

**THE CHURCH OF THE GOOD SHEPHERD
2018 ANNUAL MEETING
SUNDAY 6 JANUARY 2019**

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Note: Due to a historic snowstorm, the Annual meeting scheduled for 9 December was postponed. Because of the holiday season, there was no other day where a meeting could be scheduled in 2018.

Those Present:

- Clergy:** The Rev. Canon Patricia Grace, The Rev. Dr. Cheryl McFadden
- Vestry Members:** Don Blankenship, Jack Boyne, Van Giersch, Jan Harris, Kevin LeCount, Margaret Nobles, Kitty Pruitt, Ed Sharp, Sheldon Smith, Karen Sommerville, and Jeffrey Whittaker
- Treasurer:** Caryl Fuller
- Parliamentarian:** John Beard
- Election Tellers:** Bit Hardy (Chair), Dicky Hardy, Jane Hawkins, Lynda Terrell-Rea
- Secretary:** Jeffrey Whittaker
- Congregation:** 149 members (based on ballots submitted)
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Meeting Called to Order with an opening prayer by Rev. Patricia Grace at 9:03 AM in Shepherd's Hall.

Introductions:

The Parliamentarian, Secretary, and Election Tellers were introduced by Senior Warden, Don Blankenship.

Election of New Vestry Members:

The election of a one-year membership to fill out the term of Shannon O'Brien; and three-year members for the four members whose term expired was initiated.

1. The criterion to vote, that is, being a communicant in good standing, was explained by Rev. Grace.
2. The criteria for a vestry member: a communicant in good standing who has agreed to be nominated was explained by Rev. Grace.

Note: The Nomination Committee was the outgoing Vestry Members, Senior Warden, and Rector. The outgoing members on the nomination committee: Kitty Pruitt, Margaret Nobles, Karen Sommerville and Jeffrey Whittaker.

3. Nominations from the floor were opened for the one-year term. There were no nominations from the floor, so the nominations presented by the nominating committee were submitted and the nominations for the one-year term closed.

4. Nominations from the floor were opened for the three-year term. There were no nominations from the floor, so the nominations presented by the nominating committee were submitted and the nominations for the three-year term closed.
5. The ballots (attached: 2018 Vestry Ballot.jpg) were distributed, marked by those present, collected and submitted to tellers for counting.

By-Law Changes

There were four recommended changes in the by-laws, which can only be amended at the Annual Meeting. The recommended changes were distributed to those present. See 2018 Bylaw Changes.jpg file (attached) for details including where in the by-laws the changes are made and the rationale for the change.

1. Remove "Assisting clergy shall tender their resignations when a new Rector is elected."
Motion to accept change: **PASSED.**
2. Amend all references to Assistant or Associate Clergy to Assisting Clergy.
Motion to accept change: **PASSED.**
3. Make all words denoting one gender, gender neutral.
Motion to accept change: **PASSED.**
4. Clarify the practices that can be used to fill a vestry member vacancy.
Motion to accept change: **PASSED.**

Outgoing Vestry Recognized:

Kitty Pruitt, Margaret Nobles, Karen Sommerville and Jeffrey Whittaker were recognized for their 3-year Vestry service.

Senior Warden Report: by Don Blankenship

Reminder that the next six months will bring a new rector to Church of the Good Shepherd. He appealed the congregation to stay involved. The focus should be the future. An indication of a good future is the strong slate of members running for the Vestry in 2019. He acknowledged the clergy, and staff and thanked the outgoing Vestry members.

Junior Warden Report: by Sheldon Smith

Mr. Smith acknowledged that 2018 a challenging year being both new to the Church and Vestry. Major property Maintenance and Repairs: (Details are in the attached Annual Report.pdf)

- Water damage on first floor (covered by insurance)
- Fire pump testing and parts replacement \$1803
- Fire pump replacement: \$35,000
- Air conditioning and smoke alarm repairs \$3088

Annual 2018 Report: [Attached:2018 Annual Report.pdf] was presented by Rev. Pat Grace.

Rev. Grace thanked the many members that have supported her interim ministry. Then she told what she has learned in six months as interim. The key treasures of Good Shepherd were identified as the generous, friendly and talented people, the beautiful church and facility; and an "amazing pearl" of the music program. The watchwords "No Exceptions" resonate in Good Shepherd's halls.

Rev. Grace challenged the congregation to grow and spread its vision. She cautioned the declining numbers are leading to a crisis in the Church. She specifically called for a youth minister although there are no funds for a youth minister in the budget. This is a specific challenge, if solved, that can lead to growth.

NOTE: Many committee reports are compiled in this 22- page report that weaves the tapestry of the many ministries of the Church of the Good Shepherd. Time did not permit presentations at the Annual Meeting.

Financial Report: (Attached: 2018 Treasurer Report.jpg) by Ms. Fuller

The 2018 shortfalls were explained as well as the reality of a deficit budget in 2019. The \$750,000 mortgage on the Parish Life Center looms in June. While troublesome, her assessment is these challenges are not insurmountable and austerity clearly on the top of the 2019 Vestry's business. Ms. Fuller also thanked the 2018 Financial Committee for their support last year.

Stewardship Committee Report (Attached: 2018 Annual Stewardship Report.jpg) presented by Dr. Jack Boyne Chairperson.

Dr. Boyne thanked Julie Lowe, Fran Hoch and David Stroud who formed the Stewardship Committee. The campaign (14 Oct.-18 Nov. 2018) showed improvement over 2017. Key indices:

- Total Pledges \$569,512 up 5% from 2017
- 156 pledges including 22 who did not pledge in 2017 including 10 first-time pledgers.
- 86 people increased their pledges.
- The average pledge amount \$3,658.

2019 Budget: Jointly presented by Rev. Grace and Treasurer, Ms. Fuller

Due to late pledges, some estimates not yet received for specific austerity actions and the need to involve the 2019 Vestry, who normally would be elected at this time, a detailed budget spreadsheet was not presented. A detailed 2019 Budget will be released in the near future.

The major features of the 2019 budget are as follows:

- 2019 will be a deficit budget requiring funding from the Endowment Trust.
- The deficit will be around \$36-39,000 which is less than the approximate \$100,000 deficit in 2018.

- The target is a balanced budget in 2020.
- The major reason for the deficit is a gradual drop in average Sunday attendance (ASA) over the years from ~400 to < 200 in 2018 without a comparable drop in the budget for the general fund.
- The two key actions needed to accomplish a balanced budget are
 - Austerity
 - Congregation Growth

Major austerity items that are already in the 2019 Budget are:

- Rev. Bill Bennett will not be replaced.
- A youth minister will not be hired. Although since this is key to congregation growth, the senior warden and interim rector will initiate a fundraising project to raise funds to cover a 3-year contract for a nearly full time youth minister.
- Belt-tightening on many smaller but customary expenditures such as limiting printing and social hour tea and cookies have already been seen.

An additional Budget note:

- One-time expenses for hiring a new rector such as moving and recruitment costs will be drawn from the Trust in 2019.

Questions and Answers

Q: Can we have another meeting on the Budget open to the congregation when the 2019 Budget is released?

A: Rev. Grace said that a meeting will be held to go over line-by-line the 2019 budget.

Q: What is being done to address the staffing shortage in the EYC program?

A: Rev Grace first praised additional work by the EYC parents and teachers to keep the programs viable. However, the Vestry and Clergy realize this is not ideal and several actions are being actively investigated.

Results of the Vestry Election

The chairperson of the tellers gave the results to Rev. Grace:

- Vestry Member for a one-year term: Mr. Duke Fentress
- Vestry Members for a three-year term:
 - Mr. Jamey Bass
 - Ms. Maggie Fyfe
 - Ms. Caryn Mede
 - Mr. Michael Springston

The meeting was adjourned at 9:58 a.m. with a blessing by Rev. Grace.

Respectfully submitted,

Jeffrey W. Whittaker, PhD
Registrar