

Minutes for 172nd Annual Meeting

February 4, 2024

Call to Order

The Annual Meeting in Burns Hall was called to order at 11:04 a.m. by the Rector's Warden, Tracy Steele.

Opening Prayer

Rev. Winnie Smith provided the Opening Prayer.

Determination of Quorum

A quorum of attendees was noted. The Annual Report for 2023 was circulated to all in attendance.

Approval of Minutes

Upon a motion made and duly seconded, the Minutes of the February 5, 2023 Annual Meeting were approved.

Reading of the 2023 Memorials

Tracey Steele read the list of 2023 memorial gifts as recorded in the Annual Report.

Nominating Committee Report and Distribution of Ballots

Paul Adkins, Chair of the Nominating Committee, provided a brief report on the work of the Nominating Committee and explained the election process for the proposed new Vestry members. He presented the slate of four nominees: Hope Knight, Charlie Merwin, Danielle Trucksess and Daniel Wesley. Ballots were distributed to all Parish members present.

Stewardship Report

Chris Chojnacki, Chair of the Stewardship Committee, provided a report on the results of the 2024 stewardship campaign. He reported that there has been an increase in the number of new and returned pledges, which is encouraging growth. In addition, the total amount pledged outpaced inflation. He noted that this growth is not outpacing natural attrition and encouraged parishioners to work together in the coming year to attract, welcome and incorporate new families into the Church's community as stewardship is only one step of the process. He thanked parishioners for their participation in the campaign.

Finance Committee Report

Chris Zafiriou, Accounting Warden, reported that the Church's finances are strong and that 2023 fiscal year closed with a surplus due to a confluence of favorable financial factors. On the revenue side, pledge income came in ahead of budget by approximately 6%. On the expenditure side, due to considerable staff turnover (music director, parish administrator and children's ministry director), the actual realized expenses were substantially lower than budgeted. He noted that this is a unique situation that is unlikely to repeat in future years. Similarly, buildings and grounds expenses were below budget due to mild weather and the gap in the parish administrator.

He reported that the outstanding construction loan for the Legacy into Promise capital campaign has been significantly reduced from \$635,000 to \$225,000 as of year-end 2023. He advised that the Legacy into Promise capital campaign has been kept open both as work continues to both collect pledges for so that the loan can be retired, which is the only outstanding debt of the Church, and for large future projects such as updating the air conditioning and the narthex in the Church as well as potential organ upgrades.

He thanked the Finance Committee and investment sub-committee members for their thoughtful guidance, and the Church's staff who have stepped into new roles and responsibilities during the past year. He noted that the committee members have been focused on how best to position the Church's endowment and other investments for long term success. He explained that, while the endowment experienced growth in 2023 due to the rising stock market and the endowment withdrawal rate remained the same as the prior year at 4.25%, the Finance Committee is focused on lowering the withdrawal rate to ensure long term sustainability in light of inflation.

He highlighted that the Church will need to have growth in both membership and pledging, as well as planned giving, in addition to growth of the endowment in order for the Church to sustain its current budget long-term. He explained that statistical tracking has shown that for each parishioner who has passed, the Parish needs 1.2 to 3 new families to account for the loss in pledge revenue in order for the Church's overall revenue to remain the same. Using a "City on a Hill" analogy, he encouraged parishioners to talk to friends and neighbors and welcome them in so that the Church can remain vibrant parish with outreach back into the community.

He explained that expenses for the Church are nearly all non-discretionary. The clergy, staff and music program comprise a significant amount of the budget. While staff vacancies in 2023 resulted in a substantial surplus of \$227,378 and the Vestry is allocating from that \$25,000 to the 2024 budget, he reported that the 2024 budget approved by the Vestry reflects conservatism for both the revenues and expenses. The Finance Committee is projecting expenses to increase by 4% over 2023, but cautioned that there may be variance given the exceptional year of 2023. He noted that the Diocesan assessment increased 7% over 2023.

He thanked parishioners for their trust and confidence, noting the exceptional people and volunteers who comprise our community. He expressed his excitement for the positive momentum our community experienced in 2023 and is poised for in 2024, and reminded all that in order for the Church to continue to thrive, we all must shine light on to the Church so that it can continue to be a welcoming City on a Hill.

FRAN INSERT 2023 CHARTS FOR REVENUE AND EXPENSES

FRAN INSERT 2024 Budget, 2023, 2022 and 2021 Actuals

Rector's Warden Report

Tracy thanked Chris Chojnacki and Chris Zafiriou for their leadership and work with the Stewardship and Finance Committees. She also thanked Paul Adkins, Susan Rushing, Jennifer

Vollmer-Copas and Chris Zafiriou for their time and contributions in serving on the Vestry during their terms. Their presence and collective voices will be missed.

She next thanked the clergy staff for digging in deep over this past year as we were busy filling important roles in the Church's staff. She then welcomed both Andrew Senn and Joshua Castano. She thanked parishioners for putting their trust in the Vestry, for their generosity in stewardship and outreach, and for reconnecting and re-engaging with the Parish over this past year.

She discussed the mission of the Church and noted that in order to preserve and continue that mission, the strategic goals continue to be to grow in faith, membership and impact. She reported that weekly attendance numbers have increased and noted that the Vestry plans to analyze historical attendance numbers for trends and insights as well as available guidance.

She discussed the results of 2023 goals, including to try new things, and thanked parishioners for stepping into and helping with the goals. For example, greeting one another by name at the beginning of each service to further connect ourselves in a personal way. She noted that Vestry members are wearing red name badges to identify ourselves to parishioners and are a resource to all. She reported that the Church's livestreaming capabilities were upgraded and usage remains strong. She noted that as a result of the livestreamed services, the Church a major gift from an out of state individual who finds how we worship meaningful to them.

She discussed the continued focus to make the Church an anchor institution in our community, noting that increasingly, churches embody the very nature of living out faith through actions in one's community. The Church has a call to serve our community. How the Parish may do this will be one of the primary focuses of the Vestry.

She encouraged parishioners to invite friends and families to the Church's services and events, as well as to consider attending a service or an event that they would not otherwise have attended. The Parish community will become even better as a result.

Results of Election

Tracy Steele called on Paul Adkins to provide the results of Vestry election ballots. Paul Adkins reported that 68 ballots were returned and that the four nominees were duly elected new Vestry members.

Rector's Report

Peter opened his remarks with three words: "Thankful am I" to be stated at the beginning of each day in gratitude. Thankfulness is first, as the foundational response of wakefulness and the "I" comes last, to acknowledge that none of us is truly independent, most of all from God.

He explained that as 2023 was a year of substantial staffing transition, he believed it was fitting to say "Thankful am I" for all of that the staff, Vestry and parishioners regularly give of themselves, and particularly the many people who chose to step up and contribute significantly with a commitment to meeting the changes with optimism and fortitude.

He thanked Mackie MacLean for his insight and sound advice in the search for both a new Director of Music and Parish Administrator. He thanked the music search committee members: Hope Knight, Mackie MacLean, Emily Snell, Paul Adkins and Andrew Masterman for their passion and discerning guidance.

He then thanked the staff for taking on additional duties in the interim months while the Church worked to fill the open positions. He expressed his gratitude to Ken Garner who helped him navigate the many things to be done administratively, musically and keeping the many systems of the Parish working; and to Paulo Reyes who has a heart of gold and undertook with self-initiative expanded oversight of the Parish. He then expressed his gratitude to Winnie Smith and Rebecca Northington for assuming the added responsibilities of the Church's school program. He also recognized Fran Merritt for taking on additional accounting duties, and reported that in November the Church permanently increased her hours so that, together with the new administrators, she will cover the majority of the former accountant's responsibilities. Lastly, he thanked Jo Ann Jones for her steadfast constancy and sage advice.

He welcomed Andrew Senn, the new Director of Music and Joshua Castano, the new Parish Administrator. He complemented the energy and passion they both have brought to their respective positions, which will be of great benefit to the Church as we move forward.

He then expressed his gratitude to Tracy Steele, as Rector's Warden, for being an anchor with her tireless support and excellent counsel to keep the work of the Church focused on moving forward.

He acknowledged the contributions of the four retiring Vestry members: Paul Adkins, Susan Rushing, Jennifer Vollmer Copas and Chris Zafiriou. He noted that Jennifer and Chris were also members of the Executive Committee, and that Chris served as Accounting Warden for his full three-year term. He explained that Vestry members are asked to be both stewards and ambassadors for the Parish, overseeing the work of the Church together with the staff. He noted the talents of the retiring Vestry members and thanked them for lending their individual skills. Their contributions are key to the health of the Church.

Thankful am I.

Transition is part of life and 2023 had an unusual amount at the core of the Church's operations. He noted that despite this the staff and the Vestry continued to focus on the Church community. He thanked parishioners and stated that their presence at Church makes a difference to the life of the Parish. It is our gathering together to learn always anew what it means to meet one another face to face, and in that meeting, to realize the grace of God.

He then recognized two significant gifts for the Parish community. The first gift was given in honor of a prior gift and, as a result, Room 125 containing the Memorial Rood Screen, will be renamed the Pembroke Room. He explained that Charles Burns, the architect of Church of the Redeemer, was retained to design the Rood Screen in memory of Charles Wheeler, a parishioner. His estate, Pembroke, was over 100 acres bounded by Fishers Road, Morris Avenue and New Gulph Road.

The second gift, was much more personal and also a reflection of the Church's community worship. The gift has come from an individual who had been attending the Church's services by livestream: his brother. He explained that his family is not Episcopalian and began to watch the livestream out of curiosity to see him and understand his faith. He spoke of his brother's personal search to find an affinity with a church, and how, as a result of attending the services through the livestream he found a genuine kinship with the Church. This connection exemplifies the meaningfulness of the livestream and the dynamic faith of the Church's community touching others.

Thankful are we.

New Business

No new business was put forward.

Closing Prayer

Rev. Jo Ann Jones provided the Closing Prayer.

The meeting was adjourned at 12:15 p.m.