



VESTRY SPRING RETREAT AND MEETING

**Saturday, March 21-Sunday March 22, 2009
Camp Huston, Gold Bar, WA**

Vestry Members Present

Phil Haas, Sr. Warden
Margaret Rothschild
Kathleen Croston
Sam Fleshman
Nancy Jacobs
Patty Baker
Marge Anderson
John Friedman
Bob Kirkman
Randy Revelle

Vestry Members Absent

Dennis Andersen
Terry Brandon
Bishop Greg Rickel
Bob Muglia
Alan Mack, Bishop's Rep.
Janet McCully

Officers Present

Steve Moen, Treasurer
Virginia Lenker, Clerk

Staff Members Present

Rev. Rebecca McClain, Canon Missioner
Mary Coon, Director of Abundance

Guests

Jean Leed, Foundation Board President

Officers Absent

John Hoerster, Chancellor

Call to Order

Rebecca greeted everyone, reviewed the agenda, and asked members to introduce themselves around the table.

Strategic Plan

Rebecca led the group in an Appreciative Inquiry exercise to discuss and reflect on Saint Mark's Guiding Values: "Welcome, Inspire, Serve, Transform" which come out of the Guiding Star, or mission statement: "Welcoming all to live the light of Christ."

Rebecca shared some observations from "The Future Shape of Ministry" by Terry Holmes, a theologian-historian. The church exists to make it possible for people to encounter Christ. The church is rooted in the divine, and must also be connected with current cultural realities. Rebecca stressed the importance of Structure following Function. Ministerial functions are preaching, teaching, prophecy, caring, evangelizing, ritualization, administration and discipline. Our work, our strategic plan, is to become a living sign of God's love, and find new structures to address the ministerial functions in our time.

The Vestry discussed the Mission and Strategy committee's recommendations of five strategic targets to help Saint Mark's live out the core values of Welcome, Inspire, Serve and Transform. These actions should be completed in 3-5 years. Program committees will suggest specific plans for the Vestry to fund (or not).

- Create a more welcoming and enduring facility
- Deepen our spiritual and community life
- Focus Saint Mark's ministry of service to others
- Deepen the connection with the Diocese of Olympia
- Create sustainable stewardship of our church and cathedral

Suggestions included: deepening and clarifying the connection with Diocese including the bishop's office and other parishes; using resources carefully; focusing on fewer areas of outreach ministry to avoid being too diffuse.

Cathedral staff is working on some immediate and low cost suggestions to create a more welcoming environment: have the phone answered all the time; deep cleaning of nave and other common areas; remove the dirty and broken partitions in Bloedel Hall; clean and paint the downstairs entry to the office. Rebecca noted that the carpet in the nave was removed 10 years ago with intention to replace it with a new floor. Unfortunately, the current cement floor is porous and cannot be cleaned so it has 10 years of stains and dirt.

Vestry organization, roles and responsibilities

By current bylaws, the Vestry has 7 committees: Mission and Strategy, Stewardship, Governance, Finance, Personnel, Holy Orders (now called Discernment), and Facilities. Rebecca suggested reorganizing Vestry committees into three clusters, each with a Vestry convener and staff liaison. Phil stated that individual committees will continue working as before. After discussion, Vestry members and staff filled openings as follows:

- Parish Finance – Randy Revelle, convener; Mary Coon, staff
 - Finance (Bob Kirkman, chair; Phil Haas, Nancy Jacobs Steve Moen)
 - Stewardship (Randy Revelle, chair; Phil Haas, John Friedman)
 - Joint Investment (with Foundation board—chair TBD, Steve Moen)
 - Note: Foundation board includes- *ex officio*- Senior Warden, Finance Committee chair, Vestry treasurer, Canon Missioner and Bishop’s representative.
- Buildings and Grounds—Bob Muglia, convener ; Alan DePuy, staff
 - Hospitality & Facility Improvement (Kathleen Croston, chair; Dennis Andersen)
 - Capital Improvements/Master Plan (John Hoerster, Judy Whetzel, John Nesholm, chairs; Rebecca McClain, Bob Muglia, and Phil Haas, *ex officio*)
 - Note: Master Planning Task Force is not a Vestry standing committee.
- Leadership Organization and Development—Margaret Rothschild, convener; Rebecca McClain, staff
 - Holy Orders/Discernment (Janet McCully, chair; Sam Fleshman, Alan Mack)
 - Nominations/ Parish Leadership (Chair TBD)
 - Note: Nominations is not a Vestry standing committee. Rebecca appoints committee members who elect the chair.
 - Personnel/Lay Staff and Clergy Appointments (Terry Brandon, chair; Marge Anderson, Patty Baker)
 - Governance (Margaret Rothschild, Chair; Janet McCully)

Mission & Strategy committees will stand alone, to meet as needed. Rebecca suggested that program staff members attend monthly Vestry meetings on a rotating basis. There was discussion about having 2-4 major overview meetings a year.

A motion was made to elect Randy Revelle, Bob Muglia and Margaret Rothschild--who are the conveners of the three large clusters-- as Junior Wardens. The motion was seconded and approved unanimously. The Junior Wardens will meet with Rebecca and Phil as the executive committee, and will plan Vestry meeting agendas.

Committee Reports

Mission and Strategy—Bob Muglia, chair (reported by Rebecca, in Bob’s absence)

The committee will plan congregational meetings between Easter and Pentecost to get feedback on Strategic Plan and Targets, and then submit a report to the Vestry on goals, objectives and actionable items. (*n.b.*: Easter is April 12, Pentecost is May 31, 2009)

Rebecca and Phil will ask members of Mission and Strategy committee to consider joining other committees, since M&S will be phasing out.

Governance –Margaret Rothschild, chair

The committee has been working on many tasks over the past year, including evaluations, nominations, leadership development, and Vestry structure. She suggested that Governance should continue to be a standing committee in the new structure, under Leadership.

Facilities—Kathleen Croston

Kathleen welcomed the new structure and tying into the Master Planning group. A book of photos was circulated to draw attention to specific deferred maintenance needs. Phil pointed out that the 2009 budget has \$50,000 to start working on some facilities issues now, with advice on priorities from Alan DePuy.

Personnel—Rebecca

The staff is generally happy. Rebecca stressed the importance of addressing staff physical comfort in their offices (heat, for example, cannot be regulated from office to office).

Holy Orders/Discernment—Rebecca, in Janet’s absence

The bishops have set up a new process around discernment. “In a discernment process, the answer is always ‘yes.’ In holy orders, the answer may be ‘yes’ or ‘no’. We are all called to ministry, and some of us are called to holy orders.” There will be fewer postulants to the priesthood in the future, and more deacons.

Recruiting New Committee Members

Several Vestry members discussed ways of recruiting new members on committees, such as publicizing needs, utilizing newcomers group, parish-wide questionnaire—perhaps on-line with Survey Monkey. Susan Knirk is the Cathedral’s Volunteer Coordinator. Steve, for example, seeks members with financial expertise.

Saint Mark’s Cathedral Foundation – *Jean Leed, board president*

Phil welcomed the Foundation’s new leadership (Jean) and new era of cooperation and improved relationship with Cathedral. Jean is also a member of the Stewardship committee. She was Carl Knirk’s predecessor at the Diocese as Stewardship and Development Director, and ran the Diocese’s capital campaign in the 1990’s.

According to its mission statement and John Hoerster’s summary document, the Foundation (founded in 1995) “receives, raises, and provides funds for the benefit of Saint Mark’s Cathedral. The Foundation agrees to exercise its fiduciary responsibility to provide oversight of these assets and to assure compliance with donor intent.” Over the years, the Foundation has given \$600K to support Cathedral operations, or as directed by donors. Last year’s contribution, calculated from investment earnings, was about \$60K. The Foundation is a non-profit organization whose only purpose is to manage assets to benefit Saint Mark’s Cathedral. In addition, the Foundation’s assets are protected if the Cathedral is sued or bankrupt. Some donors who can’t give to a “religious organization” or are not part of Saint Mark’s parish can give via the Foundation.

Jean suggested that the Foundation should be responsible for “the future,” and the Vestry would oversee day-to-day management, programs, and operations. The Foundation is eager to help raise funds and assets, with support from cathedral staff. For example, the Foundation board, which includes some former vestry members and other talented people with experience in fundraising, could take the lead in organizing a capital campaign. After discussion, Phil suggested that the Vestry would determine the funding needs, and the foundation will take the lead role in preparing for it. In addition, the Planned Giving Committee wants to increase its exposure and get more bequests and gifts.

By consensus, the Vestry approved a draft proposal clarifying the Foundation’s role in supporting the Strategic plan and its relationship to the Vestry. Rebecca appreciated the statement as an important signal to the parish and wider community that the two groups are working together. A resolution will be presented at the April Vestry meeting.

Break for Dinner, and Compline

Marge Anderson led the Compline service from the prayer book.

Committee Reports, continued

Stewardship – Randy Revelle, chair

Randy distributed a summary of 2009 Annual Campaign, and comparison with 2008 campaign. The committee has a lot of energy and talent, and has already started working on several year-round projects to get ready for the 2010 Annual Campaign. They need a parish member to be campaign co-chair, who will take the job for two years. The committee will help, but not be in charge of, a capital campaign and *Saint Mark's Celebrates Seattle*. Rebecca and Phil praised the committee's enthusiasm and hard work.

Capital Campaign history

Randy distributed two booklets of documents from his files on Century II, 1990-2002. The capital campaign started in 1989 with a long range planning task force. The Vestry approved the plan in Nov. 1989, followed by a parish-wide vote to approve it. The Century II steering committee included representatives of many organizations. Every proposal they brought to the Vestry was approved. Every project was on time, under budget, and no lawsuits. (As an aside, the only project that didn't come out as planned was the sound system!) Part 1, 1990-93, covered safety updates, the new roof, and restoration of the organ, at \$3MM. Part 2, 1994-97, raised \$5.8MM for west wall construction, and included some major gifts. The next plan was to clad north and south walls, and re-do the windows. However, in early 1998 Dean Fred Northup left the cathedral. Parish energy was taken over by search process for the new Dean, and the campaign did not continue.

Finance – Phil, Mary, Steve

The 2010 preliminary operating budget has a projected deficit of \$310K. Revenues will go down as a result of the major gift supporting Church in the World (a bequest) ending in 2010; diocesan grant will likely decrease by \$15K; and the Foundation grant will decrease since endowment earnings will be lower. The only substantial ways to keep expenses down are to reduce staff/clergy compensation and benefits. Rebecca is currently reorganizing staff, consolidating or not filling staff openings, and using more volunteers.

There was discussion about the problem of asking for major gifts for outreach, when the gifts also support a clergy position with liturgical duties as well as outreach. Historically, staffing anxiety or crisis results when the gift expires. Rebecca and Phil recommended that the Vestry move toward funding staff/clergy from the operating budget, rather than major gifts. An alternative in other dioceses has been to endow a position.

Over the past 10 years, Saint Mark's made a decision to diversify revenue beyond the Annual Campaign and *Saint Mark's Celebrates Seattle*. One of Dean Taylor's major strengths was getting major gifts. Rebecca and others agreed on the importance of major gifts to support program areas. All acknowledged the difficulty of raising gifts of any size in the current economic climate, and the importance of welcoming new members and cultivating new pledgers.

Action Items

Joint Investment Committee

Steve explained that the Cathedral and Foundation are currently self-managing their investments, mainly with index funds. In the current economic uncertainty, finance committees of both Vestry and Foundation recommend hiring an outside investment advisor. Bob Moser, a parishioner who has extensive professional experience and has done similar work in other dioceses, has agreed to chair a joint Cathedral/Foundation investment committee and find an appropriate advisor. Bob was highly recommended by Rebecca and Steve.

A motion to approve Proposed Joint Resolution (#P09-FI-01) to form a Joint Cathedral/Foundation Investment Committee was made and seconded. The motion passed unanimously.

Parochial Report

The national church requires an annual report on membership, attendance and other data. (The report does not include Compline attendance.)

A motion to approve Proposed Resolution #P09-GO-01(Parochial Report) was made and seconded. The motion passed unanimously.

Whistleblower Policy

The auditor recommended having a whistleblower policy to follow good governance and IRS best practices.

A motion to approve the Cathedral's Whistleblower Policy was made and seconded. The motion passed unanimously.

Approval for Ordination

The committee for Holy Orders reported that Shelley Fayette has completed the postulancy process, and has been approved by the diocesan Standing Committee and by the bishop.

A motion to approve Proposed Resolution #P09-HO-01(Shelley Fayette Ordination to Transitional Diaconate) was made and seconded. The motion passed unanimously.

Eucharist and Adjournment:

Rebecca led a Eucharist service. The meeting was concluded at 12pm.

The next meeting is Tuesday, April 28 at 6pm in Saint Nicholas Building, room 204.

Respectfully submitted,

Virginia Lenker
Recording Secretary and Clerk

Liz Sloat
Executive Assistant to the Canon Missioner