



SAINT MARK'S CATHEDRAL PARISH ANNUAL MEETING

MEETING MINUTES
Sunday, January 30, 2011 – 1:00-2:30pm
Bloedel Hall

CALL TO ORDER

The Rev. Rebecca McClain, Canon Missioner, called the Parish Annual Meeting to order at 12:55 p.m following a potluck meal. Rev. David Mesenbring offered an opening prayer asking for God's wisdom in choosing new leadership. The group sang the hymn "Rise, O church, like Christ arisen." She introduced Cathedral chancellor John Hoerster and parliamentarian Ann McCartney, and the other Cathedral officers: Virginia Lenker, clerk; Jonathan Nicholas, treasurer; Phil Haas, senior warden; Janet McCully and Randy Revelle, junior wardens.

MINUTES OF 2010 ANNUAL MEETING

The minutes of 2010 Annual Meeting were posted on the Saint Mark's website and available in the Nave. Rebecca noted the policy that an approval committee, specifically the Vestry, reviewed the minutes. Rebecca asked for questions or corrections. Hearing none, the minutes were approved.

REPORT OF THE NOMINATING COMMITTEE– *Sallie Bodie, Chair, Nominating Committee*

2011 Diocesan Convention Delegates and Alternates

Sallie asked nominees for 2011 Diocesan Convention delegates to stand: Jim Bachmann, Mary Dickinson, Kathy Elkins, Mary Frederick, Sean Horner, Rene Marceau, Gordon Miller, Kathy Minsch, Carolyn Shaw, and Mark Roberts. **Rebecca asked for additional nominations from the floor. Hearing none, the slate for nominations for delegates was closed.** Noting that number of candidates matched number of open slots, a paper ballot was not required. All ten nominees were elected by acclamation.

Vestry Nominees

Our bylaws require two candidates for each open Vestry slot at the Annual Meeting, so the nominations committee presented a slate of ten nominees. Rebecca noted that Rev. Michael Jackson had to be withdrawn from the slate because ordained persons belong to the diocese, and are not eligible to run for an elected parish position. She also noted that Erik Anderson resigned from his Vestry position at the end of December, with one year left in his term. **A motion was made to fill Erik's slot with the nominee who won the sixth highest number of votes. The motion was seconded and passed unanimously.** That person is eligible to run next year for a full 3-year term.

Sallie asked nominees for Vestry to stand with her on the stage: Kae Eaton, Elsie Ford, Paul Johns, Leslie Miller, John Neitzel, Walter Stuteville, Hunter Tynes, Tom Weaver, and Mark Eichinger-Wiese. **Rebecca asked for additional nominations from the floor. Hearing none, the slate for nominations for Vestry**

was closed. Candidates' personal statements have been available on the website and in a printed brochure, as well as in candidate forums.

Continuing Vestry

Terms ending in 2012 Annual meeting: Marge Anderson, Bob Kirkman, Janet McCully, and Rev. Patty Baker (diocesan rep). Terms ending in 2013: Stacy Andersen, Scott Smallwood, Roger Valdez, and Dale Ramerman (diocesan rep).

RULES OF ELECTION—*John Hoerster, Chancellor*

John Hoerster reviewed the election procedures, and presented the definition of “communicants in good standing” who are eligible to vote in parish elections. Ordained persons are not eligible to vote.

VOTING:

Ushers distributed paper ballots. **Sallie instructed voters to vote for six vestry candidates.** Ballots were collected by ushers and counted by members previously selected by the Nominations Committee.

PRAYER:

Rebecca prayed for God's guidance and grace.

CANON MISSIONER'S REPORT:

Rebecca noted the importance of being “present in the moment,” and at the same time moving into the next phases of the transition process toward writing a profile, and ultimately calling a new Dean. Rebecca thanked all the Cathedral staff for their hard work this year. Rev. David Mesenbring will have a new title of Senior Associate. Rev. Helen Harper will serve at the altar and pulpit, Rev. Pat Taylor will be Pastoral Associate, Rev. Earl Grout will continue as Deacon. Rev. Mary Shehane will be moving on to Assumption Parish. An annual report, “2010 Ministry Focus” was distributed and will be available in the in the Nave. Rebecca gave gifts of Zimbabwean art to Becky Morrill, Phil Haas, Randy Revelle, Jonathan Nicholas, and Janet McCully as a token of her thanks.

Pro Christo et Ecclesia Awards

These awards honor individuals whose service exemplifies Christ's call to servant leadership, in gratitude for their many acts of generous service. Rebecca gave awards to

- **Carol Greene**, for her ambitious work “as a fool for Christ” in coordinating the creation of more than 100 quilts for Canaday House. Many people across the diocese joined in the project. There is now a plan to teach sewing and quilting to women in Noel House. Rebecca also praised Carol's work in extending hospitality by chairing the Cathedral's Newcomer project.
- **Penny Reid**, for her faith and love, plus her history of getting things done on the Vestry, on the Standing Committee, as Annual Campaign Chair, as coordinator of the Gratitude Project, and member of the new Nicaraguan initiative.
- **Phil Haas**, for his leadership and generous gift of time and commitment. Rebecca noted that Phil served as Finance Committee chair and Annual Campaign chair before serving on the Vestry, including two years as Senior Warden.

Rebecca announced that Scott Smallwood will serve as the next Senior Warden.

SENIOR WARDEN'S REPORT—*Phil Haas*

Phil thanked Rebecca for her hard work and energy, and acknowledged remaining Vestry members and officers. He and Randy Revelle are the only members of today's graduating class who have served all three years. Phil reviewed the past year's accomplishments in light of the Cathedral's strategic objectives.

1) *Create a more welcoming, enduring, and environmentally sound facility.* A long list of deferred maintenance items was completed below projected costs. The sustainability committee and Alan DePuy are

helping keep the Cathedral cleaner, more efficient, and greener. Upcoming projects include repairing and cleaning windows in the Nave and repairing Chapel doors.

2) *Deepen our spiritual and community life.* Worship and music activities are core competencies, and are going strong. Church Assessment Tool survey helped understand Cathedral's character of rector-centricity.

3) *Focus ministries of service and outreach.* Vestry has a liaison committee to collaborate with Church in the World Coordinating Committee.

4) *Deepen our connection with the Diocese of Olympia.* Bishop's core team has started the work toward a new Dean. Diocesan reps encouraged being more active in diocesan events, including staffing a very popular booth at Convention thanks to 60 dozen homemade chocolate chip cookies! Phil noted John Hoerster's and Janet McCully's work to get convention's approval to change Vestry structure (changing community reps to parish reps).

5) *Sustainable stewardship.* Phil noted Stewardship Committee's and Finance Committee's hard work during difficult economic times. Budget is now based on sustainable revenue sources, rather than relying in last-minute gifts and events. Cathedral has 20% fewer staff than 2009 (11 vs 13.6 FTEs). Phil also noted the recent efforts by "Gang of 6 + 1" (Phil, Jean Leed, Judy Andrews, Duncan Bayne, Dale Ramerman, Bishop Rickel, plus John Hoerster) to clarify relationship of St. Mark's Foundation, Vestry, and Bishop's office toward raising funds to support Cathedral's buildings and grounds.

STEWARDSHIP COMMITTEE REPORT – *Randy Revelle, co-chair*

Randy reminded of the annual pledge campaign's objective to conduct a faith-based annual campaign, themed "*the place where your treasure is, is the place you will most want to be, and end up being.*" Number of new pledges was good (97). The campaign ended as promised on Dec. 12, which was one week earlier than last year, and seven weeks earlier than 2009. Unfortunately, the campaign did not meet goals in number of pledging households (504, vs. goal of 600) or dollars (\$1.08 MM vs. goal of \$1.25MM). Randy noted importance of contributing generously of time, talent and treasure throughout the year. "Stewardship is about participation, not just about raising lots of money." Successful projects by stewardship committee members included gratitude and growth gatherings, volunteer and newcomer outreach programs, and stewardship Sunday. Randy noted that early pledging can reduce last minute panic about cutting programs or staff, and move toward celebrating generosity.

TREASURER'S REPORT – *Jonathan Nicholas, Cathedral Treasurer*

Rebecca and Phil noted Jonathan's hard work and good humor this year, especially in light of the elimination of the COO position. Jonathan distributed copies of his PowerPoint presentation.

2009 audit

Jonathan noted the lateness of the audit, partly due to time in tracking down a major gift. The auditors, looking at financial statements of the Cathedral and the St. Nicholas LLC, gave an "unqualified" or good report. The audit showed \$234K increase in net assets. Much of that amount was unrealized gains in the Cathedral's investments. Jonathan also noted that the Cathedral's building is categorized as an asset, but realistically is a cash drain.

2010 review

Much of the Cathedral's investment portfolio is now managed by professionals (The Cascade Group of Morgan Stanley Smith Barney), rather than relying on parish volunteers. Per our investment policy, the portfolio includes 65% equity funds, 25% fixed income, and 10% cash. Jonathan noted cash will be withdrawn from the portfolio shortly, as opposed to 2008 and 2009 when the Vestry agreed to avoid making any withdrawals in order to let the portfolio grow back after significant market downturns. The recent agreement with the Foundation clarifies that Foundation will administer all of its own endowments, including those funds that stemmed from sale of Cathedral greenbelt.

Year-end pledge revenue was lower than budget, but plate revenue came in well. Major gifts included some unsolicited gifts, so total revenue exceeded budget. Compensation expenses and fixed expenses came in better than budget. Unfortunately, the variable expenses category significantly exceeded budget. Jonathan

and finance committee determined the 2010 budget had unrealistic assumptions in the variable expense category. The rationale was to keep the expense line as low as possible, so the overall budget would balance and avoid more staff cuts. 2010 actuals in the variable expense category were very similar to those of previous years. Jonathan noted some items were beyond our control. For example, because utility rates increased, the Cathedral's expenses went up despite our efforts to be more efficient. Overall, the Cathedral ended the year with \$11K deficit, which is less than one percent of the total budget.

2011 budget

Jonathan noted the Vestry strives to "balance the budget with recurring sources of income, live carefully and attentively within our means, and be always and everywhere grateful for all that we have and for all that we are called to do with it." Following tradition, Annual Campaign pledge total is discounted by 4% in the budget. Finance committee has noted that recession has curtailed pledges and gifts. Other revenue categories include interfund transfers from Cathedral endowments and management fee for the St. Nicholas building to fund some personnel expenses. Total personnel expenses line decreased by \$50K from 2010. Variable expenses line reflects 2010's actual expenses. Jonathan noted that building related expenses now fall into a new budget section. Most deferred maintenance items have been completed, so we are now doing "just" maintenance, plus unexpected repairs as needed. He acknowledged Alan's efforts at getting deferred maintenance items completed at 15-20% of original cost estimates. Budget is written to balance exactly, even though that may be a statistical impossibility.

GOVERNANCE COMMITTEE – *Janet McCully, chair*

The governance committee has monitored and evaluated the Vestry's performance to be sure it is in compliance with bylaws and constitution. As Phil mentioned, the vestry structure was changed this year. Currently there are 12 parish reps, 3 diocesan reps, and 2 ex officio positions: Canon Missioner and Bishop. The community rep positions were replaced by parish reps. The nominations process has been strengthened and provides more opportunities for leadership and vestry training.

SAINT MARK'S FOUNDATION REPORT – *Jean Leed, board chair*

The Foundation's recently updated mission statement reaffirms its original purpose, to preserve and enhance the Cathedral's buildings and grounds. Jean praised the new relationship with the Bishop's office, which facilitates reaching out to donors across the diocese. In memory of Carol Knirk, the diocese's canon for planned giving and evangelism and member of the Foundation since 1995, the Foundation board raised \$10K to purchase a baby grand piano for Bloedel Hall. The piano will be dedicated on Sun. Mar. 2. The Planned Giving Committee will continue to hold receptions for members of the Cathedral Legacy Society, and educational workshops to help people plan their legacies and estate plans. The next workshop, "Planning Your Legacy," will be Sat. April 2, with an afternoon session for planned giving committee members across the diocese. Bishop Rickel, a staffer from the National Church Foundation, and a Seattle attorney will lead the workshop. The Foundation distributed \$52K to the Cathedral in 2010 for buildings and grounds, and over \$1MM since the inception of the Foundation in 1995. The Foundation's portfolio of endowments has returned to pre-recession levels, and now exceeds \$1MM.

ELECTION RESULTS

Sallie thanked all candidates for going through extensive interview process. She noted that all 184 ballots were filled out correctly. Kae Eaton, Elsie Ford, Hunter Tynes and Walter Stuteville will serve three years, terms expiring at Annual Meeting 2014. Leslie Miller will fill a two-year slot, and Mark Eichinger-Wiese will fill a one-year slot.

BISHOP'S TRANSITION PROCESS – *Scott Smallwood, Core Team*

Scott introduced members of the internal core team Doug Thorpe, Tyler Stahl, Heidi Kim, Paul Johns, Jo Ann Bailey and Diane Stevens. The group has been working, with consultant Melissa Skelton, to take the pulse of the congregation and address concerns before calling a new Dean. Bishop Rickel weighed in with his

views of Saint Mark's community. After many parish meetings, the core team proposed the following actions: cultivate congregational leaders and healthier parish environment, increase function as a gathering place, strengthen stewardship of resources, improve communication to the diocese, and establish systems to insure new Dean's success. A summary meeting will be held on Feb. 17.

ADJOURNMENT/DISMISSAL

Rev. Pat Taylor passed on a compliment from a visiting priest, who said, "my, this is a hospitable place, I wish I could stay." She offered a closing prayer. Rebecca adjourned the meeting.

Next year's annual meeting will be Sunday, January 29, 2012

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Respectfully submitted,

Virginia Lenker
Clerk