

St. Nicholas Parish Council Meeting

Recorded Minutes

23 May 2013

Members in attendance: *Barbara Rhenish, Walter Alesevich, Marina Poutiatine, Claire Nobles, Mark Pietrzykoski, John Stepanchuk, Ann Alaoglu, Michele Smith, Suzanne Tolstoy, Peter Vlasov, and Ken Mitchell*

Members absent: *William Corcoran*

Clergy in attendance: *Metropolitan Tikhon, Fr. Denis Bradley, Fr. George Kokhno, Fr. Valery Shemchuk, and Fr. Leonid Kishkovsky (OCA Chancery)*

Visitors: *Svetlana Moser, Irina Panyutina, Nina Shafran, George Nartsissov, Jonathan Russin (Cathedral Attorney), Sharon Osmolovsky (Cathedral office volunteer) and Tom Sigler (Cathedral Accountant)*

The Council Meeting started at 7:00PM with a quorum of members being present.

His Beatitude led the Opening Prayer in song.

Ken M. opened the meeting by reading a thank you card sent to the PC from Sharon Osmolovsky. Sharon conveyed her thanks to the PC for the gift and recognition the Council had recently presented to her.

Barbara R. presented the Meeting Agenda. Walter A. made the motion to approve. A second was offered. The PC accepted the agenda.

The April 2013 PC Meeting Minutes were presented. Several minor corrections were noted. Walter offered a motion to accept the minutes with the corrections. A second was offered. The motion was passed by all.

Clergy Reports

Metropolitan's Report.

Metropolitan Tikhon said he was glad to be here for the PC meeting. His Beatitude said he had three goals for the meeting: 1) to say a few things, 2) hear what the PC has to say, and 3) give a helping hand in coming up with a direction for the Cathedral. The Metropolitan relayed a story he had written about the sharing of gifts and building a community of love. Each individual must share his or her own gifts. He indicated that he is just now getting a good understanding for the Cathedral community. He indicated he recognized the importance of achieving stability and growth at this point in the Cathedral's life. We may all have this as a goal, but we get distracted, he said. All aspects of the church are important. We need to address all our issues openly and in a forthright way.

We have a strong community with strong gifts: There are senior people here who have given much of their whole life to the Cathedral, others who are financial wizards, and young people with energy. We have all the standard problems of competing factions and a lack of working together. We need to find a way to work together to accomplish what needs to be accomplished.

All of us have gifts and we need to learn how to share. **His** goal is to help us recognize and present our gifts to our community and to have our life here together.

Metropolitan Tikhon said he works best in an active method as well as listening actively. That is what he has done in the last six months. He is aware that we are in a transition and have begun to understand what are the problems. We have a multitude of communities. We need to be aware of the struggles and all of us be aware and recognize them. It is secondary as to what we actually are (a Cathedral, a Church, a Mission). What we have in common is the most important to us.

So we ask what comes first? There may have been too many visions and the Cathedral may have been misused in the past. The Cathedral is a parish, with a leader, a managing council, and an outreach with missionary work. We should all come here and pray with the community, undertake outreach to the poor and needy and meet with some of the influential people in the DC community.

We do, however, have concerns -- over the finances & budget, people leaving, we have disparate groups of people with differing agendas. Even the choir has lost individuals.

At this point members of the Council and guests questioned the Metropolitan regarding what has been the final decision regarding the appointment of Fr. John Perich as Dean. There were other comments and questions regarding, if Fr. Perich is not to be the Dean, who will be and what are the next steps for this process to occur.

The Metropolitan indicated that Father Perich was appointed until May 15th of this year. As of now he has not acted on that decision. Right now that situation is in limbo. The next step, however, is to institute a search committee for a Dean, and establish a search committee to develop criteria for the search and the next Dean. The context has changed from the earlier search. The issue of the Bishop 's presence here at the Cathedral is troubling. He has been hearing that people do not want the Bishop here -- only a limited amount of times. His Beatitude said, however, he wants to come here, but not to micro manage, rather to come to the Cathedral in love and care. The community needs to agree on what those criteria are. We, as the custodians of the Cathedral, need to get the current mess into a more manageable mess. We need to establish a strong foundation so that we can bring in a strong Dean to lead.

The Metropolitan stated that both current priests would minister - to all the Cathedral's communities. We have additional clergy around who can serve as well. The Metropolitan also said he would be here as much as he could to meet with various PC members and parish members. Though he said he would not take the formal title of Dean, he intimated that he, the Metropolitan, is the Rector and Priest in Charge of St. Nicholas for the time being.

The Metropolitan indicated he wants to stay in the Cathedral Rectory during the time he is present in DC. He also offered that he would compensate for the expenses to the Cathedral.

Associate Pastor's Report.

Fr George thanked the Metropolitan for his talk and for listening to the input from the Council and guests. He indicated that he is very happy to work on the upcoming direction outlined by the Metropolitan.

Assistant Pastor's Report.

Fr. Valery also thanked the Metropolitan for doing extra work and coming here to the Cathedral to be with everyone. He noted a special thanks needs to be given to Andrea Lutov for all the effort she has put in over these last months, and especially during - Lent - for all the good work and for maintaining the quality of the music provided by the choir.

Old Business

Annual Meeting.

The Parish Annual Meeting had been scheduled for June 2, 2013. But the Metropolitan has expressed his desire to be present. He, however, will be out of the country at this time and asks to postpone the meeting until June 15, 2013 -- Saturday at 1:00PM. The Clergy will announce this Sunday to the Parish.

New Business

Proposed Revisions of St. Nicholas By-laws.

Walter A. introduced Nina Shafran, who worked with him and the committee on the proposed revisions. Nina came to help explain the rational behind the revisions offered.

Walter discussed the primary changes and recommendations to the Cathedral's By-laws. The major changes included:

- 1) A proposed new process for those who require relief because of inability to fulfill financial (pledge) requirements. The new process further clarifies the importance surrounding parishioners' financial obligations to be a member in good standing. It requires the parishioner to initiate the process with documentation. It makes the process more formal, adds another decision maker besides the priest, – and limits - the decision to a year-by-year basis.
- 2) Changes the time of the annual meeting from the fourth quarter to first quarter of the calendar year. This works better for the church's budgeting and revenue cycle.

3) Change from proxy voting system to an absentee ballot. Today, most OCA parishes - do not use the proxy method. The Parish Council will have to develop procedures to coordinate elections with the new absentee ballot approach. Absentee ballots, however, do not count towards the meetings quorum total. This emphasizes the importance of the need for people to attend the meetings rather than by just sending a proxy.

4) Reducing the size of the Parish Council from 12 to 9 members. The Cathedral is now not as large as it once was, and hence it makes sense to reduce the proportional size of the PC.

Walter A. and Fr. George wanted to thank everyone on the committee for the work in preparing the by-laws revision recommendations.

It was noted that a super majority (3/4 of the members voting) of the parish is required to pass the proposed By-laws revisions. Also noted was the fact that for the upcoming Parish Meeting, proxies will count for the quorum total.

Claire submitted and moved the following motion to the PC:

Motion: Move we vote to accept the proposed By-laws as submitted from the By-laws committee. A second was offered. The vote in favor of the motion was unanimous - therefore the motion was adopted.

Alleged Missing Items from the Rectory.

Father Valery had reported to several PC members that following the departure of Fr. Perich, a significant number of items that were church property including: icons, pictures, tapestry, a mannequin, - a new laptop and cell phone had gone missing. Much of this property had been gifts to the Cathedral, and several of the icons were given, as specific memorials from past Cathedral families in recognition of their departed loved ones.

In response to these allegations, Marina Poutiatine had received two e-mails, one from Fr. Perich and one from Maria Soukhanova Watson. Fr. Perich indicated that on the electronic equipment, he kept the items to keep them secure, as no one was available from the church to take possession of the items – they were taken for safety and have been returned to Metropolitan Tikhon. Ms. Watson's e-mail enumerated several items that she had given to Fr. Perich.

During the conversation some additional discussion was noted. Fr. Denis, at the request of Fr Perich, asked Fr. Valery for a public apology to Fr. Perich for letting Parish Council members know, in such a public way, about the missing items from the Rectory. Several PC members asked Father Valery to clarify what happened. Fr. Valery explained that Fr. Perich told him a few weeks prior to his departure that he does not wish to deal with Fr Valery in any way -- this is why he did not ask Fr. Perich directly about the missing items, but chose to do it through some members of the PC. In addition to this, Fr Perich, a few days before his departure from the Rectory, asked to pass a message to Fr. Valery that he does not wish Fr. Valery to be present at the Cathedral - or the Rectory on the day Fr. Perich was packing to leave. Following Fr. Perich's departure from the Rectory, Fr. Valery, the next day, entered into the Rectory and discovered a number of items belonging to the Cathedral missing. Fr. Valery then wrote a quick e-mail to the Parish President

and several senior PC members indicating these facts and also listing the property items that he discovered missing; noting in the message that the missing items could be a misunderstanding and likely were taken accidentally. The Cathedral President responded to the e-mail in a way that made Fr. Valery the party responsible to follow up. This, however, is counter to what Fr. Perich requested of Fr. Valery, since Fr. Perich requested Fr. Valery not come to the Rectory or Cathedral.

More meeting discussion followed and PC members began raising concerns on the way the situation was handled, specifically, Peter V. commented that he was thinking that the Parish Council - was supposed to assume full responsibility to protect and save the Cathedral assets and properties (versus the idea of some of the PC members that it should be handled by Fr. Valery). Peter V. went on to say that since a significant number of such valuable items were now missing, the whole Parish Council should resign. Also, Peter mentioned that if he were there during the discovery he would call the Metropolitan Police just to make sure such facts were properly documented and investigated. Peter also suggested discussing a proposed motion he sent earlier to the PC because of the Cathedral's administration and the President's failure to protect the property and for miscommunications during this event.

The explanation about the remainder of the items was complicated. Part of the issue boiled down to poor communications during the time Father Perich was preparing to move. Fr. Denis indicated that he and another person had volunteered to help pack up the Rectory for Fr. Perich, and in the process of hurrying the packing process, - many of the identified missing items were packed inadvertently, without Fr. Perich knowing. Eventually some of this was sorted out. Some of the property, such as the mannequin that was to go to St. Tikhon Monastery's Museum. Some of the property was to be given to Fr. Perich. And also noteworthy, is the fact that some of Fr. Perich's property still remains at the Rectory. But, now too some of the missing items are returning as of today and more will be returned soon.

Cemetery Plot Administration.

As a result of the last Council meeting's discussion on the Cathedral Cemetery plots at Rock Creek Park Cemetery, Fr. George, Rich Smith, and Marina P. all followed up on inquiries, purchases and property records. Recent records dating back to 2009 have been found and records show some of the property belonging to St. Nicholas as well as burials. The most recent record as of March 2013, shows only two persons have been buried in Cathedral plots and just nine plots having been sold.

There is a five-step process of purchasing property. That process is supposed to manage the paper trail from purchase transaction to issuing of the property deeds. But this process has not been used for a number of years and purchasers have not been receiving a property deed. Marina recommended that the PC form a committee to coordinate our records and process with Rock Creek Park Cemetery and reconcile both sets of records. Rich Smith has volunteered to chair this committee and the Council accepted Mr. Smith's offer.

Marina also indicated that the current cost of a plot is \$1,000.00 for St. Nicholas members and \$1,500.00 for non-members. Currently, all plots left of the original 100 we bought accommodate two people vertically. Rock Creek currently sells such plots for \$4,300.00. Recently, Fr. Valery

sold a plot to a non-member for \$4,300.00, because that is what Rock Creek Park Cemetery charges at this time. We have found that St. John the Baptist (ROCOR) presently sells plots for \$4,600.00.

To help correct and update the current management of the Cemetery plots, Marina P. put forward the following two motions.

Motion: A Cemetery Research Committee, with Rich Smith as the Chair, is to be formed to research cemetery information with Rock Creek Cemetery to make sure our records and theirs correspond and deeds to plots have been issued correctly. Walter A asked the motion be moved and the motion received a second. A vote was taken and all PC members voted in favor of the motion. The - motion carried.

Marina P. then offered a second motion that the cost of a plot be raised to \$4,300.00 for church members and \$4,500.00 for non-church members. There was some discussion about the price and this motion was withdrawn and a new motion was offered.

Motion: Effective June 1, 2013 the price for cemetery plots go to \$4,300.00 for St. Nicholas members and \$5,000.00 for nonmembers Walter moved the motion and the motion received a second. The vote was taken and 11 members voted in favor of the motion, there was no opposition, but there were 2 abstentions.

It was decided that for now, Father George is to manage the selling of the property.

This information about the cemetery property prices should be published in the Sunday Bulletin from time to time.

Discretionary Fund Audit.

Marina P. indicated a discussion on this topic was important. She felt there has been a lack of clarity about how it has been working. Under St. Nicholas Cathedral's sponsorship, the Clergy Discretionary Fund raises and disburses funds for charitable causes and a funding appeal appears weekly in the SNC Sunday Bulletin. A fund such as this needs accountability and oversight.

Accountability - We need to ensure the use of this fund is in compliance with the current IRS code for tax-exempt organizations (IRS Code 501(c)3. The Clergy Discretionary Fund must maintain all bank statements in a safe, protected place; all receipts documented and reported to the Treasurer; and all fund disbursements documented in a confidential and discrete manner as to (1) the recipient, (2) the reason for the charitable disbursement, (3) the amount disbursed and (4) the date of the transaction. Plus, additional information must be maintained as to who is the recipient, reason for charitable distribution, amount of distribution and date of transaction. This information should be submitted in a report to the Parish at its annual meeting, highlighting the activities funded.

Oversight - It is recommended an outside Orthodox clergy should be an auditor and review the fund disbursements with the cathedral clergy quarterly. As an auditor, the outside clergy will

form an opinion as to whether the Saint Nicholas Clergy Discretionary Fund is operated in accordance with its intended purpose and whether there are proper records. Fr. George reported he is working with our attorney, Jonathan Russin, to draft guidelines, and Marina suggested the Budget and Finance Committee could also help develop the approach for the procedures. We need to have an OCA clergyman from outside the Cathedral, help us. We need to inform the parish that this change will take place. This procedure has not been in place since Fr. Constantine White was Dean.

Parish Council/Clergy Communications -- Respect Towards Others.

Claire N. cited the issue that the Parish Council needs to be mindful of our words through communications to the Clergy and other Council Members. There had been several recent examples of perceived admonishments directed towards Fr. Valery. Several other members indicated they felt the same, including the current issue mentioned earlier about the reported missing items from the Rectory and who was responsible and who was not responsible. Peter V. indicated this is a somewhat difficult situation as the Council is responsible for managing the property. Some the language appearing in e-mails could likely be construed as leading towards a hostile situation.

Marina P. indicated that some of the e-mails regarding clergy compensation, the discretionary fund, and the alleged missing church property, which, were issued back and forth, were taken out of context. The original emails were issued to specific individuals who were directly involved, and in some instances, with copies to committee members only. Somebody then sent e-mails to other Council members, who were not directly involved, and rumors began - judgments made - as these individuals came to wrong conclusions based on their lack of correct or complete information. This type of behavior is a known danger.

Claire continued her point with the fact that we need to be careful how, when, and to whom we communicate **to** and be respectful to our priests. Claire N. and Michele S. thought Father Valery acted appropriately in sending the "missing items" e-mail to the Parish Council and both expressed concern about the harsh tone of the e-mails from Barbara to Father Valery. Michele Smith mentioned Barbara's e-mails could be viewed as creating a hostile work environment. Michele reported based on the earlier e-mails from Barbara to Fr. Valery, and the review of IRS regulations by a CPA who worked extensively with non-profits, that Barbara misstated the IRS tax code when she stated that IRS regulations would require the Cathedral to revoke Fr. Valery's housing allowance if information was not submitted by the May deadline.

Ken M. offered that the Council should give a big hearty thanks to Fr. Valery for all the work and managing all the difficulties he has had over the last two years. Everyone was fine with this statement.

Committee Reports

Personnel.

The committee is still awaiting a decision on Barbara Ashton's application on unemployment benefits she has filed on. We also need to send a letter back to DC about Tatjana D'Arcangelo's unemployment compensation, as the District has overcharged us on her because at this point the Federal benefits should kick in.

Budget and Finance.

Barbara R. introduced Tom Sigler. Tom has been acting as Assistant Treasurer and helping to manage and reconcile our accounting books to keep everything on track over the last few months. Tom S. indicated he would not be able to continue as Assistant Treasurer after July.

As of April 30, the total of all Cathedral funds were \$847,474.87

Tom S. is "cautiously optimistic" the Cathedral's Operating fund will continue to experience financial results that are more favorable than the \$12,828 budget deficit. He noted that there are several financial challenges ahead. Currently, the Operating Fund is highly dependent on donations. It is critical that the Cathedral seek "outside money" to assist with its operating costs. The Bazaar is the closest example we have of seeking outside money. Tom S. suggested that the Cathedral Gift Corner explore the possibility of operating a website.

Another issue for the Operating Fund is the tax liability presently assessed at \$20,000.00 by the District of Columbia. The Cathedral continues to protest and contest this liability, but if we lose, the Operating Fund balance will decrease by this amount.

The Cathedral Facilities has identified approximately a \$100,000.00 repair cost for the Bell Tower and the same amount for repair to damaged and broken sidewalks leading up to the Cathedral building. If these go forward \$200,000.00 will be taken from the Major Repairs and Reserve Funds.

Finally, the account established for the Basement Renovation will soon be depleted.

Facilities.

The Air Conditioner has been fixed (the bill has not come yet – arguing with the provider since the problem was a design flaw). The gutters are now cleaned out and repairs have been completed. The handrails on the annex are now fixed. Mark P. is cutting the grass right now to save money (Roughly \$60 - \$100 each time).

Fr. George indicated that Mark and George Nartsissov are doing an outstanding job on the facilities and property. Suzanne asked if we could have teens from Sunday school to help with some of the tasks.

Other.

Bob Cowgill had agreed to run the parish elections to the Council at the Annual Parish Meeting – but his schedule may not work due to date change. Barbara R. will look to find someone else.

This Sunday, there will be a Memorial Day breakfast after the single Liturgy.

Barbara R. offered a motion for adjournment at 11PM. A second was given. The PC voted all in favor of adjournment.

The Closing Prayer was sung by all present.

The Next Meeting has been set for 27 June 2013 at 7PM

Kenneth D. Mitchell, Secretary to the Parish Council on 27 June 2013, submitted these Parish Council Recorded Minutes. These minutes were further revised and corrected at the request of the Council and have been resubmitted on 15 August 2013. The minutes again were further revised and corrected, at the request of the Council and resubmitted on 24 September 2013.

Approved:

President of the St. Nicholas Cathedral Parish

Priest in Charge of the Cathedral

Date