sharpe, Esq.
Sharpe Tillman & Melton
6100 Western Place, Suite 1000
Fort Worth, TX 76107

Scott A. Brister, Esq.
Andrews Kurth L.L.P.
111 Congress Avenue, Suite 1700
Austin, TX 78701

R. David Weaver, Esq.
The Weaver Law Firm
1521 N. Cooper Street, Suite 710
Arlington, TX 76011

Kendall M. Gray, Esq.
Andrew Kurth L.L.P.
600 Travis, Suite 4200
Houston, TX 77002

David Booth Beers, Esq.
Adam Chud
Goodwin Procter, LLP
901 New York Avenue, N.W.
Washington, D.C. 20001

Mary E. Kostel, Esq.
c/o Goodwin Procter LLP
901 New York Avenue, N.W.
Washington, D.C. 20001

Sandra Liser, Esq.
Naman Howell Smith & Lee, LLP
Fort Worth Club Building
306 West 7th Street, Suite 405
Fort Worth, TX 76102



EXHIBIT A

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

NO. 141-252083-11

THE EPISCOPAL CHURCH,)	IN THE DISTRICT COURT
et al.,)	
)	
Plaintiffs,)	
)	
VS.)	DALLAS COUNTY, TEXAS
)	
FRANKLIN SALAZAR, et al.,)	
)	
Defendants.)	141ST JUDICIAL DISTRICT

COPY

ORAL AND VIDEOTAPED DEPOSITION OF
JANE R. PARROTT
MAY 10, 2011

ORAL AND VIDEOTAPED DEPOSITION of JANE R. PARROTT, produced as a witness at the instance of the Plaintiffs, and duly sworn, was taken in the above-styled and numbered cause on the 10th of May, 2011, from 9:01 a.m. to 3:20 p.m., before Audra B. Paty, CSR in and for the State of Texas, reported by machine shorthand, at the offices of Sharpe Tillman & Melton, 6100 Western Place, Suite 1000, in the City of Fort Worth, County of Tarrant, State of Texas, pursuant to Notice and the Texas Rules of Civil Procedure.

	30		32
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	
	31		33
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	Q. Okay. And you're aware that there are 48
21		21	congregations in this case that are represented by
22		22	Mr. Weaver and affiliated with the Defendant Diocese?
23		23	A. I am aware, yes, sir.
24		24	Q. Okay. And you didn't review a single
25		25	document relating to those entities?

Jane R. Parrott - May 10, 2011

34	<p>1 A. No, sir.</p> <p>2 Q. Okay. Are you prepared to speak about their</p> <p>3 financial and business affairs?</p> <p>4 A. About the congregation's financial and</p> <p>5 business affairs?</p> <p>6 Q. Yes, ma'am.</p> <p>7 A. No, sir.</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22 Q. There are 12 individual defendants in this</p> <p>23 case.</p> <p>24 Are you personally involved in the</p> <p>25 financial and business affairs of any of those 12</p>	36
35	<p>1 individual defendants?</p> <p>2 A. No, sir.</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13 Q. Okay. So today you are here to talk about</p> <p>14 the financial and business affairs of the Defendant</p> <p>15 Diocese; is that correct?</p> <p>16 A. Yes, sir.</p> <p>17 Q. Are you also here today to speak about the</p> <p>18 Defendant Corporation and its business affairs?</p> <p>19 A. No, sir, not totally.</p> <p>20 Q. Okay. So there are 62 defendants in this</p> <p>21 case that have judgments against them and you are only</p> <p>22 prepared today to speak on one of those 62 defendants?</p> <p>23 A. Yes, sir.</p> <p>24</p> <p>25</p>	37

Jane R. Parrott - May 10, 2011

42	44
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
43	45
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

Q. Okay. So someone wrote both of your affidavits for you?

A. Yes, sir.

REDACTED

	50		52
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	
	51		53
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	

19 Q. You would want to see all of the accounts,
20 wouldn't you?
21 A. Sure.
22 Q. So why did you only show the Court six
23 accounts?
24 A. Those were what I was asked to produce.
25 These are -- this is what I was asked to produce at

1 the time.
2 Q. Okay. Who asked you to produce that?
3 A. I was asked by the attorneys to produce that.

REDACTED

54	56
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
55	57
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

Jane R. Parrott - May 10, 2011

58	60
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

REDACTED

62	64
<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p>1 to a total of \$547,030.13 gone between October 31st, 2 2008 and February 28th, 2011 from these 12 accounts; 3 is that correct? 4 A. That's what it adds to, yes, sir. 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
63	65
<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p>So operating accounts, we're missing 165,000 give or take. General special fund, we're missing 2,500 approximately. Special fund St. Peter, we're missing 2,000 approximately. Special fund money market, we're missing 74,000 approximately. Revolving account, we're missing 37,000 approximately. Revolving account MMA, we're missing 25,000. General E.D. Farmer, we're missing \$7,600. E.D. Farmer, we're missing about \$55,500. Camp Crucis we're missing \$42,000. Camp Crucis, operating, we're missing about \$6,600. There was a certificate of deposit that was \$22,000 back in '08 and it's gone down. There was a certificate of deposit revolving that was \$107,000 back in October of '08, and that's gone, which leads</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p style="text-align: right;">REDACTED</p>

Jane R. Parrott - May 10, 2011

66	68
<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
67	69
<p>1 2 3 4 5 6 7 8 9 10 11 12 So you didn't call up any surety and say, 13 these are our assets, these are our donors, this is 14 what we typically take in, this is what we take in in 15 donations, what sort of a bond do you think we can 16 get? 17 A. No, sir, I did not. 18 19 20 21 22 23 24 25</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p style="text-align: right;">REDACTED</p>

Jane R. Parrott - May 10, 2011

74	76
1	1 is that correct?
2	2 A. I don't have personally any knowledge of
3	3 transactions with Jude Funding. That has not been in
4	4 my purview.
5	5 Q. Okay. You have no -- so you could not
6	6 testify to anything about Jude Funding?
7	7 A. No, sir, I could not.
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
75	77
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
Q. (BY MR. TOBEY) The Diocese was able to	REDACTED
secure a \$3.5 million line of credit for Jude Funding;	

78	80
1	1 Q. Well, wouldn't you know that as the director
2	2 of business and finance?
3	3 A. I have -- I do not have the documents in hand
4	4 to attest to anything at this point as far as Jude
5	5 Funding is concerned.
6	6 Q. In your history as the director of business
7	7 and finance for the Diocese, how many \$3.5 million
8	8 liens has the Diocese taken out on church property?
9	9 A. How many?
10	10 Q. Uh-huh.
11	11 A. Other than this, none.
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
79	81
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

20 Q. But you are the director of business and
21 finance for the Episcopal Diocese of Fort Worth.
22 A. That's right.
23 Q. And this is a \$3.5 million lien on church
24 property; is that right?
25 A. I assume it is, yes, sir.

REDACTED

Jane R. Parrott - May 10, 2011

82	84
<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 Q. (BY MR. TOBEY) Well, maybe I was confused, 13 so this is good. You -- we established there was over 14 half a million dollars missing from bank accounts, 15 correct? 16 A. Yes, sir. 17 18 19 20 21 22 23 24 25</p>
83	85
<p>1 2 3 4 5 6 7 8 9 10 11 12 13 Q. Did you put it on the books? 14 A. The -- no, sir, it is -- it's not on the 15 books. 16 17 18 19 20 21 22 23 24 25</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p style="text-align: center;">REDACTED</p>

	86		88
1		1	
2		2	
3		3	Q. Why didn't you tell the Court about the
4		4	Louisiana bank account?
5		5	A. Because at the time, it did not enter my
6		6	mind. I forgot.
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	
	87		89
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	

REDACTED

Jane R. Parrott - May 10, 2011

90	92
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
91	93
1	1
2 Q. You said you opened this account; is that	2
3 correct?	3
4 A. I was one of the -- I participated in opening	4
5 the account, yes, sir.	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15 Q. So other than your testimony today, we have	15
16 no way of knowing how much money you transfer -- you,	16
17 the Diocese, transferred out of state to Louisiana, do	17
18 we?	18
19 A. Not from this information, no.	19
20 Q. The opening balance could have been \$5 or it	20
21 could have been 500,000? We don't know; is that	21
22 right?	22
23 A. I guess that's right, yes, sir.	23
24	24
25	25

REDACTED

	94		96
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	
	95		97
1	v	1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	A. The balance sheet -- the Louisiana account

Jane R. Parrott - May 10, 2011

98	100
1 was probably not listed on the balance sheet, no, sir,	1
2 but the funds were reported, yes, sir.	2
3 Q. Why wasn't it listed on the books?	3
4 A. I don't have an answer to that. It just	4
5 wasn't.	5
6 Q. Did you prepare these books?	6
7 A. Yes.	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
99	101
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

You have told us that in your ten years' experience as the director of business and finance for the Episcopal Diocese of Fort Worth you have never opened an out-of-state bank account to transfer funds out of state for the Diocese before; is that correct?
 A. That's correct.

REDACTED

110	112
1	1 Diocese could post any bond at all was done in your
2	2 head?
3	3 A. Pretty much, yes, sir.
4	4 Q. How long did it take you to do that analysis?
5	5 A. It did not take long.
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
111	113
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

Q. So this is an organization that has about a \$1.8 million a year operating budget with several line items and your entire analysis on whether or not the

REDACTED

Jane R. Parrott - May 10, 2011

114	116
1	1 couldn't answer for someone else.
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13 Q. Let's talk about the first one. You have	13
14 raised funds for legal defense over the past two years	14
15 of litigation?	15
16 A. There has been pleas for help, yes.	16
17 Q. And those pleas have been answered, haven't	17
18 they?	18
19 A. There has been some donations, yes, sir.	19
20 Q. Well, not just some, substantial donations?	20
21 A. Right.	21
22 Q. If I remember correctly, something like 1.2	22
23 million in donations to the Diocese for legal fees	23
24 since November of 2008; is that correct?	24
25 A. If that's what it says in the financial	25
115	117
1 statement, that sounds correct, yes, sir.	1
2 Q. So you had a need -- the Diocese had a need	2
3 and people responded generously?	3
4 A. Yes, they have.	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20 Q. Have you contacted any of those big donors to	20
21 ask if they would be willing to put -- to make any	21
22 contributions towards a bond?	22
23 A. I have not, no, sir.	23
24 Q. Has anybody?	24
25 A. Not to my knowledge. I don't know. I	25

REDACTED

118		120	
1		1	
2		2	Q. So is it your position that every single
3		3	piece of property in the possession of the Diocese as
4		4	you sit here today is encumbered by this lawsuit and
5		5	subject to this lawsuit?
6		6	A. I really couldn't answer that question. I
7		7	don't know.
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	
119		121	
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	

REDACTED

Jane R. Parrott - May 10, 2011

122	124
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21 don't -- your answer is, you don't know if the Diocese	21
22 holds any separate property?	22
23 A. That is my answer.	23
24	24
25	25
123	125
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

REDACTED

126	128
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
127	129
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

So you were able to fund a truly large
litigation mostly through extraordinary contributions
from donors; is that correct?
A. Yes, sir.
Q. Why couldn't you do the same with a bond?
A. I don't -- I can't answer that.

REDACTED

134	136
i 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25
135	137
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 Q. (BY MR. TOBEY) Right now in your budget you 18 have \$86,000 dedicated to a voluntary gift to ACNA. 19 If you put that money instead towards a supersedeas 20 bond, that would cause no substantial economic harm to 21 the Defendant Diocese; isn't that true? 22 MR. SHARPE:Objection, form. 23 Q. (BY MR. TOBEY) You can answer. 24 A. I would say that if the decision was made to 25 do that, that it would not harm the Diocese, no.

Jane R. Parrott - May 10, 2011

146	148
<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12 Defendants only produced financial</p> <p>13 statements for those four months we discussed earlier;</p> <p>14 is that correct?</p> <p>15 A. Yes.</p> <p>16 Q. So plaintiffs have not received from</p> <p>17 defendants any year-end financial statements that</p> <p>18 would summarize the whole year; is that correct?</p> <p>19 A. I don't think so is my recollection, no.</p> <p>20 Q. Okay. So, for example, if we were to look at</p> <p>21 an outside audit of the Diocese, we would have no</p> <p>22 internal documents to compare that audit to; is that</p> <p>23 correct?</p> <p>24 A. Based on this information, I'm assuming --</p> <p>25 no.</p>	<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
147	149
<p>1 Q. No, that's -- I'm sorry, no, that's not</p> <p>2 correct?</p> <p>3 A. I'm assuming that, no, that you would not</p> <p>4 have anything to compare it to.</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p style="text-align: right;">REDACTED</p>

158	160
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11 Q. Okay. So here we have an example of a lease
12	12 that was acquired after the schism; is that correct?
13	13 A. Yes, sir.
14	14 Q. And it says St. Elizabeth's at the top. What
15	15 does that mean?
16	16 A. That means that evidently this property is --
17	17 this lease was acquired because of the St. Elizabeth's
18	18 property there.
19	19
20	20
21	21
22	22
23	23
24	24
25	25
159	161
1	1 Q. As of the signing of this lease, were they
2	2 associated with you?
3	3 A. No, sir. I mean, they're -- they're one of
4	4 our missions, but they don't -- they don't associate
5	5 with us.
6	6 Q. And yet Chad Bates who is a trustee of the
7	7 Diocese signed this lease?
8	8 A. Yes.
9	9 Q. And the money, \$24,000 plus \$5,000 -- or at
10	10 \$5,000 per net acre, is payable directly to the
11	11 Corporation of the Episcopal Diocese of Fort Worth; is
12	12 that correct?
13	13 A. Yes, sir.
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

REDACTED

Jane R. Parrott - May 10, 2011

162	164
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

1
2
3
4
5
6
7
8
9 Did this money here, the 24 -- \$20,400,
10 did it ever go to St. Elizabeth's?
11 A. No, it did not.
12 Q. So it stayed with the Diocese?
13 A. Yes, sir.
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

163

165

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

REDACTED

166	168
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
167	169
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

Q. Have you approached any of these new congregations about using that separate property to secure a bond?

A. No.

Q. To your knowledge, has anybody?

A. Not to my knowledge.

You have told us that the property held by these congregations is their independent property, it is -- which is to say it is not held by the Diocese; is that correct?

A. Right.

Q. Is it your position that the property of these ten churches is not subject to this lawsuit?

A. Yes. I mean, I agree. They are not -- it's not subject to the lawsuit.

REDACTED

Jane R. Parrott - May 10, 2011

178	180
<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
179	181
<p>1 2 3 4 5 6 7 8 9 10 11 Q. But it is true that there was a \$100,000 loan 12 made by the revolving fund to the Diocese of special 13 funds; isn't that true? 14 A. That's true. 15 Q. And that largely went to legal fees, didn't 16 it? 17 A. Yes, it did. 18 Q. And those were the Diocese's legal fees? 19 A. The Corporation and the Diocese, yes, sir. 20 21 22 23 24 25</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 Q. And you say the only substantial new 17 encumbrance of church property is Jude Funding. I'm 18 asking were there any other encumbrances? 19 A. Not that I know of. 20 Q. Who would know that for sure? 21 A. I would say the trustees. 22 23 24 25</p>

REDACTED

Jane R. Parrott - May 10, 2011

186	188
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
187	189
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15 Q. And this was the basis to tell the court,
16	16 hey, we don't need a bond; the accounts are bigger
17	17 today than they were back then, correct?
18	18 A. Correct.
19	19 Q. Okay. But if we actually use the October,
20	20 the true before -- you know, before and after and now
21	21 I'm on 3826, that balance was \$217,989, wasn't it?
22	22 A. Yes.
23	23 Q. And it went down in the after column, which
24	24 is 211,000; is that correct?
25	25 A. Yes.

Jane R. Parrott - May 10, 2011

194	196
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
195	197
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8 Q. Well, I'm just asking -- nothing as
9	9 complicated as that. I'm asking just because the
10	10 accounts got bigger doesn't mean nobody took money out
11	11 of them, does it?
12	12 A. No, it does not.
13	13 Q. In fact, someone could have taken a lot of
14	14 money out of them and all we know is that they're
15	15 bigger, but we don't know if they're as big as they
16	16 should be; is that right?
17	17 A. You can assume that, yeah.
18	18 Q. It's true, right? We have no documents to
19	19 know whether that has happened?
20	20 A. That's correct.
21	21
22	22
23	23
24	24
25	25

REDACTED

Jane R. Parrott - May 10, 2011

206		208	
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17	Q. Who took funds from the Diocesan Fund?	17	
18	A. The Diocesan Fund is a nonrestricted fund and	18	
19	there was money -- some funds taken from the Diocesan	19	
20	Fund to help pay legal expenses.	20	
21	Q. Who removed those funds from the Diocesan	21	
22	Fund?	22	
23	A. Well, technically I did at the instruction of	23	
24	the trustees.	24	
25		25	
207		209	
1		1	
2		2	
3		3	Q. Bishop Iker is set to receive a \$145,000
4		4	salary this year; is that correct?
5		5	A. That includes housing and -- yes.
6		6	
7		7	
8	Q. So they came out with an official trustee	8	
9	declaration that you ought to do this. How much money	9	
10	did you remove from the Diocesan Fund to pay for these	10	
11	legal fees?	11	
12	A. I don't remember the exact amount. I'm going	12	
13	to say approximately 30,000.	13	
14	Q. Approximately \$30,000. When was this	14	
15	distribution made?	15	
16	A. It was this year. I don't remember the exact	16	
17	date.	17	
18	Q. And you say in your affidavit that the	18	Q. So the auto -- I'm just looking at the second
19	ordinary annual draw from the Diocesan Fund is \$2,500?	19	item, it says auto allowance, \$3,000; is that correct?
20	A. Right.	20	A. That's correct.
21		21	Q. Okay. \$26,000 in pension?
22		22	A. Yes, sir.
23		23	Q. \$9,500 in travel out of Diocese?
24		24	A. Yes.
25		25	Q. And another \$9,000 for meetings and

Jane R. Parrott - May 10, 2011

	210		212
1	conferences?	1	
2	A. Yes.	2	
3	Q. And it's your position that none of this	3	
4	money can be tightened at all in order to post any	4	
5	bond above zero without causing substantial economic	5	
6	harm; is that correct?	6	
7	A. That's correct.	7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	
	211		213
1		1	
2		2	
3		3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	
10		10	
11		11	
12		12	
13		13	
14		14	
15		15	
16		16	
17		17	
18		18	
19		19	
20		20	
21		21	
22		22	
23		23	
24		24	
25		25	

REDACTED

Jane R. Parrott - May 10, 2011

234	236
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25
235	237
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13	13
14	14
15	15
16	16
17	17
18	18
19	19
20	20
21	21
22	22
23	23
24	24
25	25

Q. All right. You knew that -- that your office has received over \$8,000 in mineral leases on All Saints property, didn't you?

A. We did receive some oil and gas lease.

REDACTED

Jane R. Parrott - May 10, 2011

242

1 CHANGES AND SIGNATURE

2 WITNESS NAME: JANE R. PARROTT MAY 10, 2011

3 PAGE LINE CHANGE REASON

4 _____

5 _____

6 _____

7 _____

8 _____

9 _____

10 _____

11 _____

12 _____

13 _____

14 _____

15 _____

16 _____

17 _____

18 _____

19 _____

20 _____

21 _____

22 _____

23 _____

24 _____

25 _____

243

1 I, JANE R. PARROTT, have read the

2 foregoing deposition and hereby affix my signature

3 that same is true and correct, except as noted above.

4

5 _____

6 JANE R. PARROTT

7

8

9 THE STATE OF _____)

10 COUNTY OF _____)

11 Before me, _____, on

12 this day personally appeared JANE R. PARROTT, known to

13 me (or proved to me under oath or through

14 _____) (description of identity card or

15 other document) to be the person whose name is

16 subscribed to the foregoing instrument and

17 acknowledged to me that they executed the same for the

18 purposes and consideration therein expressed.

19 Given under my hand and seal of office

20 this _____ day of _____, 2011.

21

22

23 _____

24 NOTARY PUBLIC IN AND FOR

25 THE STATE OF _____

My commission expires: _____

244

1 NO. 141-252083-11

2 THE EPISCOPAL CHURCH,) IN THE DISTRICT COURT

3 et al.,)

4 Plaintiffs,)

5 VS.) DALLAS COUNTY, TEXAS

6 FRANKLIN SALAZAR, et al.,)

7 Defendants.) 141ST JUDICIAL DISTRICT

8

9 REPORTER'S CERTIFICATION

10 DEPOSITION OF JANE R. PARROTT

11 MAY 10, 2011

12

13 I, Audra B. Paty, Certified Shorthand

14 Reporter in and for the State of Texas, hereby certify

15 to the following:

16 That the witness, JANE R. PARROTT, was duly

17 sworn by the officer and that the transcript of oral

18 deposition is a true record of the testimony given by

19 the witness;

20 That the deposition transcript was submitted

21 on May 11, 2011, to the witness or to the attorney for

22 the witness for examination, signature and return to

23 me by June 1st, 2011; that the amount of time used by

24 each party at the deposition is as follows:

25 Mr. Daniel L. Tobey - 4:12

Mr. Frank Hill - 0:26

245

1 That pursuant to information given to the

2 deposition officer at the time said testimony was

3 taken, the following includes counsel for all parties

4 of record:

5 Mr. Daniel L. Tobey, Mr. Kyle D. Young, Mr. Zach

6 Smith, Ms. Kathleen Wells, Attorneys for The Episcopal

7 Diocese of Fort Worth (Episcopal)

8 Mr. J. Shelby Sharpe, Attorney for The Episcopal

9 Diocese of Fort Worth (Anglican)

10 Mr. Frank Hill and Ms. Anne Michels, Attorneys for

11 Local Congregations Loyal to The Episcopal Church

12 Mr. R. David Weaver, Attorney for the Intervening

13 Congregations

14 I further certify that I am neither counsel

15 for, related to, nor employed by any of the parties or

16 attorneys in the action in which this proceeding was

17 taken, and further that I am not financially or

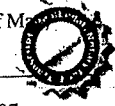
18 otherwise interested in the outcome of the action.

19 Further certification requirements pursuant

20 to Rule 203 of TRCP will be certified to after they

21 have occurred.

22 Certified to by me this 10th day of May

23 2011. *Audra B. Paty* 

24 Audra B. Paty, Certified

25 Shorthand Reporter No. 5987

Dickman Davenport, Inc.

Firm Registration #312

3131 Turtle Creek Boulevard

Suite 320

Dallas, Texas 75219

(214) 855-5100 (800) 445-9548

e-mail: abp@dickmandavenport.com

My commission expires 12-31-11

1 FURTHER CERTIFICATION UNDER RULE 203 TRCF

2 The original deposition was/was not returned
3 to the deposition officer on _____;
4 If returned, the attached Changes and
5 Signature page contains any changes and the reasons
6 therefor;

7 If returned, the original deposition was
8 delivered to Mr. Daniel L. Tobey, Custodial Attorney;
9 That \$ _____ is the deposition
10 officer's charges to the The Episcopal Diocese of Fort
11 Worth (Episcopal) for preparing the original
12 deposition transcript and any copies of exhibits;

13 That the deposition was delivered in
14 accordance with Rule 203.3, and that a copy of this
15 certificate was served on all parties shown herein on
16 _____ and filed with the Clerk.

17 Certified to by me this _____ day of
18 _____, 2011.

19
20

21 _____
Audra B. Paty, Certified
22 Shorthand Reporter No. 5987
Dickman Davenport, Inc.
23 Firm Registration #312
3131 Turtle Creek Boulevard
Suite 320
24 Dallas, Texas 75219
(214) 855-5100 (800) 445-9548
e-mail: abp@dickmandavenport.com
25 My commission expires 12-31-11