



SAINT JOHN'S CATHEDRAL

Vestry Minutes

September 14, 2015

Attendees: David Abbott, David Ball, Andrew Britton, Jen Courtney-Keyse, Jack Denman, Tamra d'Estrée, Suni Devitt, Larry Kueter, Mike McCall, Anna Pendleton, , Jane Schumaker, Charles LaFond, Elizabeth-Marie Melchionna, Jadon Hartsuff, Liz Costello, Stephen Tappe, Tara Williams

Ashley Bracken and Pat Malloy were absent for much of the meeting because they were attending the Search Profile Committee meeting.

Absent: Ned Rule, Robert Hendrickson, Kim McPherson, Mike Orr,

Guest: Will Nicholson

Call to Order: 6:10 PM Larry Kueter

Opening Prayer: Elizabeth-Marie Melchionna

Summary of Actions Taken and Consent Agenda Items:

- Ashley Bracken appointed Junior Warden
- Minutes of the September 8, 2015 Vestry meeting accepted with amendments

Opening Prayer: Elizabeth Marie Melchionna

Investment Committee Report: Will Nicholson

Will Nicholson provided a simple summary of the Investment Committee's goals and results over the past 20 years. The Investment Committee's goal is to earn approximately 5% plus the rate of inflation on an annual basis over the long term. Experience has shown that this goal can be achieved through diversified portfolio balanced at a ratio of 60% stocks and 40% bonds. This ratio of stocks to bonds is maintained through quarterly rebalancing of the portfolio. The investments are held in four stock funds and three bond funds. The data presented on page 50 of the September Vestry packet shows that over the past 20 years the investment goal has been achieved although the results have varied over shorter periods.

Transition Report:

Larry Kueter reviewed the current status. All the Transition Committees have met at least once and have developed plans for moving forward. The Search Profile Committee is currently the most active and was meeting at the same time as the Vestry meeting.



SAINT JOHN'S CATHEDRAL

Clergy Housing Policy: as a result of the discussion of the proposed clergy housing policy during the August Vestry meeting, Pat Malloy, Andrew Britton, and Larry Kueter met individually with our clergy to more fully understand their views and concerns. The Clergy Housing Policy was redrafted and reviewed by the Finance Committee. The policy's goal is to provide a fair and consistent policy for all Cathedral clergy. The Finance Committee also recommended to the Vestry that in the future that the Cathedral own no clergy housing and that housing be the responsibility of each priest. However, to assist future clergy in obtaining housing, 3 housing options will be made available: shared ownership up to 30% with a \$250K maximum, mortgage assistance up to 30% with a \$250K maximum, and rental assistance. Current clergy housing arrangements will be honored until each member of the current clergy decides to change his/her agreement. Various interest rates, time periods, and other details have been adjusted from the previous policy draft.

The revised clergy housing policy appears to be generally acceptable to the Vestry, the Finance Committee, and the clergy. However, the housing policy must also be considered in connection with the clergy compensation policy because both policies are linked. The clergy compensation policy has not been fully developed. Andrew Britton will revise the current draft in view of comments received and will share his revised draft with the Bishop's office so that any Diocesan concerns can be identified and addressed. Finalization of the clergy housing policy will await finalization of the clergy compensation policy.

Appointment of the Junior Warden: Tim Dunbar's resignation as Junior Warden opened the position. Larry Kueter and Pat Malloy recommended that Ashley Bracken be appointed the Junior Warden. A motion to appoint Bracken was made, seconded, and unanimously approved.

Vestry Vacancy: Ashley Bracken's appointment as Junior Warden created a vacancy on the vestry. Bracken has 2¼ years remaining in his current term. The Cathedral Bylaws intentionally do not contain a specific procedure for filling Vestry vacancies. Several of those who unsuccessfully ran for the Vestry in the past two years are no longer viable candidates. The appointment for this vacancy was deferred until at least the next Vestry meeting.

Clergy and Staff Reports:

- **Missioner-in-Residence:** The Missioner-in-Residence is an internship position. Elizabeth-Marie Melchionna discussed the Missioner-in-Residence's initial work, including meeting with the Cathedral's various missionary partner organizations. While funding for the first year of the Missioner-in-Residence internship has been raised, funding for subsequent years has not been. Part of the stipend for this position includes housing in the Kimberly Apartments. Elizabeth-Marie Melchionna pointed out that if the rental income from this housing allowance were foregone, then the combination of the housing allowance and the funds already raised for the second and following years would be sufficient to fund the Missioner-in-Residence internship for an additional year. It was concluded that funding for the Missioner-in-Residence internship should be part of the regular 2016 budget.



SAINT JOHN'S CATHEDRAL

- **Saint Francis Center Update—possible October Vestry meeting:** Larry Kueter reported that final discussions with the Saint Francis Center, the Argonaut, and the developer are continuing. The result of these final discussions may mean that Kueter will have to call a special Vestry meeting in October to vote on required agreement documents.
- **Treasurer's Report:** Andrew Britton reviewed the financial information in the Vestry packet. In particular, he noted that an added line in the "Liabilities and Net Assets" table on page 32 of the packet reports the Line of Credit balance that we are using to cover the budget deficit. Sooner or later this line of credit must be repaid. This debt stood at \$655K at the end of July. Tara Williams reported that we are a \$5 million operation operating on \$3.2 million of revenue. More realistic budget estimates are being sought for the 2016 budget.

There has been some success in shifting those who previously contributed to the plate income to pledged income, but the loose/plate income is failing more than can be attributed to the switch. Charles LaFond noted that a time of transition, such as we are in, adversely impacts giving to charitable organizations.

- **Learning Garden:** Liz Costello reported on the progress of the community gardens on the south side of Dagwell Hall and the Diocesan Center. A grant for funding from the Mayor's Office is expected later this month. Assuming funding is obtained, construction can start next spring.

Consent Agenda: the minutes of the September 8, 2015 Vestry meeting accepted with amendments. Andrew Britton presented an amendment on the financial report. David Abbott will circulate draft minutes shortly after each meeting so that any needed corrections can be promptly identified and made.

Closing Prayer: Jen Courtney-Keyse

Adjourned: 9:11 PM

Respectfully submitted,

David M. Abbott, Jr.
Clerk to the Vestry