

Vestry Minutes
November 14, 2016

Attendees: David Abbott, David Barr, Andrew Britton, Neil Burris, Amy Davis, Jack Denman, Tamra d'Estrée, Suni Devitt, Leigh Grinstead, Mary Frances Kelley, Tom Keyse, Mike McCall, Ned Rule, Elizabeth Springer, Ron Pogue, Evelyn Hornaday, Charles LaFond, Becky Beall-Moore, Kim McPherson, Stephen Tappe

Absent: Jane Schumaker, Seth Reese

Guest: Chuck Thompson

Call to Order: 6:07 PM, Charles LaFond led the opening prayers.

Check-in: brief reflections on the October 29th Vestry retreat

Summary of Actions Taken and Consent Agenda Items:

- Approved the 2015 Audit of the Cathedral's books.
- Approved the appointment of Peter Korneffel, Jr. as Cathedral Chancellor beginning 1/1/17.
- Approved the Wartburg College sign for the former Kimberly Apartments with minor editing.
- Approved the signing of a resolution requested by the title company relating to the sale of the Dahlia Street house and noting the approval obtained from the Diocese.
- Approved the minutes of the October 10, 2016 Vestry meeting.
- Approved the minutes of the October 10, 2016 Executive Session Vestry meeting.

Update on the Dean Search: Jack Denman reported that visits have begun to the home congregations of the best applicants following the process of resume review, Skype interviews, sermon and current congregation website reviews, and Q&A sessions with the applicants. A 3-person team consisting of a strong advocate of the applicant, a skeptic of the applicant, and a neutral party (often one who missed the Skype interview with the applicant) go on each visit. During the visit Sunday services are attended, various congregation officials and members are interviewed, a walk-around of the congregation's neighborhood is taken, and other relevant information is collected. The applicants to be visited come from a wide variety of parishes (large, small, etc.). The Search Interview Committee has determined that it will be unable to complete the site visits and have sufficient time to reflect on and discern the results by the December 12th Vestry meeting. Based on a review of the calendars of the Committee members and others, Tuesday, January 17th, has been selected as the date of the Search Interview Committee's meeting with and presentation of recommendations to the Vestry.

Audit Committee Report: Chuck Thompson said that the lengthy delay this year's audit resulted from several factors:

1. A change in audit firms—a new, smaller audit firm was retained this year and the new firm couldn't start its work until March. Their fee was considerably lower than the previous auditor's.
2. The Cathedral adopted a new accounting system as of 1/1/16, which took time for familiarity to develop and to complete the reconciliation with the previous accounting system.
3. Tara Watkins resigned as of April 8th.
4. Becky Beall-Moore didn't join the staff until August but has worked very hard to get the audit completed.

Deficiencies: two deficiencies were noted in the audit report. The first relates to the timing of recognition of a 2016 pledge from a foundation that was made in 2015. Because the foundation recognized payment in 2015, the auditors took the position that the Cathedral should also recognize this payment in 2015. No adjustments were due to immateriality. The second deficiency related to appropriate controls of and submission of receipts for Cathedral credit card transactions. Appropriate steps have been taken to correct this problem. A revised credit card use policy was included in the November Vestry packet, pdf p. 79.

Approval of the Audit and report: a motion to approve the audit was made, seconded, and passed unanimously.

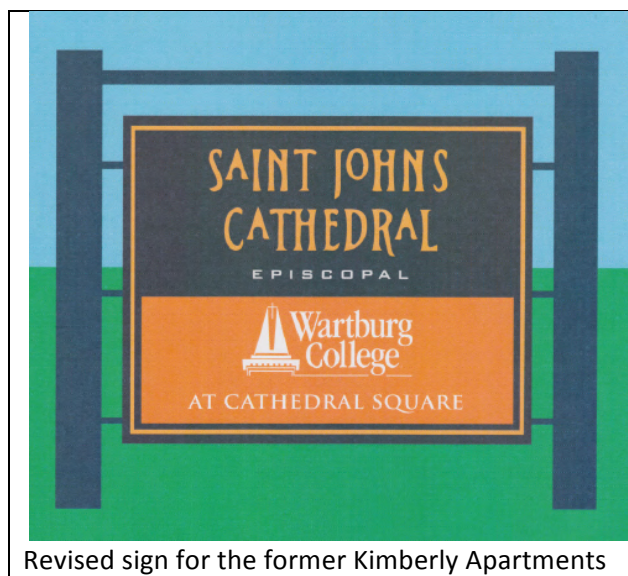
Stewardship: Charles LaFond reported that \$1.17 million has been pledged to date, an increase over last year. This is particularly encouraging as two major gifts received in previous years, one over \$100K, are not being renewed this year. It is unclear when the campaign's goal will be reached although it won't be by the 11/16/16 celebration dinner as hoped. 389 out of 600 households have pledged, which is a decrease in participation. The heavy mail load resulting from last week's election is believed to have slowed down Cathedral mailings related to the campaign; these mailings were not sent 1st class. Ron Pogue reviewed the step-wise chart of weekly pledge amounts he discussed during his Sunday sermon

Update on the Saint Francis Center Apartments: Tom Keyse reported that work is commencing and that the issues regarding the exact location of parking spaces can be worked out between the City and the contractor during construction. Communications on the subject have substantially improved.

Appointment of the Cathedral Chancellor: Tom Keyse announced that Peter Korneffel, Jr. has agreed to become the Cathedral Chancellor as of 1/1/16. Korneffel is a life-long Cathedral member and is at the Bryan Cave law firm, the same firm as our past three Chancellors, Carolyn Daniels, Diane Barrett, and Bob Bach. The firm is large enough to provide needed legal expertise on a wide variety of questions. Korneffel provided a background statement on his life at the Cathedral that Keyse distributed to the Vestry shortly before the meeting. A motion to appoint Peter Korneffel, Jr. the Cathedral's Chancellor as of 1/1/16 was made, seconded, and approved unanimously.

Learning Garden: Elizabeth Springer noted that there were some discrepancies in some of documents relating to the grant for the learning garden. These are being resolved. No action was required at this time.

Wartburg College Sign: During the August 8th Vestry meeting, there was discussion of the proposed re-naming of the Kimberly Apartments by Wartburg College and a proposed sign for the re-naming. At that time, the Vestry requested that a revised sign be designed. A revised sign was presented for approval and is pictured to the right. The need for an apostrophe in “Saint John’s” was noted. A motion was made, seconded, and unanimously approved to accept the redesigned sign once the appropriate editing was done.



Revised sign for the former Kimberly Apartments

Dahlia Street House Resolutions: Suni Devitt

reported that the title company wanted a signed resolution from the Cathedral stating that it was selling the house. Because the Diocese has approved the sale of the house, it was concluded that the requested resolution could be signed. A motion was made, seconded, and unanimously approved that the requested resolution could be signed.

Additional repair expense approval by the Executive Committee: the November 7th action by the Vestry's Executive Committee approving an increase of up to \$6,000 in additional repair costs for the sale of the Dahlia house was noted. The repair expenses will be recovered when the house is sold; it is currently under contract.

Buildings & Grounds: Suni Devitt reported that:

- A new boiler has been installed on the Welcome Center roof.
- Installation of a new Cathedral roof has begun and is to be completed early in December. The roofs of rest of the Campus will commence after Christmas weather permitting.
- A contract for repair of the Parish Hall elevator has been signed. Work is scheduled to start in the coming weeks.
- LED lighting/electric in the Cathedral: A consultant is preparing a report with recommendations as to how we can complete necessary upgrades to the electric at the same time that we convert to LED lighting. The report should be completed in December.
- Stained glass in the Cathedral: We are working to coordinating with Watkins to use the roofer's lift to do necessary repairs.

- Tuck pointing work is continuing subject to the vendor using the roofer's lift.
- Madison Street house roof: the insurance company agreed that the hail damage was the result of a 2015 storm and an appropriate insurance payment to repair the damage will be made.
- Draft long and short term facility use forms for use of the Cathedral space were distributed to the Vestry. Further review is needed prior to formal adoption.

Debt Repayment and Critical Maintenance Costs: Andrew Britton presented preliminary proposals for paying off the Cathedral's current debt and paying the costs of several critical maintenance needs including the new boiler, the replacement of the roofs, elevator repair, tuck pointing, etc. These ideas will be refined, possible alternatives identified, and discussions held with the Finance Committee and Canon Steward in order to have proposals for action during the December Vestry meetings. A firm plan for dealing with these expenses needs to be in place prior to our call of a new Dean.

Treasurer's Report: Mary Frances Kelley provided a brief report on the budget and financial status for this year. Revenues as of the end of September are up 11% for the month and year-to-date pledges are up 8% relative to the budget. However, non-pledged giving is down 27%. No additional debt has been incurred. Total revenue is 8% below budget mostly due to a lower than planned year-to-date endowment draw. Savings in every expense category year-to-date have saved 11% (\$331K) relative to budgeted amounts.

Grants Committee: Amy Davis reported that her committee met last week to consider the grants that will be made this year.

Nominating Committee: Amy Davis reported that the Nominating Committee's members are David Abbott, Tamra d'Estrée, and Mike McCall, the retiring Vestry members. The need to post information requesting nominations from the congregation was stressed and should go out to the congregation this week.

Gifts and Planning Processes Update: Neil Burris provided a draft gifts policy but further review is needed prior to requesting approval. The draft contains both a proposed gift policy and a separate flow chart illustrating the process by which proposed gifts would be reviewed prior to acceptance.

Clergy/Staff Reports

Kim McPherson reported that combination of Cathedral Camp and the diocesan camps will happen this summer in order to pay senior counselors, which will help provide the needed number of 18+ year-old counselors. The Cathedral will be able to pick its counselors for its camp.

Evelyn Hornaday stated that money enables ministry of all types and she found the discussions of Cathedral finances during the meeting encouraging. She noted that a women's retreat for

next March is actively being planned. She sees the need for an umbrella organization to oversee all the various ministries and projects to ensure that these ministries and projects work to achieve unified and focused goals, that they are properly proposed, and that funding is appropriately obtained. The proposal is in part a request for a process. She asked for volunteers for this effort.

Future Vestry Meetings:

- Monday, December 5th: Vestry business meeting; meet with Auditors
- Monday, December 12th 2017 budget approval
- Tuesday, January 17th, hand-off meeting between the Search Interview Committee and the Vestry
- Sunday, January 29th, Annual Parish Meeting

Consent Agenda:

- Approved the minutes of the October 10, 2016 Vestry meeting
- Approved the minutes of the October 10, 2016 Executive Session Vestry meeting.

Closing Prayer: Evelyn Hornaday

Adjourn: 9:01 PM to go into Executive Session