



2018 Annual Report St. Mary's Episcopal Church

324 East Main Rd Road, Portsmouth RI 02871 ~ 401.846.9700~smcportsmouth.org

2018 Ministry Priorities

1. Ministry serving children, youth and families.
2. Encouraging current members to take ownership of the church's mission and ministry.
3. Growing our church by welcoming newcomers, honoring them at programs and worship, and supporting membership, discipleship and connection.
4. Educating members and guests in spiritual practices and Holy Scriptures.

TABLE OF CONTENTS

Rector's Report	1
Agenda	2
Minutes of the 2018 Annual Meeting	3
2018 Officers of the Corporation and Members of the Vestry	5
2019 Nominating Committee Report	5
Senior Warden's Report	5
Worship	6
Well-Being	8
Service	10
2018 Financial and Investment Reports	12
2019 Budget	14
Finance Commission	14
Stewardship	15
Sarah Gibbs Trust	16
Property Commission	17
Historic Church Renewal and Funding	17

RECTOR'S REPORT

The year 2018 at St. Mary's was a transformative time, a turning point during which we boldly claimed a new mission, deeply engaged God's word, and bravely faced some vexing financial and property issues. We partnered with new organizations, helping them to grow and serve. We asked members and friends to give more money to fund our annual ministry and capital needs. We received more than we imagined possible. We grew our membership adding 34 new, active members and 25 new pledges. We served many, sharing our gifts of property, prayer, money, worship, and fellowship. We fostered well-being in mind, body and spirit for individuals and we became a healthier church as a body.

In the pages of this report you will find the highlights of the amazing year we have shared in Christ. As the rector, I would like to thank God for every member and friend as well as the organizations with whom we have partnered. So many gave generously in 2018 to support this holy place, people and mission. In particular, I thank the officers of the vestry, Murry Edwards, Paul Westrom, Chris Bartlett and Mattie Gustafson. They have been faithful stewards and leaders, working tirelessly for the growth and health of St. Mary's. I also thank the staff, Kim Bakoledis, Gabe Giella, Karin Larsen, Jon Walker, and Michael Templeton, each of whom contributed to the success of 2018, offering their particular gifts. The Renewal Funding Team headed by Peter Collins, with Dave Ferkinhoff writing grants, Marlo Pratt and Judy Hall throwing parties and Sue and Hugh Hall inviting gifts deserves our thanks. 2018 was a time of abundance. We hope and pray, with God's help, to build on this momentum in 2019 and for years to come.

Parish Priorities for 2019

1. **Launch Invite Welcome Connect** as a new way of living into our mission. We will use

this framework as we grow and change as a Church.

2. **Implement the Way of Love** as the pathway to belonging and following Jesus at St. Mary's and into the world.

Goals for Leadership as we strengthen God's Church

Reorganizing for growth. Leaders will address the needed structural transition in our organization as we grow in size and spiritual health. We have an imperative to change as an organization in order for us to become self-sustaining. We will become more strategic in our planning and vision casting. Getting ahead of the change is important for the well-being of our community and our leaders. We believe the *Invite welcome Connect* ministry will facilitate growth and development of our ministries and we want to be prepared.

Renewing the Historic Church. Building on the momentum of 2018, we will complete phase II of the project, replacing the roof and repairing the exterior. Meanwhile we will also continue to plan and fundraise for phase III, the interior restoration.

Reduce the percentage draw on our endowment to 5.5 % by the new budget year (2020) by increasing income.

Faithfully,

Jennifer +



2019 ANNUAL MEETING OF THE CORPORATION OF ST. MARY'S

SUNDAY, FEBRUARY 3, 2019

Call to order — *The Rev'd Jennifer Pedrick, Rector*

Invocation — *Jennifer Pedrick*

Determination of a quorum — *Mattie Gustafson, Clerk*

Acceptance of minutes of the 2018 annual meeting of St. Mary's Church

Acceptance of 2018 annual reports by title as published

Acknowledging retiring vestry and other leaders, Fleur-de-Lis Award for 2019 — *Jennifer Pedrick*

Nominating Committee Report and Elections — *Murry Edwards, Chairperson of the Nominating Committee*

Financial and Investment Report for 2018 — *Chris Bartlett, Treasurer*

Budget for 2019 — *Chris Bartlett*

Report of Election Results

New Business

Invite, Welcome, Connect— *Gabe Giella and Dave Spengler*

Property Reports: Historic Church Renewal, Churchyard Rules and Regulations — *Paul Westrom*

Closing Prayer and Adjournment — *Jennifer Pedrick*

FROM THE CONSTITUTION AND BYLAWS OF ST. MARY'S CHURCH, PORTSMOUTH

Article IV Section 1. Membership. The Members of the Parish shall all be persons who have received the Sacrament of Holy Baptism and who are registered as members of the Parish. The Voting Members of the Parish shall be the rector or minister in charge and all Member communicants of eighteen years and over who are regular worshippers in the Parish church, who for six months preceding the annual meeting have been regular contributors to the support of the Parish, and who are not in arrears in the fulfillment of their pledges to support the Parish.

MINUTES OF THE 2018 ANNUAL MEETING OF THE CORPORATION OF ST. MARY'S

Minutes from 2018 Annual Meeting

Sunday, February 4, 2018

The Rector, the Reverend Jennifer Pedrick, called the meeting to order at 11:30 a.m. in St. George's Chapel. She offered thanks to Murry Edwards, who was responsible for putting together the Annual Report. Jennifer also thanked all who submitted reports and all who led or participated in the church's various missions and ministries this past year.

The Rector then offered a prayer.

Mattie Gustafson, Parish Clerk, confirmed that a quorum was present.

A motion was made and seconded to accept the minutes from the 2017 Annual Meeting. The motion was passed.

A motion was made and seconded to accept the *2017 Annual Report* and its contents, excluding the report from the Nominating Committee and the Proposed 2018 Annual Budget.

- David Brierley indicated that the Stewardship Commission Report contained an error: the numbers are correct, but the narrative was from the previous year. This will be corrected.
- Murry Edwards said that the Prayer Shawl and Card Ministry had been inadvertently omitted from the report. This omission will be corrected as well.

With these two corrections and additions to the Annual Report, the motion to accept the Report and its contents passed.

Acknowledgement of Ministries

- Sara Barker, retiring Hospitality Chairperson, was thanked for her dedication and skill in this ministry.
- Christian Myers, retiring from the Vestry after 6 years of service, was thanked for all his hard work, especially with the Rectory repairs.
- Dave Monroe – retiring after his term as Junior Warden, was thanked for his dedication and hard work on the buildings and grounds of St. Mary's – a large amount of gratitude for a very large and multi-layered job.
- Linda Drummond – retiring after her term as Senior Warden – was thanked for all the support and expertise she brought to a job that had many wonderful and many very difficult moments.

The members gave both retiring wardens a standing ovation.

Thanks also went out to the Staff of St. Mary's, all the Vestry Members Murwho are staying on the Vestry, Commission and Committee Chairs and all whose ministry makes St. Mary's what it is.

Nominating Committee Report

Linda Drummond, Chair of the Nominating Committee, presented the slate of nominations for election:

For Senior Warden - Murry Edwards

For Junior Warden - Paul Westrom

For 3 Vestry positions for 3 year terms – David Brierley, Peter Collins and Julie Zecher

For 1 Vestry position for a 2 year term – Trish Culver

For 3 Delegates to Diocesan Convention — Mattie Gustafson, Harry Gustafson, Linda Drummond

For 1 Alternate Delegate to Diocesan Convention — Claire Hebert

As there were no nominations from the floor, a motion was made and seconded to close nominations. The motion passed. A motion was then made and seconded to accept, by acclamation, the slate as presented. The motion passed.

Jennifer thanked the Nominating Committee, Linda Drummond, Dave Monroe and Christian Myers for their work.

Financial Reports

Chris Bartlett, Treasurer gave the report and began by thanking everyone for their patience and support as he began his work as Parish Treasurer. Chris reviewed the past year and said it had been a wonderful and positive year with respect to income. We have some expenses that ran over budget (Buildings and Grounds, Personnel and Office Supplies), but all these overages were reviewed and approved by the Vestry.

Other points

- We had some sizeable restricted gifts for: signage, the historic church, new furniture in the parish house and the new boiler.
- Pledging is a bit behind last year and the budgeted amount. It would be helpful if everyone could get their pledges in.
- The Diocese – for the 2nd year in a row – has decreased the apportionment.

A motion was made and seconded to approve the 2018 Budget as presented. The motion passed

New Business

Historic Church Restoration Team (HCRT) Report

Presented by Paul Westrom, who introduced his team and went over their work thus far and the plans in place for the future. The work will be divided into 2 phases:

Phase 1 – Do everything necessary to re-occupy the church

Phase 2 – Repair and restore the exterior of the building, included the roof.

Phase 3 – Repair and restore the interior of the building.

To complete Phase 1 we will need approximately \$55,000. Work on this phase might start as soon as February 12th, and if all goes well, we might be able to hold service in the historic church by Easter.

The entire project – all 3 phases – will cost approximately \$750,000.

Capital Campaign Report

Presented by Chris Barker who talked about the opportunity we have now to be part of the long-term stewardship of our beautiful and historic campus. The Capital Campaign will proceed on 3 fronts –

1. Grants and grant writing, along with seeking a listing on both state and national historical registers
2. Pledging campaign
3. Fundraisers - fun events which involve the community as well as St Mary's members

Dave Ferkinhoff gave a presentation on the why, how and what of being listed on the historic register.

Jennifer expressed her thanks to all the folks who are working on this important and “historic” project. It is the “project of our generation.”

Jennifer Pedrick offered a closing prayer, and the meeting adjourned at 12:33 p.m.

Respectfully submitted,
Mattie Gustafson
Clerk

2018 OFFICERS OF THE CORPORATION AND MEMBERS OF THE VESTRY

Murry Edwards, Senior Warden, 2021
Paul Westrom, Junior Warden, 2021
Chris Bartlett, Treasurer, 2020
Mattie Gustafson, Clerk, 2020

Terms ending in 2019:

Dave Ferkinhoff, Chris Barker, Jenny Williams

Terms ending in 2020:

Trish Culver, Michelle Freitas

Terms ending in 2021:

David Brierley, Peter Collins, Julie Zecher

2019 NOMINATING COMMITTEE REPORT

Corporation Officers, Vestry Members, and Delegates to Diocesan Convention

The nominating committee presents the following slate for corporation offices, Vestry members, and delegates to diocesan convention, to be voted on at the annual meeting on Sunday, February 3, 2019.

For a three-year term on the Vestry, Dave Ferkinhoff, David Spengler, Christine Winslow

For Diocesan Convention 2019: Harry Gustafson, Judy Hall, Julie Zecher, and as alternate, Murry Edwards

Respectfully submitted,
Murry Edwards, Nominating Chair

SENIOR WARDEN'S REPORT

Worship. Well-Being. Service.

Three keywords that the Vestry kept in front of them in 2018. These are the three main elements of the St. Mary's mission statement that is printed on the back cover. If you don't know the rest of the statement, be sure to read it. Along with the mission statement, you will find the four priorities that the Vestry also had in front of them.

In the following pages you will read how the priorities and mission statement were carried out by the members of the parish in 2018, and you will realize that our ministries overlap and are intertwined in the areas of worship, well-being, and service.

As a parish we have excelled at meeting some of our priorities, and we will continue to work on others.

Our adoption of "Invite, Welcome, Connect" and "The Way of Love" will offer us a pathway to belonging at St. Mary's and a guide for our ministries.

We need to be clear in our vision and mission, and our work as a parish needs to correlate with this framework. Leaders will need to assess and lead ministry that intentionally invites, welcomes, and connects. This will be true for long-time members as well as new.

When Sarah Gibbs laid the foundation for St. Mary's 175 years ago, she was a radical. She was a woman of means who was leaving her property "for the furtherance of the Gospel" and to establish an Episcopal church as well as a seminary. Likewise, St. Mary's made some radical changes such as new partnerships and new activities in 2018 you will see them reflected in this report. There will be more change to come in 2019. That is the only way that we will be able to not just be a parish of maintenance but a parish of mission. Some of those changes will impact our well-being as individuals; some of those changes will impact our well-being as an institution. But each of those changes will enable us to better share the Gospel.

Enjoy the rest of the report and celebrate the ministries and work of this wonderful parish.

Murry U. Edwards, Senior Warden

WORSHIP

*Worship is at **the heart of our life at St. Mary's** and is an experience both inspiring and joyful. Our worship services are an opportunity for us to give praise and thanksgiving for our lives and for God's grace in our lives. As we worship and celebrate communion, we are part of a symbolic family meal.*

The highlight of worship at St. Mary's were three different weekly services. From the quiet, contemplation of the 5:00 Saturday service to the 8:00 a.m. Sunday service with traditional music and organ to the 10:00 family-oriented service with a choir and piano music, St. Mary's offered very different ways for people to celebrate together. On **average, 124 people worshiped weekly** at St. Mary's in 2018. With an average weekly attendance of 61, the 10:00 service **comprised almost 50%** of those present weekly.

The 5:00 service enjoyed worshipping on the Bridal Path during the summer. One of the highlights of summer worship was the service that was part of the Midsummer Island Retreat. Members welcomed **numerous visitors** to the service as all joined in **singing under the leadership of Fran McKendree**.

The 8:00 service had organ music as well as faithful vocal leaders Trish Culver and Julie Zecher. Trish and Julie led the hymns, psalms, and Gospel sequence as well as other music as needed.

During the 10:00 service, Michael Templeton led a group of dedicated singers

who faithfully practiced before the service and then led the music for service. In order to make worship easier for those attending the 10:00 service, the order of service as well as all music was printed in the bulletin.

Special services offered a variety of worship experiences as well. Because of much planning and teamwork, the liturgies of Holy Week were especially meaningful and beautiful, including the Great Vigil of Easter.

The Christmas Eve services were as different in their styles as the regular weekend services. **Over 215 people attended** the 5:00 family service. Rather than a traditional pageant, children were invited to wear costumes representing those who were present at Christ's birth and to hear the story of love. The 6:00 and 8:00 services included dedicated singers and guest instrumentalists Benjamin Larsen, cello; Hyungjin Choi, piano; and John Denniwitz, guitar.

At these services St. Mary's welcomed new people to the body of Christ and to St. Mary's through **6 baptisms, 12 confirmations, and the reception of 2 people as Episcopalians**. All told, **34 active new members** joined the parish, of which **13 are children and youth**.

For all services, greeters welcomed worshippers. Greeter **responsibilities were revised** to welcome visitors to St. Mary's. The Altar Guild prepared the church for worship and set the table for Eucharist for everyone.

Contributors: Millie Cozzens, Karin Larsen, Lauren Lema, Jennifer Pedrick



WELL-BEING

*To have a sense of **well-being is to feel nourished and grounded in mind, body, and spirit.** Well-being includes having the support of others and a community in which one can be both open and vulnerable as well as safe. Our intellectual and spiritual health – mind and soul—are connected to our physical well-being and that spills over into our relationships, work, and every aspect of our life.*

The **focus of our well-being was Bible study and spiritual practices** in 2018. In the spring, **over 20 people**, including candidates for confirmation and reception into the Episcopal Church, attended the **Animate Bible video and discussion series** which gave us clear direction on how to dive into the Bible in a faithful, rational, and educated way. Mattie Gustafson's facilitation, knowledge, and love of God's word blessed that effort. In the fall Bible study continued when **65 people committed to the Journey Through the Bible** series which spans from Genesis to Revelation. Karen Laroche and Gabe Giella used their gifts in leading that class on Sunday mornings and on Wednesdays at noon. Members read the *The Path* on their own and with their families as well. Opportunities for communal prayer and reflection were embedded in these sessions too.

Spiritual ministry for children also focused on the Bible. They were offered a **Liturgy of the Word for Children** and lectionary based lessons on Sundays.

Seven adults — Paul Westrom, Leigh Knapman, Andrea Creaney, Holly Bidlack, Julie Zecher, Sara Barker, Jennie Nestlerode — rotated teaching these classes.

A series of successful youth events and service projects with prayer and reflection have provided time for busy teens to gather and build relationships. This group had the understanding

that their **confirmation marked an embarking on their faith journey.**

Contemplative prayer also fostered spiritual well-being. Under the guidance of Audrey Bennett, the *Lectio Divina* was offered on Saturdays preceding the 5:00 service.

The Collation Ministry offered well-being to grieving friend and families after two funerals in 2018. Offering hospitality at this time is a hallmark of St. Mary's.

The Community Garden offered members as well as **students at Sea Rose Montessori** an opportunity to grow fresh, organic vegetables to eat. Debby Timby's **flowers in the garden** provided color for the Pastoral Care team to share with those at home.

St. Mary's formed partnerships with other groups on Aquidneck Island to promote physical wellness. In July St. Mary's hosted the **Mid-Summer Island Retreat** with The Sacred Center, the YMCA, and Cloverbud Ranch. The most significant of these partnerships was with The Sacred Center. **Together St. Mary's and the Sacred Center offered a series of retreats that taught spiritual practices and shared the Eucharist.** In the fall, The Sacred Center marked its one-year anniversary.

The Tuck Fund, a college scholarship for St. Mary's members, provides \$2000 per semester per student while enrolled in undergraduate or graduate courses. In 2018 **7 students received a total of \$28,000 to help with college expenses. Congratulations to Caroline Hall, William Hall, Bella DeAngelo, Sean Dungan, Abby Kaull, Sydney Mello, and Sara Lundberg.** Congratulations to these students who felt some easing of the financial burden of higher education!

Contributors: Elise LaParle Garcia, Gabe Giella, Susan Kelchner, Jennifer Pedrick



SERVICE

*As we worship together and grow in well-being through this community, **we are equipped and empowered to be disciples on mission** and to serve others whether within the parish or out.*

Within the parish, the Greeting Card Ministry sent **50 cards** to members of the parish to offer support for those in leadership in the parish, those who were ill, and those in college.

Inspired by the Advent *Living Compass* booklet and reflecting on generosity, the youth collected toiletries and **assembled over 60 Blessing Bags** that were delivered by Michelle Freitas to the Friendship Breakfast in Providence.

The Prayer Shawl Ministry met weekly on Wednesdays and created **61 adult prayer shawls, 198 prayer patches, 6 baptism blankets, and 1 baby blanket**. They also made **10 hats and 2 hat and scarf sets** for the Seaman's Church Institute as well as **13 baby blanket, 56 hats, 80 pairs of mittens, and 3 crocheted purses** for the Dr. Martin Luther King Community Center. Each one of these creations was sent out from St. Mary's with a prayer.

The Dr. Martin Luther King Community Center (MLKCC) received support not only from the Prayer Shawl Ministry but from the parish as a whole. Through a lunchbox collection, St. Mary's gave **\$1775 to help feed the preschool** students at the MLKCC. In real terms, **48 children were fed lunch for almost a month!**

Thanks to the regular generosity of members, guests and partner groups, in 2018 St. Mary's donated **a total of 3848 pounds** of nourishing food to the MLKCC. Based on a standard established by the non-profit hunger relief organization Feeding America, these **donations had a value of \$6657!** Each week, non-perishable food items left in the baskets at the Church and Parish House were delivered to the MLK Center's Food Pantry by a volunteer. The goal in 2019 is to remain the Food Pantry's largest in-kind contributor.

St. Mary's parishioners purchased **more than 125 toys, books and gift cards** for children and their families who attend the Lighthouse School and Aftercare Program at the Dr. Martin Luther King Center in Newport, RI. Gifts were available for parents to "holiday shop" at the two day *Parent Holiday Workshop*. For 2019, this ministry would like to increase the number of gifts that are donated as the need for them increases.

Feeding the hungry was a high priority again at St. Mary's. At the monthly soup kitchen ministry at St. Paul's United Methodist Church in Newport, approximately **60 volunteers** throughout the year made and served a hearty meal of meatloaf, potatoes, and vegetables, plus fruit and desserts to **over 700 appreciative guests**.

As well as maintaining and growing new ways to serve, St. Mary's also closed the Thrift Shop that had been ably led by Priscilla Cousins.

Contributors: David Brierley, Connie Dealy, Jon Edwards, Judy Hall, Susan Kelchner, Jenny Williams



2018 FINANCIAL AND INVESTMENT REPORTS

INCOME:

Pledge Income and Loose Offering was weaker by approximately \$15,000 than originally budgeted - but THANKS TO ALL OF YOU! ended the year strongly relative to how things looked earlier in the year. Income from funerals and facilities use was also strong relative to expectations.

EXPENSES:

The two main items of interest here from an over-budget standpoint are Buildings & Grounds at +\$11,000, and Utilities at +7,000. The Buildings and Grounds overage related primarily to the installation of a fire alarm system in Gibbs House for \$8,000 (approved by the Vestry), and some additional emergency tree work that was required during the year. Utilities was a bit over in its own right, but was made worse by a catch-up payment related to an actual gas meter reading.

Office expenses came in under budget in a couple of different places, and personnel expense was under by about \$13,000 due to some staffing changes.

Overall, the plusses and minuses swung about both ways, but in large part ended up cancelling each other out – a very solid result in light of my serious concerns around mid-year.

ENDOWMENT:

The financial markets were VERY volatile during 2018, with the fourth quarter being particularly unkind. This was reflected in our endowment performance, which ended the year down approximately 5%. Endowment draws were \$297,000 vs. a budgeted \$289,000 – (the difference again related to the fire alarm system for Gibbs House mentioned above) - representing an approximately 8% draw for the year.

The Investment Committee met quarterly with the investment manager (Van Liew Capital) to review strategy, holdings and performance. As discussed here last year, much of our discussions centered around protecting the endowment from the

downturn that certainly appears to have begun in 2018. To that end, it was decided early in the year to move \$300,000 to very conservative short-term bond funds. Also, coming into the fall the committee asked Van Liew to get more conservative with the portfolio overall, moving our allocation to stocks from 80% to somewhere between 60-70%. Both of these decisions appear VERY prudent in hindsight.

LOOKING FORWARD – 2019 AND BEYOND:

Your Treasurer was both amazed and moved by the extraordinary generosity and dedication to St. Mary's that each and every member in some way demonstrated during 2018. Church leaders made the call for financial help around mid-year, and I personally am still somewhat in awe of what was accomplished!

The increase in pledge income for 2019 will go a LONG way towards helping us accomplish our goal of reducing the endowment draw back down to the 5.5% range. We are not there yet, but the very conservative budget we have approved for the year will hopefully land us somewhere in the 6.5-6.8% range, depending on market conditions of course. Getting all the way back down near 5.5% for the 2020 budget year remains one of our highest priorities over the coming 12 months.

Our goal has been growth – and we are indeed growing! I sincerely thank you on behalf of all of us who are working diligently behind the scenes to ensure St. Mary's future is bright – and fiscally sound!

Respectfully yours,

Christopher Bartlett CPA, CFP
Treasurer

GENERAL AND RESTRICTED FUNDS

<u>INCOME STATEMENTS</u>	<u>Budget 2019</u>		<u>Budget 2018</u>		<u>Actual 2018</u>		<u>Actual 2017</u>	
Income:								
Pledges	\$260,000	45%	\$240,000	37%	\$231,980	36%	\$242,329	38%
Loose Offerings	10,000	2%	16,500	3%	10,465	2%	17,392	3%
Donations	13,000	2%	11,800	2%	19,509	3%	32,851	5%
Investment Income & Draw	246,120	43%	297,133	46%	307,274	48%	287,067	45%
Buildings & Land Use	45,000	8%	54,200	8%	43,482	7%	40,775	6%
Fundraising/Thrift/Other	1,000	0%	22,000	3%	27,810	4%	18,926	3%
Sale of Old Parish House	-	0%	-	0%	-	0%	-	0%
Total Income	575,120	100%	641,633	100%	640,520	100%	639,340	100%
Expenditures:								
Personnel(ex. Sexton)	277,882	48%	347,305	54%	333,518	52%	308,028	49%
Apportionment	85,866	15%	86,600	13%	86,584	14%	96,272	15%
Grounds(incl. Sexton)	87,522	15%	75,000	12%	74,215	12%	76,375	12%
Buildings & Utilities	64,600	11%	71,778	11%	90,114	14%	77,383	12%
Office	45,500	8%	47,600	7%	44,363	7%	51,465	8%
Outreach	4,500	1%	4,500	1%	921	0%	4,716	1%
Stewardship, Christian Formation, Music, Worship	9,250	2%	8,850	1%	10,422	2%	8,750	1%
Total Expenditures	\$575,120	100%	\$641,633	100%	\$640,137	100%	\$622,988	100%
Net Operating Excess,(Deficit)	-		-		383		16,352	
Restricted Donations					456,055		120,731	
Restricted Expenditures					77,080		68,241	
Carryforward to Next Year			505,841		\$378,975		\$52,490	

<u>BALANCE SHEETS</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>PLEDGE HISTORY</u>			
Assets:			<u>Pledged</u>		<u>Received</u>	
Cash in Bank	\$31,873	\$61,324	\$	#	\$	%
Investments - Endowment	3,318,974	3,824,815				
Diocesan Investment Trust	235,558	235,558	2019	\$265,050	123	
HC Restoration Fund	375,000	-	2018	\$218,112	113	231,980 106%
Total Assets	3,961,405	4,121,697	2017	232,138	126	\$242,329 104%
Liabilities:			2016	220,372	125	218,124 99%
Restricted Funds Deferred			2015	227,156	133	220,381 97%
to Next Year	\$378,975	58321	2014	197,921	134	202,510 102%
Other Liabilities	10,780	7,105	2013	240,221	153	226,479 94%
Fund Balances:			2012	249,374	160	238,555 96%
Fund Balance	3,571,650	4,056,271	2011	237,700	158	239,196 101%
Total Liab's & Fund Balance	\$3,961,405	\$4,121,697	2010	258,250	174	248,400 96%

FINANCE COMMISSION

The Finance Commission contributed to the fiscal well-being of St. Mary's in 2018.

The Finance Commission met monthly to review the actual reports for accounts and examine deviations from the budget; review revenue opportunities and/or expenditure savings, and present via the treasurer ideas to the Vestry for approval; and ensure that restricted gifts and their related expenditures were maintained separately from the operating budget.

In 2018, the Commission continued to analyze details of all income and expense accounts to understand the amounts recorded; continued to maintain a liability account for restricted gifts received in prior years that had not yet expended (*i.e.*, church signage); and established a separate interest-bearing account for unrestricted gifts to be expended at a later date (*i.e.*, gifts for the historic church).

Contributor: Bill Hall

STEWARDSHIP

Stewardship was one of the hallmarks of St. Mary's members taking ownership of the parish in 2018. After a called meeting of the parish to discuss a potential shortfall for 2018 and the need to reduce the budget in 2019, the members of St. Mary's literally opened their hearts and responded to God's love to them by their generous outpouring of extra giving to help close the 2018 gap as well as their pledge for 2019.

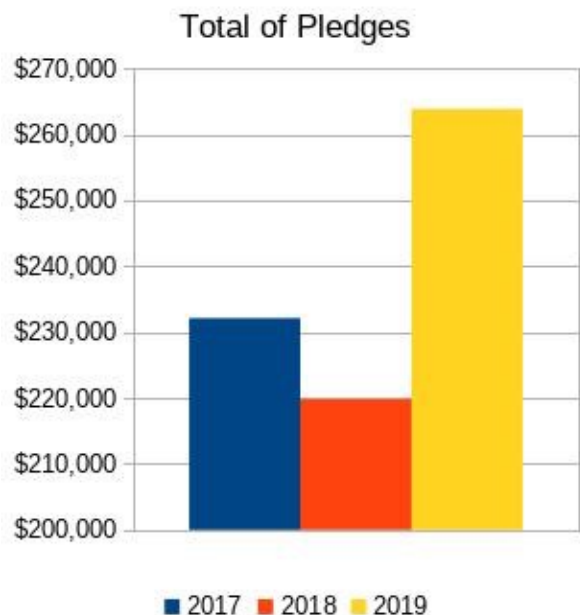
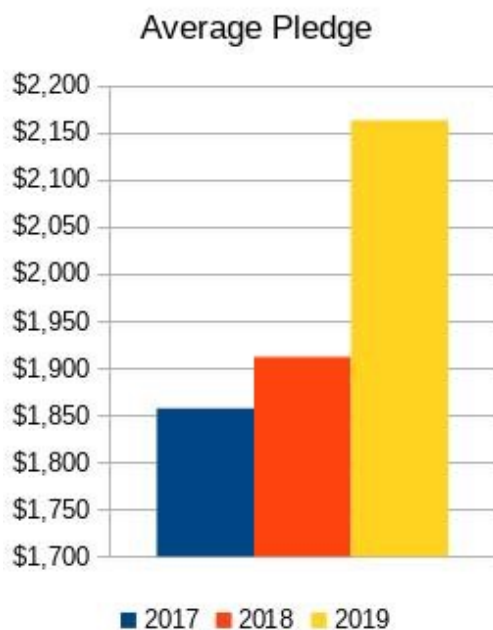
The year began with a 111 pledges for a total commitment of \$216,392. However, by the end of 2018, St. Mary's had received **a pledge income of \$232,000**.

The Stewardship Commission's theme for its 2018 campaign was "Journey to Generosity." And the people of St. Mary's joined on that journey with vigor. The total amount **pledged for 2019 was \$265,050** from 123 families. In this group, **58 pledges were an increase** from 2018's pledge, and **25 were from new pledges**. For the 2019 budget, 32 did not change their pledges; 7 pledges decreased; 4 pledges were not renewed, and 15 pledges remain outstanding Overall, this new pledged amount reflects **a 22% increase in pledges** from January 2018!

The Stewardship Commission also **revamped how the offering is counted**. The Commission created multiple teams which rotate weekly to count the offering on Sunday immediately following services. The new system allows for new people to use their gifts in this ministry.

Members of the Stewardship Commission served faithfully in 2018, and David Brierley (chair), Harry Gustafson, and Jon Juhase worked diligently to channel and track the parish's generosity.

Contributors: David Brierley, Jennifer Pedrick



SARAH GIBBS TRUST

The Sarah Gibbs Trustees are responsible for the oversight of St. Mary's grounds. Established by the Sarah Gibbs Trust in 1843, this group ensures that the property that Sarah Gibbs gave to "establish an Episcopal Church" is used to meet her wishes. The Trustees can either be independent or Vestry Trustees. The independent Trustees are self-nominating for up to seven 3-year terms. The Vestry Trustees are elected by the Vestry for the duration of their Vestry term to serve on the Trust. The Bishop of Rhode Island is an ex-officio member of the Trust.

In November 2017 in a response to a request from Ann Hackett of Island Child Care who has purchased the old parish house, the trustees met and rejected a request for use of approximately ten parking spaces in St. Mary's adjacent south parking lot. In 2018 Ms. Hackett repeated her request on a couple of occasions. Both times the trustees rejected the request and asked the vestry to provide barriers of some sort to block the south lot for both daily parking and as a travel pass through between the two properties. Barriers have been erected.

In December 2018 New England Grass Fed was the successful bidder to farm the hayfield in 2019, replacing Farmscapes LLC (dba Aquidneck Farms).

Fay Gosling has accepted reappointment by the independent trustees for a three-year term as an independent trustee when her current term expires March 1, 2019.

Respectfully submitted,

Jeff Belden, Chair (ind. 2020),
Michele Freitas, Vice Chair (vestry 2021)
Chris Bartlett, Treasurer (vestry 2020)
Fay Gosling, Secretary (ind. 2022)
V. James Vanicek, (ind. 2021)
Paul Westrom, (vestry 2019)
The Rt. Rev. W. Nicholas Knisely, Bishop



PROPERTY COMMISSION

The Property Commission under the leadership of the Junior Warden was responsible for the well-being of our buildings and grounds. To that, the group had significant duties that it was responsible for in 2018.

In addition to routine maintenance of the buildings and grounds, the Commission had several major accomplishments that will further the well-being of St. Mary's. The Commission oversaw **the creation of new rules and regulations for the churchyard**; the repairs of fences and stonewall damaged by trees and cars; the complete relighting of the exterior lighting by RISE; **the creation of a continuous maintenance plan/schedule**; **the preparation of the church basement for demolition**; **the repair of the sewer/septic discharge from Gibbs to a new septic field**; and **the significant repairs to numerous systems that a lightning strike caused**. The Commission also coordinated with Sea Rose Montessori on **the school's renovation of Gibbs House at the school's expense**. One of the most significant changes that the Commission put in place was the hiring of **Jon Walker as a full-time property manager**. With a full-time property manager on site, St. Mary's buildings and grounds will be well-tended in the years ahead.

Of course, the biggest undertaking for 2018, and several years ahead, was begun by **hiring Newport Architecture LLC to help with the roof replacement and the restoration of the interior of the historic church**.

Contributor: Paul Westrom, Junior Warden

HISTORIC CHURCH RENEWAL AND FUNDING

A year ago, we were worshipping in the chapel, because in November of 2017 the historic church was deemed unsafe, due to water intrusion and mold.

Knowing the cumulative effects of deferred maintenance, the **Vestry committed to a once in a generation restoration project**, planning to bring our historic church back to structural soundness and aesthetic beauty. We knew that this would be a huge

challenge and we trusted that God would bless our effort.

What a difference a year has made! Kudos to Jr. Warden, Paul Westrom and his Historic Church Restoration Team (RFT: Don Berrett, Alex Allardt, Hugh Hall, Matt Spohn). They have been simultaneously **planning the three phases of the total restoration project, while executing and completing phase 1**.

By Palm Sunday we were back in our church. Paul Westrom and his team had completely gutted, sealed, cleaned and restored the basement. The sanctuary was professionally cleaned and sanitized, including all furnishings. The St. Mary's community was generous in **raising \$60K to complete this first phase**.

Early in 2018 Peter Collins took the lead in gathering the Renewal Funding Team (RFT: Judy Hall, Marlo Pratt, Sue Hall, Hugh Hall, Dave Ferkinhoff) to raise money to fund the renewal of the historic church. The Vestry applauds their **three-pronged approach that includes giving, grants, and fundraising events**.

Marlo Pratt and Judy Hall, the event leads, started with a wine and cheese gathering. In September we hosted the Portsmouth Community Theater's Stories from the Churchyard with a community supper as a fundraiser.

Total **fundraising in 2018 equaled \$530,000** allowing us to **fully fund phase II**, the roof replacement and the exterior restoration. Dave Ferkinhoff, the grant lead, worked tirelessly on researching and writing grants. His work was fruitful. So far, we have **received grants of \$255,000**. Sue and Hugh Hall have led the way in inviting members and friends to make pledges and gifts. We received **\$200,000 in pledges and \$75,000 in gifts as of December 31**.

This is an extraordinary success, one that involved many people offering their best gifts, in leadership, skill, time, money, faith, prayer, and encouragement. Every financial gift, large and small and each offering of time and skill has been blessed. We are well on our way to restoring God's beloved church at St. Mary's. Sarah Gibbs, is likely smiling from heaven.

Contributor: Jennifer Pedrick



St. Mary's Episcopal Church is a community of Christian worship,
well-being and service.

www.smcportsmouth.org

