



ST. ALBAN'S CHURCH

St. Alban's Episcopal Church

Annual Report for 2018

January 27, 2019

3001 Wisconsin Avenue, N.W., Washington, D.C. 20016

202-363-8286

Email: Office@StAlbansDC.org

Website: <http://StAlbansDC.org>

A parish of the Episcopal Church USA in the Diocese of Washington

2019 Annual Meeting

January 27, 2019 – 10:15 am – Nourse Hall

Agenda

Call to Order

Approval of Minutes

- The 2018 Annual Meeting
- The 10/28/18 Special Meeting

Rector's Report

The Rev'd Geoffrey M. St. J. Hoare

Senior Warden's Report

Laura Ingersoll, Senior Warden

Junior Warden's Report

Lucy Fraser Cage, Junior Warden

Treasurer's Report

Hollis S. McLoughlin, Treasurer

Diocesan Convention Report

Diocesan Delegates

Questions and Discussion

Closing Prayer and Adjournment

[Note: The polls will be open from 7:30 am to 12:30 pm.
Election results will be announced to the parish on Monday,
January 28.]

STATE OF THE PARISH
REPORT OF THE RECTOR
TO THE ANNUAL MEETING
OF ST. ALBAN'S CHURCH, WASHINGTON, D.C.
The Fourth Sunday after Epiphany – January 27, 2019

Introduction

From where I stand, the State of our Parish as we enter 2019 is pretty good! When friends and colleagues ask me how things are at St. Alban's, I can respond with integrity that we are getting happy after some pretty lean years.

I was happy and honored to be called as your Rector after a year as Priest-in-Charge. I still don't know in exactly what stage of congregational life we find ourselves. We are not quite a 'start up'. We are certainly not in 'maintenance mode'. To say we are 'rebuilding' doesn't get it either. (Rebuilding points toward the past.) I think we are living into whatever God has in store for us in the next season of life in and for this community of faith, attempting to do the 'next right thing' whatever that turns out to be.

Stats

That said, we do have some metrics that can provide something of a snapshot as to where we are right now.

- We continue to work on getting a reasonable and useful data base but are estimating that we are an active parish of about 900 baptized souls and growing.
- We have just over 285 pledges this year, including more than forty who either have not made such a commitment before or who have not done so for a while. The vestry have passed a budget reflecting an increase in pledged dollars of 26% over the course of two years.
- Our average attendance continues to be up significantly from the 260-plus that we saw a couple of years ago. We now regularly see more than 350 people in worship on a Sunday in 2018.
- We have presented 20 for Confirmation or Reception in the past two years and baptized another 16.

These are all happy signs of life, but the real signs are elsewhere.

Signs

- The flagstones around the church are a sign
- As is the decreasingly visible clutter around the place – Nourse Hall (and look at the a/v equipment and screen!); cabinets going in to change the appearance of the Iona office; lots of work going on behind the scenes on deferred maintenance.
- The full choir is another happy and hopeful sign (more on that in a bit).
- So is the sense that, at last, we can relax a bit and don't have to keep on doing things that we have done for a number of years just to keep them going. It is a sign of life when we can catch our breath and think about how to move into a new season and where the Holy Spirit might be leading us.

Current Staff

I want to take some time to recognize how much of this sense of renewal is attributable to those who offer their working lives as the staff of our parish. I'm not going to duplicate our retiring Senior Warden's reflections on our program, but do want to highlight some particular contributions to our common life by clergy and other staff.

- **Jim Quigley** is in his sixth year of ministry among us. He has, in those turbulent years and among other things, brought together the leadership of our Christian Social Ministries in that coordinating body called "God's Work in the World" (GWW). They have set priorities that guide our common life toward the ends of good stewardship of our human and financial resources, no duplication of effort, and clarity of purpose. We now sustain our ministries through a percentage of our budget equal to that with which we support ministries of the wider Church though our diocese and beyond, providing a sense of gospel abundance rather than the anxiety of limited resources. Through Jim's ministry we are learning about abundance in God's economy. He will be away on a well-earned and exciting sabbatical leave for a number of months this year.
- **Emily Griffin** is in her fourth year of ministry here. We are blessed to have in her not only a faithful priest and pastor but a nationally recognized trainer in Godly Play – a process of forming our children in Christian Faith. It is a joy to behold the energetic flow of energetic people from our wonderful Ministry of the Word in Children's Church (sustained by any number of volunteers), into worship at the peace during our 9 am service, and then on into nursery and Sunday School spaces that speak of the fundamental caring we have for one another and especially for the youngest among us. Emily has brought this about, and she teaches us about such caring with all that she says and does.
- **Debbie Kirk** labors to lead what we now identify as our Spanish-but-completely-accessible-to-non-Spanish-speakers liturgy. Debbie has shown herself to be flexible both to the needs of the wider parish of which she is a priest, but also to the changing needs of the community who prefer to worship in Spanish. For more than a year and a half, Debbie has worked part time for us and part time for CASA de Maryland as an expression of our vision for global ministry among the Latino/Latina *Diaspora* in the Metropolitan area. She has caught the vision of our offering a particular liturgy rather than hosting a quasi-separate community, and is helping our members for whom Spanish is their first language begin to live into the adjustment that entails. Grace and flexibility are her gift to us.
- Our less visible staff and their ministries are no less important than clergy. **Doug Dykstra** is in his eleventh year as our Director of Finance and thus is our longest serving member of staff. He is learning to work with a more activist Rector and Finance Committee than has generally been the case in the past, to the benefit of all. Director of Operations **Charles Porter**, working with Junior Warden Lucy Fraser Cage, has made massive strides in addressing deferred maintenance issues and much else besides. (Soon we will have a high-speed internet connection – a hugely complex negotiation with providers and the Cathedral. This will allow a new and more useful database platform and such things close to our hearts as a photographic parish directory, among other benefits.) **Renée Patrick** is our newest team member and a great addition who is styled 'parish administrator' and is picking up increasing amounts of Charles' 'office function' including,

eventually, managing our database. We could not do half of what we do without **Armando Pineda** and his team from Sweep and Cleaning services, especially **Virginia Munoz**. They are here from early until late most days and take care of any number of matters that keep our community going. **Jeremy Filsell** and **Rebecca Kellerman** joined us in the fall to introduce a program for choristers and choral scholars as well as overseeing our adult choirs and all music. Soon after beginning with us, Jeremy was called to what I consider the premier position for a church musician in this country at St. Thomas Church on Fifth Avenue in Manhattan. He will leave us after Easter and Rebecca at the end of the school year, but not before making significant contributions to our musical life, developing our cadre of staff singers, restoring an auditioned choir (the *Schola*) and attracting a number of new parishioners who are excited by the music he makes. We miss **Jo Turner**, who stepped down this year as our Volunteer Coordinator of Pastoral Care and who was duly fêted in the fall. We also benefit from faithful office volunteers, **David Johnson**, **Irene Schaffner** and **Barbara Morrison**. Every one of these servants deserves our heartfelt thanks.

Moving Forward

At a recent meeting of our Budget and Finance Committee, it was pointed out that we have a *strategic* budget. What that means is that we have a budget that reflects our priorities for ministry and growth. We have increased our capacity for outreach and mission. We have achieved funding for our music that both leaves room for future growth and, importantly, provides support for a full choral program for all ages immediately. We have provided for funding for leadership of our youth ministries in the event that we can identify the right package of gifts for our parish. And we have done this on the strength of renewed confidence in what we are doing here, aided most gracefully by **Ashley** and **Dominic Bianchi** who have chaired our Annual Appeal for two years in a row and to whom we owe a debt of thanks.

Inevitably, that will lead us to staffing needs going forward. From my perspective, we are on track to provide a basic level of staff support for the work we believe we have been given to do. Our challenge will continue to be that very few areas of our work require the same gifts in staff as any other. We would do well to provide staff support for Youth Ministries, Stewardship, Spanish Liturgy, and Parish Community Life in addition to the support we currently enjoy for Adult and Children's Formation, newcomer Ministries, Worship Groups, Christian Social Ministries including our significant Global focus and Pastoral Care Program.

None of these are full-time positions and nor should they be, but all of them require slightly different gifts and interests from each other making finding 'just the right combination' in one person a bit of a challenge. My first priority in coming months is to identify someone who can lead our Youth Ministries.

That might sound surprising given that we know Jeremy and Rebecca will be taking their leave of us this spring and summer. The reason filling those positions is not my priority is that we have already done that! Watch for a parish-wide email this Monday evening in which our next Organist, Choirmaster and Director of Music Ministries will be announced.

Looking down the road a bit, I would love to bring someone on who would help shape our life together, overseeing, encouraging and supporting such things as Parish Weekends, Thanksgiving and Christmas Community lunches, overseeing our kitchen, and planning parties when we need to get together and celebrate something beyond what we can do in worship.

Vestry

Staff support is no substitute for vestry leadership, of course, and we have been blessed with dedicated members of that august body in recent years. We live the truth of last week's reading from 1 Corinthians: "Now there are varieties of gifts, but the same Spirit; and there are varieties of services, but the same Lord; and there are varieties of activities, but it is the same God who activates all of them in everyone. To each is given the manifestation of the Spirit for the common good." As a whole, our Vestry members are willingly entering into a deeper understanding of particular areas of our ministry for which they individually have oversight and are educating one other about the challenges and opportunities in those areas.

We have discovered that it is challenging to understand the nuances of our common life and that for most members, a first year of vestry service presents quite a learning curve. To that end, and under the leadership and enjoying the gracious hospitality of our Senior Warden, we have invited a number of you active in a variety of areas of our common life into what we have called a "Leadership Roundtable". This is essentially a program-year-long dinner group with an agenda of learning about and reflecting on all that makes up the life of our Parish. Staff and key volunteers visit as invited. For example, one evening includes a tour of *all* of our buildings with most participants having seen very little of what makes up our property. We learn about what might happen in our spaces and what it would take to change what we do. We think about and reflect on what varying possibilities could mean for our identity and future as a parish. At its best this is engaging and imaginative work that accustoms an initial group of fifteen or so to think about our Parish broadly and in creative ways. It won't take too many years before a really significant number of us have had the opportunity to do such learning and thinking. In time, that will change – in what I hope and expect will be positive ways – the experience of vestry service as spiritual leadership in this Christian community.

Even as we raise up new leadership to join us today, and even as we recognize with profound gratitude all those who have been willing to offer themselves for vestry service, I want to say a word about our retiring vestry members. **Tomás Montgomery, Tom Gustafson and Julie Clements Smith** came on to the Vestry in the midst of dreadful days in the life of our Parish. Their willingness to step up at such a time is notable in itself as an act of faith, and a visible sign of their confidence that God's grace is a powerful thing even when it is not immediately clear how! In their three years, they have each been called upon to use their gifts in everything from teaching Rite 13, to tending our planned giving programs to responding to personnel crises on our behalf. Last year they were joined by **Lara McCoy Roslof**, who has continued to offer her expertise in the world of digital communications, among her other gifts.

Also stepping down this year is the incomparable **Laura Ingersoll**. Laura has served three years a Senior Warden in what must be as demanding a time as any Senior Warden has served in any parish ever in the whole history of Christendom. Well, maybe that is a slight exaggeration, but not much. Laura, along with her other three-year amigos, offered herself for service in the midst of a season of conflict. She supported your Rector of the day as she could, took on the unenviable role of truth-teller, worked with our Bishop to bring about as dignified a transition as possible in the midst of deeply held beliefs and strong feelings running in many directions, navigated the Parish through many legal and pastoral shoals, found a priest-in-charge and then served as what he calls his "wartime *consigliere*." (A word about that, also reflective of Laura's gifts and abilities: from the first telephone call from the Bishop to me asking if I would consider serving in a priest-in-charge role so long as the Parish would consider it, to signing a letter of agreement, was something like 18 days. I have never known anything to happen that fast with

deployment in the Episcopal Church. As another friend likes to say, “Sometimes the Holy Spirit needs a little help.” I believe Laura Ingersoll helped the Holy Spirit on that occasion as she has on many others.)

Laura and I have not quite been joined at the hip, but we have been in regular, often daily, contact over the past twenty months. She has an extraordinary grasp of what goes on around here and a rare ability to see forest and trees at the same time. She can be thinking big thoughts about the future of Christendom while noticing that the umbrella stands near the church doors really need a coat of paint, and she knows exactly how and when she can take care of that. She has paid close attention to all kinds of processes, not least to the necessary, thorough, principled and graceful revision of our Parish bylaws. She caught the vision of a Leadership Roundtable and put it into place with no fanfare. Laura is a leader’s leader in the church and I will do what I can to make sure her tenure is remembered as one of the most significant gifts a leader has offered this Parish in its storied history. Along with all the administrative and interpersonal gifts she has shared, I want you to know that she has also been pastor to this pastor and I invite you to join me in thanking her on behalf of a profoundly grateful Parish. “Well done, good and faithful servant of Jesus.”

Closing

There is so much more that we could discuss, and will in the months and years ahead, including:

- youth dinners with the Rector;
- reconnecting with the Consortium of Endowed Episcopal Parishes (CEEP);
- the future of the Gala;
- what a Lily Grant to support Jim Quigley’s sabbatical means for our Parish;
- how the Rev’d John McDuffie has agreed to assist us while Jim is away;
- what great leadership we have enjoyed from so many in the year past;
- the promise of high-speed internet and what it can mean for us;
- the refurbishment of former Satterlee basement Sunday School spaces into a suite of rooms for our growing music program;
- how the Memorial Lecture will focus on the Spirituality of Aging with the immensely popular Tracey Lind back as our keynote speaker; and
- much else besides.

But for now suffice it to say that what we have in place as we look to a vibrant future for our Parish will not come about *because* of anything I have mentioned. I believe we need to continue to tend to our institutional and missional common life, but that the future of the church will only come from our practicing the faith, growing in wisdom, living self-authenticating, noon-anxious, compelling and meaning-filled lives as followers of Jesus, and inviting our friends and neighbors to share in God’s grace with us here. The package is not the point. What we each proclaim, and how we live free, is the point as we turn toward what really matters in worship, developing the hearts of servants through being for others and practicing generosity so that we may know life’s true riches. Worship. Service. Generosity. It’s what we are about.

Offered in the Name of God, Father, Son and Holy Spirit
January 27th in the Year of Our Lord, Two Thousand and Nineteen

The Rev’d Geoffrey M. St. J. Hoare
Rector

SENIOR WARDEN'S ANNUAL REPORT FOR THE 2018 TERM

The vibrant, Spirit-filled rhythm of our Parish during this past year was punctuated by some significant markers in our evolving community life. What follows are a few highlights since last January.

Calling our new Rector – and other clergy news

Right after last year's Annual Meeting, the new Vestry launched a process with the congregation to discern whether to **call Geoffrey Hoare to serve as our Rector**. (Geoffrey joined us as Priest-in-Charge on March 1, 2017, under a three-year contract that called for a mid-term mutual discernment as to whether he should stay on as our Rector – a decision involving the Vestry, Geoffrey, and our Bishop, **Mariann Budde**.) The Vestry engaged the Parish in a period of conversation and comment, which revealed a broad and enthusiastic consensus that supported extending a call to Geoffrey. With Bishop Mariann's concurrence, we did so in March, and to our delight Geoffrey accepted. We celebrated the occasion on September 16, with a remarkable liturgy that Geoffrey designed to lift up the whole St. Alban's community, honor the difficult transition of the past two years, and celebrate the newness of our shared life and the rich variety of ministries in our Parish. As he enters his third year with us, Geoffrey continues to grace St. Alban's with his extraordinary gifts of vision and experience, solid executive ability, management and fiscal savvy, inspired leadership of our staff, pastoral care, preaching and teaching, deep faithfulness, energy, and great good humor.

Among our Associate Rectors, **Jim Quigley** won a highly-competitive Lilly Endowment National Clergy Renewal Program grant to support his upcoming three-month sabbatical pilgrimage to the Holy Land and Southern Africa. He'll return in May, refreshed and spiritually and intellectually nourished, to share with us the fruits of his journey. **Emily Griffin** continues her nationally-recognized leadership of the Godly Play curriculum which anchors our thriving children's program, even as she develops her Spanish-language fluency. And **Debbie Kirk** balances her ministry to our Spanish-language worship service congregants with her service to the region's Latino community through her work at CASA of Maryland, underwritten by St. Alban's outreach program.

In May, we said farewell to two giants among our past clergy. We held a celebration of the life of **Loren Mead**, who had served as our honorary associate since 1995 while winding up a long career serving the causes of racial justice and reconciliation, and Episcopal congregational renewal. We hosted the post-funeral reception in honor of our former rector (1973-82) **Ted Eastman**, who after leaving us served as Bishop of Maryland and in retirement as Vicar of the Washington National Cathedral.

Parish Life, and Gratitudes

St. Alban's continued to feed our souls and minds, mainly through our regular worship with fine preaching and extraordinary music. In addition, in March we welcomed internationally acclaimed theologian and Yale Divinity School professor **Miroslav Volf** to help us explore theologically-based responses to the deep polarization our world is experiencing in so many aspects of life – a two-day event made possible by our new endowed Memorial Lecture Fund. We later hosted an enthralling morning conversation with former Archbishop of Canterbury, The Right Rev'd Dr. **Rowan Williams**. We heard a compelling homily from The Very Rev'd **Tracey Lind** about her first-hand spiritual experience with progressive dementia, launching a parish discussion of spirituality and aging. And another guest preacher

was The Very Rev'd **Lucinda Laird** of the American Cathedral in Paris. Our **Sunday Forum** planning team designed several series of high-level teaching programs revolving around prayer, Scripture, poetry, art, and religious traditions. Parishioners participated in **Bible study classes, book groups, spiritual covenant groups, and small-group mutual support**. There is a powerful thirst for spiritual growth and Christian formation at St. Alban's, and our gifted clergy and fellow parishioners are dedicated to slaking it.

Outreach activities continued to thrive, especially in our longtime support for the feeding ministries of **SOME, Grate Patrol, Christ House**, and the **Tubman backpack program**. Our Spring Gala and auction, celebrating "All Kids, Bright and Beautiful," raised funds to support D.C.'s **Harriet Tubman Elementary School, Hope and Resurrection School** in South Sudan, and **St. Saviour's School** in Jordan. Those involved in our **Global Mission** generated outreach beyond our nation's borders. The **Opportunity Shop** volunteers (under the devoted management of Laura Ferrara until she moved to another job mid-year, and her able successor Melody Knight), donors, and customers generated **WSA (Workers of St. Alban's)** grants that helped sustain dozens of community welfare programs in our region. Our myriad outreach projects are strategically visioned and rationalized (in the economic sense) by the **God's Work in the World (GWW)** umbrella committee, to ensure that all of St. Alban's outreach resources are deployed efficiently and effectively.

It's worth reminding ourselves that our outreach work includes making the St. Alban's buildings available to numerous outside organizations that provide important public-welfare services, including **Iona Senior Services** every weekday and several **12-Step meetings** (including the nation's longest continuously running Alcoholics Anonymous group). Our spaces provide well over \$100,000-worth of benefit to these groups. We've also hosted **Choral Arts Society** rehearsals for many years.

In our Episcopal tradition, we **care pastorally** for one another. **Stephen Ministers** do this as trained, skilled spiritual companions. In ways small and large, that are invisible to most, individual parishioners lovingly tend to one another. In September, our beloved and irreplaceable Pastoral Care Coordinator, **Jo Turner**, concluded her three-year term of "non-stipendiary" service, and our clergy and several parishioners are working to build a community-based support system that can be sustained in her model.

Especially important to our community life are the **St. Alban's children and youth**, to whom we have pledged our loving support as they grow into men and women of faith and service and Christian witness. The young folk helped lead our worship services as elements bearers, acolytes, and choristers. They distributed Grate Patrol food on our city streets, spent a June week in Kentucky helping rehab housing for needy people in partnership with St. Timothy's Episcopal Outreach Center there, and explored what it means to live as Christians in their world. And our exciting new program for young Choristers and Choral Scholars is beginning to build a high-quality music enrichment program that will enliven our worship with stellar young voices. There is no more worthy target for our collective parish energies than this young generation.

To enable and sustain all this and more – in time, talent, and treasure – "**it takes a village.**" I am in awe of the deep commitment and faith-fueled energy that hundreds of St. Albanites devote to this work. They – **you: far too many to name here** – are the lifeblood of our faith-community. We are all inspired by one another's living witness to God's kingdom on earth. I offer special gratitude for our parish staff who support us in this work: Director of Operations **Charles Porter**; Parish Administrator **Reneé Patrick**; Director of Finance **Doug Dykstra**; our music leaders **Jeremy Filsell** and **Rebecca**

Kellerman; Jo Turner, until she retired; office volunteers **David Johnson, Barbara Morrison**, and **Irene Schaffner**; and our contract Sexton **Armando Pineda** and his team, including wife **Virginia**.

Governance

Last January, the Diocese issued a restatement of its Canon governing **parish bylaws**. We undertook a comprehensive revision of the St. Alban's Parish bylaws to conform to the new Diocesan prescriptions, and in the process addressed a number of provisions in our bylaws that needed to be corrected, clarified, or revised to better reflect, and improve upon, our actual parish governance practices. The Governance Committee and Vestry prepared the new bylaws over the course of several months, and presented them to the Parish for comment. The congregation approved the final new bylaws in a special meeting on October 28.

Challenges and Reflections

As I conclude my term as your Senior Warden, I recognize that – even as St. Alban's has stabilized and re-energized after a period of tumultuous transition – we face substantial challenges for our future as a Christian faith-community in an increasingly post-Christian world. I see **four particular challenges** that, I believe, we can meet head-on.

First is our own work to build up God's kingdom on earth by gathering in worship, Christian formation, and service, and then taking the fruits of that lived faith back into our daily world. For this, the first commitment of each of us has to be to **show up, and to keep showing up**. We are so much stronger a force for good in this world when we are in community! Our second challenge is to reach out and **draw in other people** who seek spiritual sustenance and meaning for their lives, and want to work out those yearnings as part of a vibrant and loving community. This task isn't just institutional; we are each called to extend this invitation on a person-to-person basis. Spread the Good Word! Third, we're challenged to consistently **exercise good stewardship** of our finite resources of time, talent, and treasure, as individuals and as a community. This means being careful to commit only to ministries that we have the capacity to properly execute and sustain – a tough task in a terribly needy world. It means being strategic in selecting our outreach projects (as GWW and WSA are striving to do). It means expanding our base of volunteers for lay leadership and to run parish programs – and not over-taxing them! It means acting in ways that don't harm the environment. It means taking good care of our physical property. It means making individual financial commitments to support St. Alban's and then carefully using those funds to best carry out our mission and ministry. Finally, we should strive to continue to **live in community with love, mutual respect, clarity of purpose, and transparency of process** – distinctively Christian principles for governance that are hallmarks of our countercultural polity.

Thank you, dear community of St. Alban's, for your loving support, your dedication to our life together, and your abiding faith in our common destiny as God's beloved children.

Respectfully submitted,
Laura Ingersoll, Senior Warden (2016-2018)

JUNIOR WARDEN'S ANNUAL REPORT FOR THE 2018 TERM

Throughout 2018, we saw improvements made around our buildings and grounds and the slow, but steady course correction for addressing much needed maintenance and the planning for capital improvements. A special thanks goes out to **Charles Porter**, our **Director of Operations**, for all of his contributions and efforts in making 2018 a successful and productive year.

Catching Up & Sprucing Up

We performed a substantial amount of “catch up” maintenance work this past year, as the result of a property assessment by fellow parishioner (and architect), **Marc Fetterman**. Marc devoted hours walking the property and making recommendations for repairs and other necessary work that had been postponed (or deferred) in prior years. To address this “to do” list, the Vestry allocated approximately \$53,000 from the Reserve Fund and Charles prioritized the projects, some of which involved life/safety issues, and ensured their completion. Some of the highlights include clearing out window wells and ordering new covers to ensure proper drainage and protection of them, cleaning out storm drain lines, repairing or replacing emergency lighting and signage, fixing up restrooms, and upgrading lighting in selected areas both inside and outside.

In addition to Marc’s list, we tackled the sprucing up of the church and parts of Nourse and Satterlee Halls as we prepared for Geoffrey’s installation. A team of volunteers, including **Laura Ingersoll**, **Bob Witten** and **Michele Bond**, made improvements to lighting; cleaned up walls, doors and trim; lovingly restored wood railings, tables and chairs; cleaned windows; and polished brass. The list is extensive and we should be grateful to this dedicated group of volunteers for their tireless and blessed efforts towards this project.

Larger/Capital Projects

We also identified other projects that were unplanned and more in line as a capital expenditure:

- **Flagstone Pavers:** We recently replaced or repaired pavers in front of the church and Satterlee and recoated the ramp from the church. The pavers were presenting a risk during cold and icy weather, and it was imperative that we replace where needed and re-mortar by late Fall to ensure the integrity of these areas.
- **Water Infiltration:** High levels of moisture have been detected in walls throughout the lower levels of Nourse and Satterlee, and we engaged an engineering firm to investigate, which involved the excavation and testing of selected areas around the property. We are now awaiting the report that will contain findings and recommendations for addressing the cause, and we understand that the work to remedy the situation may require substantial funding. This work is critical to our ability to recover this space for parish program use.
- **HVAC Systems:** They are currently functioning, but due to their age, they require more maintenance and oversight. We invested in repairs and maintenance in 2018 that will help them to function more efficiently in the future, and we plan to evaluate further for appropriate timing on any replacements.

- **Doug Dykstra's Office Move:** We are nearing completion of the build-out of Doug's new office, which will enable him to be co-located with other staff in the main office area in Satterlee. Once Doug has moved, his old office will be occupied by the Opportunity Shop, and areas in the Satterlee basement that the OpShop has been utilizing for inventory will become available for future use by other parish programs.

Communications Upgrades

We are installing a new cable line with Comcast, which will substantially increase our internet and data capacity and efficiency. We are also completing the installation of a new A/V system in Nourse Hall, comprising a higher quality projector and screen.

Gardens/Grounds

Thanks to our devoted Garden Guild volunteers, especially **Penny Glass, Gordon Avery** and **Barbara Manard**, as well as Cathedral grounds staff, our gardens continue to thrive and help beautify our beloved Parish. They are steadily taking on a new look as we add hardy, perennial plantings and trees and reimagine existing areas into new and welcoming focal points. The majority of the work in 2018 focused on replacing the shrubbery by the Lych Gate sign, backfilling the area by the church where large, unhealthy laurels were removed, and supplementing the Columbarium herb and flower garden. The installation of a new hose bib in the Columbarium is a welcome addition, as it will help our watering efforts in this area and the adjacent playground.

In 2018 we saw the loss of the large oak tree by Lych Gate. Arborists consulted on its health deemed it to be a risk, so it was removed before it could cause harm or damage. We will monitor the health of its twin on the other side of the gate and may look to its future removal and what opportunities these open spaces present to us.

For 2019, at least, we are planning more projects, including a redesign around the sign along Wisconsin Avenue and judicious cutting back and thinning out of overgrown areas.

We also hope to have a parish workday this Spring, combining a planting day with repairs and touch ups around the buildings, so stay tuned! Volunteers are needed!

Looking Ahead

It is our hope that we can continue addressing other areas in our buildings that are in need of improvement, including Trenbath Assembly, the Rectory and the office hallways. These are high traffic areas and heavily used, so we believe that money is well spent in updating and refurbishing them.

There is much work to be done to maintain our precious "bricks and mortar" assets, and the work is ongoing. We are grateful for your support of this mission and the financial gifts that make it possible. Thank you all!

In Peace,
Lucy Fraser Cage, Junior Warden (2018)

TREASURER'S REPORT FOR THE 2018 CALENDAR YEAR

Last year, I was able to report that St. Alban's had a good financial year and entered 2018 in an increasingly strong financial position. I am happy to report that this trend continues. We finished with positive year-end results, a healthy reserve fund, and an increase in the endowment. The 2019 Budget fully funds the Rector's initiatives and ongoing programs as well as support our dedicated clergy and staff.

St. Alban's closed the fiscal/calendar year with \$1.747 million in contributory/operating income and \$1.619 million in expenses resulting in a positive income/expense variance or accumulated gifts of \$128,314 which is available for other uses as discussed later in this report.

With the inclusion of the passthroughs (Workers of St. Alban's, the Gala and Mustard Seed contributions) the total year to date total operating income was \$2,001,987 and expenses were \$1,863,638. With WSA, the Gala, and Mustard Seed proceeds the Parish contributed just under \$250,000 in outreach funds over and above those that come from the operating budget.

The 2018 financial results, the 2019 Budget and Financial Initiatives are as follows:

2018 Year End Results (see attached Exhibit A)

Pledge income was \$1,222,857 which is a 16% increase over a year ago. Collections (\$104,947) which are primarily Sunday plate contributions and Contributions (\$105,482, which includes WSA's \$55,000 contribution to the operating budget, facilities use, and weddings/funerals) were both above budget. This resulted in total income of \$1.747 million vs. a budget of \$1.700 million. Expenses were also below budget \$1.619 million vs. a budget of \$1.720 million. The major expense items were Personnel (\$906,100), Buildings and Grounds (\$372,540), and Outreach (\$96,820).

2018 Bequests. St. Alban's received three generous bequests in 2018 from the estates of parishioners Ellen Rudolph Marsh, Christopher D. Larson, and Guinevere and C. Jeanne Griest. Consistent with Vestry guidelines, just over \$600,000 of these bequests were moved to the unrestricted Endowment and approximately 20% was placed into the Reserve Fund.

2018 Reserve Fund. The purpose of the Reserve Fund is to manage the cash flow of the church and, importantly, to be available for capital expenditures above \$5,000 as approved by the Vestry. The value of the Reserve Fund at year end was \$709,551, which is above the approved level of \$600,000 in anticipation of potential water infiltration remediation expenses. The major expenditures from the Fund during the year were: \$53,678 on various deferred maintenance projects, \$148,835 to fully repay the loan from the Diocese which covered the severance of the former Rector, replacing the flagstones in the front exterior of the church, and several other projects as discussed in the Junior Warden's report. The Vestry voted to place \$ 140,000 of the aforementioned bequests into the Reserve Fund.

2018 Endowment Fund. All Endowment Funds are held at the Vanguard Group and invested in their mutual funds with a 65%/35% equity to bond asset allocation. The Finance Committee monitors these investments and will adjust the allocations consistent with the long-term financial objectives of the Parish. The total Endowment at year end was \$4.408 million. Additions to the Endowment during the year totaled \$613,595 from bequests and Parishioner contributions. The Endowment was negatively affected by the significant drop off in the markets in December which resulted in a decrease in market

value at year end of approximately 9%. It should be noted that as of this week (1/24/2019) the Fund has recovered substantially and currently has a value of \$4.566 million.

The total operating budget consisting of both the contributory budget and passthroughs, which total \$2,001,987 in income, and corresponding expenses of \$1,863,638. These passthroughs are the Opportunity Shop proceeds/WSA grants which are funded by the profit from the shop as well as proceeds from the 2018 Gala and Mustard Seed grants. Gross sales in the Op Shop surpassed \$300,000 for the second consecutive year and hit an all-time record in 2018. This is the seventh consecutive year that the Op Shop has seen a year over year increase in sales. Based on these results, WSA was able to approve grants totaling \$210,000 to community organizations and contribute \$55,000 to the St. Alban's operating budget. The Gala had a net of \$35,000 which also contributed to the Parish's outreach efforts, and Mustard Seed grants totaled \$4,333.

2019 Budget and Financial Initiatives (see attached Exhibit B)

At its January 23, 2019 meeting, the Vestry approved a balanced contributory/operating budget of \$1.759 million. When passthrough receipts and expenses are added, the total operating budget is just over \$2.0 million, which fully funds existing programs and includes funds for, among other things, a staff addition for youth ministry, modest increases in stipends for staff choir members, a cost of living/merit pay increase for clergy and staff, and increases in both Diocesan support and outreach.

2019 Income. The 2019 Pledge Campaign as of this date has brought in \$1,271,000 million from 284 pledgers. This is 3.3% above dollars pledged for 2018. This is the second consecutive year pledging has seen growth both in the number of pledges and the amount pledged. The 2019 campaign recorded 24 new pledges as well as an additional 23 pledges from households that have not pledged to St. Alban's in a while. All of this shows a positive trend line and is good news for our future.

The 2019 approved budget income of \$1.759 million consists of the following: \$1,275,000 in pledge income, \$91,000 in Collections and \$86,000 in Contributions, \$45,000 from the Naselli Trust (a trust that benefits St. Alban's on an annual basis), \$182,000 from the Endowment draw, and \$79,822 in accumulated gifts from fiscal year 2018. As noted above, the Vestry approved using just under \$79,822 in accumulated gifts as part of the 2019 operating budget. The Vestry voted to move the remaining amount into the Endowment.

2019 Expenses. The \$1.759 million consists of \$954,615 in personnel costs, \$435,804 in Buildings and Grounds, \$68,934 in Parish programs, \$111,916 in Diocesan support, and \$111,916 in outreach. These expense items fund all of the Parish programs and initiatives but also provides funds (along with money from the Reserve Fund) for two important improvements to communication infrastructure: upgrading the high capacity computer lines, which will enable us to improve the quality of the data base. Both will increase staff productivity as well as communication with parishioners.

Conclusion. The financial condition of the Parish is strong. We have no debt, a generous donor base, a growing endowment and healthy reserves. Clearly, we need to be good stewards of our funds and continue to think strategically and long-term about our finances. I am confident this will happen under the leadership of our Rector, the excellent work of our Director of Finance, Doug Dykstra, and a dedicated Vestry and Finance Committee.

Respectfully submitted,
Hollis S. McLoughlin, Treasurer

EXHIBIT A

ST. ALBAN'S EPISCOPAL CHURCH									
2018 January - December Overview of Operating Fund with Comparisons to Budget and Last Year									
Based on Activity as of December 31, 2018									
(Note: 2018 Subject to Independent External Audit)									
	2018	Jan. - Dec.	2018	Jan. - Dec.	2018	Jan. - Dec.	2017	2018	
	Actuals		Budget		Variance		Actuals	Variance to	% Chg.
					to Budget	% Chg.		2017 Actuals	
PARISH INCOME									
Pledges (incl. Foundations/Matching Gifts)	\$1,222,857		\$1,235,000		(\$12,143)	-1.0%	\$1,057,046	\$165,811	15.7%
Collections: Plate, Parish Support, Special	\$104,947		\$87,000		\$17,947	20.6%	\$114,040	(\$9,093)	-8.0%
Contributions: Facility Use, WSA, Flower Guild	\$105,482		\$80,900		\$24,582	30.4%	\$69,645	\$35,837	51.5%
Transfer: Naselli Trust (Annual Distribution)	\$46,061		\$42,000		\$4,061	0.0%	\$42,830	\$3,231	0.0%
Transfer: Endowment Fund (Annual Draw)	\$170,328		\$170,328		\$0	0.0%	\$133,678	\$36,650	0.0%
Accumulated Gifts (2017 partial distribution)	\$84,904		\$84,904		\$0	0.0%	\$0	\$84,904	0.0%
Transfer: Diana Smith & Memorial Lecture Funds	\$9,141		\$19,651		(\$10,510)	0.0%	\$0	\$9,141	0.0%
Designated Income	\$3,521		\$0		\$3,521	0.0%	\$8,071	(\$4,550)	n/a
Total Contributory Income	\$1,747,241		\$1,719,783		\$27,458	1.6%	\$1,425,310	\$321,931	22.6%
Outreach Pass-Throughs (WSA/Mustard Seed/Gala)	\$263,887		\$214,500		\$49,387		\$275,269		
Total Operating Income	\$2,011,128		\$1,934,283		\$76,845	4.0%	\$1,700,579	\$487,143	28.6%
PARISH EXPENSE									
Personnel (Salaries/Benefits)	\$906,100		\$933,428		(\$27,328)	-2.9%	\$736,100	\$170,000	23.1%
Parish Outreach (excl. Mustard Seed, WSA Grants)	\$96,820		\$105,565		(\$8,745)	-8.3%	\$29,609	\$67,211	227.0%
Diocesan Support (Pledge Payments to EDOW)	\$105,565		\$105,565		\$0	0.0%	\$100,000	\$5,565	5.6%
Parish Programs (incl. Memorial Lecture Fund)	\$68,598		\$93,026		(\$24,428)	-26.3%	\$29,523	\$39,075	132.4%
Buildings & Grounds	\$372,540		\$403,579		(\$31,039)	-7.7%	\$344,713	\$27,827	8.1%
Parish Office	\$69,306		\$78,620		(\$9,314)	-11.8%	\$58,496	\$10,810	18.5%
Total Contributory Parish Expense	\$1,618,927		\$1,719,783		(\$100,856)	-5.9%	\$1,298,440	\$320,487	24.7%
Outreach Pass-Throughs (WSA/Mustard Seed/Gala)	\$253,852		\$214,500		\$39,352		\$268,461		
Total Operating Expense	\$1,872,779		\$1,934,283		(\$61,504)	-3.2%	\$1,566,901	\$398,198	25.4%
Total Contributory Variance	\$128,314		\$0		\$128,314		\$126,870	\$1,444	
2018 Total Income-to-Expense Variance	\$138,349		\$0		\$138,349		\$133,678	\$4,671	
Source: Shelby system, 1/25/19.									
Prepared by Douglas Dykstra, Director of Finance									

EXHIBIT B

ST. ALBAN'S EPISCOPAL CHURCH					
2019 Operating Budget Summary (as approved by the Vestry on January 23, 2019)					
				2019 Budget	
				<u>Operating Income:</u>	
Pledges (incl. Foundations/Matching)			\$1,275,000		
Collections (Plate/Parish Support/Holidays)			\$91,000		
Contributions (Facilities Use/Weddings/Funerals/WSA)			\$86,000		
Transfer: Naselli Trust (Annual Distribution)			\$45,000		
Transfer: Endowment Fund (Annual Draw)			\$182,000		
Accumulated Gifts (2018 partial distribution)			\$79,822		
Total Contributory Income			\$1,758,822		
Outreach Passthrough: WSA			\$220,000		
Total Operating Income			\$1,978,822		
				<u>Operating Expenses:</u>	
Personnel (Salaries/Benefits/Musicians)			\$954,615		
Outreach ("GWW"/Feeding/Mission Support)			\$111,516		
Diocesan Support (Pledge Payments to EDOW)			\$111,516		
Parish Programs			\$68,934		
Buildings & Grounds			\$435,804		
Parish Office			\$76,437		
Total Contributory Expense			\$1,758,822		
Outreach Passthrough: WSA			\$220,000		
Total Operating Expense			\$1,978,822		
Total Operating Income/Expense Variance			\$0		
				=====	
Notes:					
- "Pledges" is based on 2019 pledges received by the parish as of Jan. 23, 2019, which totaled \$1,271,000 million, up 3.3% from 2018.					
- "Contributions" includes \$55,000 from WSA, which is from net proceeds from the church's Opportunity Shop.					
- In 2018, accumulated gifts totaled \$138,349. At their January 2019 meeting, the Vestry allocated \$79,822 from this amount to be used to balance the 2019 operating budget.					
- Passthroughs include WSA/Op Shop, Parish Gala, Mustard Seed Offerings, Good Friday Offering and will be reported separately from "contributory" income and expense.					
- Diocesan Support increased from \$105,565 in 2018 to \$111,516 in 2019.					
- Starting in 2019, the amount budgeted for the Diocese will be fully matched for parish outreach and mission support. In addition to funding the parish's feeding programs and all of "God's Work in the World" efforts, the 2019 outreach budget also includes contributions to the Compass Rose Society, Episcopal seminaries, the Bishop Walker School and Washington National Cathedral. (Separately from Outreach, the parish has also formally renewed its financial support to the Consortium of Endowed Episcopal Parishes.)					
- The Buildings & Grounds 2019 budget includes \$12,000 for monthly cleanings of the Satterlee Hall and Nourse Hall kitchens.					
Prepared by Douglas Dykstra, Director of Finance, 1/25/19 (updated).					