

ST PAULS MEMORIAL CHURCH
at the UNIVERSITY OF VIRGINIA



ANNUAL REPORT 2017

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Staff Directory

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Andre Jones	Sexton
Deke Polifka	Director of Music and Organist (deke.polifka@spmcuva.org)
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Iris Potter	Pastoral Visitor (iris.potter@stpaulsmemorialchurch.org)
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The Vestry

Through January 2018	Through January 2019	Through January 2020
Michele Allen	Michele Claibourn	David Litherland
Anne Cressin	Peter Dennison	William Taylor
Vickie Gottlob	Bob Saylor	Christie Thomas
Lloyd Snook		Erika Viccellio

The Mission of St. Paul's Memorial Church is to celebrate and bear witness to God's love in our community, the University, the region and the world beyond us. By our worship, our teaching, and our outreach, we seek to make known God in Christ by equipping our members for service in the world.

Rector's Report

The Rev. William Peyton

Since I arrived at St. Paul's last February, countless people have asked me some version of the question, "How are you settling in?" The truth is that when I think about all the things that have already changed since those first days and weeks, it feels like I've been here for ages, and when I think about all the things St. Paul's is looking forward to, it feels like I've been here for about fifteen minutes.

Here are just a few notes on where we've been in 2017 and where we're going in several areas of our common life and ministry:

Staffing

In the last year, we've taken several important steps in building the staff we need to support the life and ministries of the parish. I look forward to a continuing evolution at St. Paul's toward a growing team of professional colleagues.

- **Associate Rector:** The end of 2017 included preparations for the departure of Associate Rector Elaine Ellis Thomas, who was called to the Diocese of Newark to serve as rector of All Saints Parish in Hoboken. Elaine served St. Paul's faithfully and diligently during three transitional years, including working with two rectors and one interim, as well as stints when she functioned as priest-in-charge. I remain grateful for Elaine's commitment to St. Paul's, and more personally, for her friendship, support, and counsel. Her departure creates an opportunity to rectify a situation whereby the annual diocesan grant we receive for college ministry has not been used as intended to support clergy salary for chaplaincy. We are now in the early stages of a search for an Associate Rector and University Chaplain whose job description will honor the terms of the diocesan grant. We expect to fill the position in the spring or summer of 2018.
- **Part-time clergy and pastoral staff:** In 2017, **the Rev. Dr. Heather Warren**, the Bishop and I signed Heather's first formal letter of agreement, clarifying her role and responsibilities as quarter-time Assisting Priest at St. Paul's, where she has been serving for seven years. Heather also moved her canonical residence from the Diocese of North Carolina, where she

was ordained, and became a priest of the Diocese of Virginia. This not only reflects the reality that Heather lives and works in this Diocese, but also allows her more easily to contribute to our diocesan community and ministries, and to benefit from them. **Iris Potter** continues on a half-time basis as Lay Pastoral Visitor, keeping up with dozens of parishioners whose health and strength don't allow them to come to church regularly, serving as a communication link for the clergy, and helping to schedule clergy visits and Eucharistic visits for those who want them.

- **Music staff:** After reviewing more than thirty résumés and interviewing several candidates, St. Paul's hired **Deke Polifka** as full-time Director of Music and Organist. Thanks are due to the 2017 Vestry for their visionary leadership in creating the first full-time music position at St. Paul's in decades. I am especially grateful to **Daniel Hine**, who has changed roles from half-time Choir Director to quarter-time Music Associate, for his help in developing the vision for this new arrangement, and for his support in its implementation.
- **Administrative staff:** Most parishioners probably don't realize how diligent, efficient, and tireless our small administrative and building staff are in their work for St. Paul's. Parish Administrator **John Reid**, Office Manager **Alice Fitch**, and Sexton **Andre Jones** all work long hours, sometimes at odd hours, and always with good sense, good cheer, and a spirit of thoughtful collaboration. I would be lost without them.
- **Other staff:** We were well-served throughout 2017 by Financial Secretary **Martha Loach**, who has been working on a contract basis for some years, managing and logging pledges, income, and expenditures. I am pleased that as of January 1, 2018, Martha is a part-time employee of St. Paul's, with all the responsibilities of her previous contract, as well as some additional time for other assorted administrative duties. We also eliminated two part-time lay positions in 2017. We said goodbye to Canterbury Coordinator Kate Lichti, who left her work at St. Paul's to pursue a Master's degree in the Nursing School, where she is now a Skinner scholar; and as of the end of 2017, Director of Children's Ministries E.D. Rambo, who was committed to approximately five hours a week, chose to go back to volunteer status as a leader in St. Paul's Sunday school. We are fortunate

to have had Kate and E.D. on our staff, and we are doubly fortunate that they are both still active members of the St. Paul's community. Kate's duties as Canterbury Coordinator will be prominently included in the job description of our next Associate Rector, who will also be responsible for recruiting, coordinating, and supporting volunteers in children's and youth ministry. In the meantime, our youth group is blessed by the energetic and dynamic leadership of fourth-year undergraduate and Skinner scholar **SK Doyle**.

Music and Worship

Director of Music Deke Polifka is wasting no time in resuscitating St. Paul's children's music program. Choir rehearsals for 3rd- through 8th-graders will begin in mid-February, preparing pieces to be sung at a 10 o'clock Lenten service in March and at the 9 a.m. service on Easter Sunday, April 1. Rehearsals on Wednesday afternoons are intended as a trial run for what might become a more permanent arrangement in the next school year.

Attendance in worship has been gradually increasing over the course of 2017, and a few minor changes in choreography at the 10 o'clock service have been well-received. The 8 a.m. service has a loyal and consistent congregation, and has been blessed in recent months by Marty Saylor's efforts in recruiting, training, and scheduling lay assistants, so that we now have two readers every Sunday at 8, one of whom also serves as table assistant and chalice bearer. Deke and I, along with Canterbury leaders, are looking forward to reimagining the 5:30 Sunday service in 2018, considering everything from the liturgical format to the location and choreography, to music and instrumentation. In the meantime, Canterbury leaders have begun to take steps in the direction of organizing a schedule of student volunteers to help with Altar Guild duties for the 5:30 service. While we are seeking to invite and encourage student leadership at the 5:30, we're also committed to the principle that the 5:30 is one of three parish Eucharists on Sundays, and not a "student service." This is not just a principle but a reality, in that there is already an intergenerational core of active, pledging parishioners who can usually be found at the 5:30 service.

Priorities in our worship life for the coming year are to continue to cultivate a sense of joyful, prayerful grandeur at the 10 o'clock; and to develop new and distinctive liturgical and musical personalities for the 5:30 services on both Sundays and Wednesdays.

All of our services—including special observances and weddings and funerals—are supported and enhanced by the commitment of too many worship leaders to name, including our acolytes, led by Carol Buckner and Buck Smith; our Altar Guild, led by Janet Hendrix and Wayne Nolen; our ushers, chalice bearers, linen guild, bread bakers, flower guild, lectors, and choir.

Children and Youth

In the late summer of 2017, E.D. Rambo hosted me and a group of parents and families at her home for a conversation about Sunday school. The consensus was that the Godly Play curriculum was engaging and successful for younger children, but that we were losing older elementary-school kids for whom Godly Play was no longer compelling. Experienced teachers (including E.D.) supported the concept of two two-year Godly Play classrooms, such that a child who attended regularly would experience the two-year cycle of lessons twice before “aging out.” We decided to have a K-1 Godly Play class and a 2-3 Godly Play class, and to offer something different—a combination of a packaged curriculum and improvised St. Paul’s programming, including acolyte training and volunteer projects—for 4th- through 6th-graders. The plan met with mixed success as teachers were stretched thin and classes occasionally had to be combined.

In the coming year, I expect our children’s music program to contribute to participation (by kids and parents) in Sunday school, and in the slightly longer term, I look forward to the participation of our small but steadily-growing nursery population in children’s ministry, under the guidance and encouragement of our next Associate Rector, and with a team of volunteers that should include more non-parents than are currently involved. I am grateful to all our Sunday school teachers for the time and effort they contribute, for their commitment to the process of growing our programs, and for their patience with the fact that fast growth usually comes after a period of slow growth leads to a critical tipping point. I believe we are on that trajectory, and that we need to continue to build programs that fit the larger community of families we hope and expect to be in 2-4 years, rather than scaling our programs for the size we are now.

St. Paul’s continues to be committed to offering high-quality nursery care for infants and pre-schoolers every Sunday morning from before the 10 o’clock service until Sunday school and the adult forum have ended. Ruby Christmas has been our

nursery supervisor for decades, and is now assisted every Sunday by two additional adults, which provides the flexibility to care appropriately for a diverse age range regardless of the exact ratio of infants to toddlers on a given Sunday.

Our youth group, in which all 7th- through 12th-graders are invited to participate, meets most Sunday evenings when school is in session, and under the leadership of SK Doyle, continues to provide opportunities for fellowship, learning, and service. Some of our youth-group members are acolytes and readers in church, and others are less familiar with our worship services, having been introduced to the group through St. Paul's friends. Together, they are a diverse, dynamic community, and they have a lot of fun together. Our youth-group members are enthusiastic participants in the Diocese of Virginia's youth weekends at Shrine Mont, and are planning another immersion trip to Grace House on the Mountain in the summer of 2018.

Outreach, mission, and community

In 2017, St. Paul's served weekly meals at the Salvation Army; collected backpacks and school supplies according to personalized classroom-supply lists for dozens of refugee children; supported local charitable agencies with \$20,000 in grants; was represented by Kelli Olson and Cindy Cartwright in Uganda and Kenya, where they visited our African Development Project partners; collected food for the Emergency Food Network and toys for our Angel Tree angels; sent an exploratory group to meet prospective Episcopal partners in Haiti; turned out scores of parishioners to support IMPACT's work on local justice issues; and hosted PACEM's shelter for homeless women for a week in the spring. While all this was going on, our most visible public witness was when we hosted an interfaith prayer service on the eve of the Unite the Right rally, opening our doors to more than 700 parishioners, friends, and neighbors from a wide variety of faith backgrounds and perspectives, to pray for peace, justice for all, and especially for racial reconciliation in our community and nation. Many St. Paul's parishioners also participated in peaceful demonstrations of opposition to bigotry and hatred at the Klan rally on July 8 and at Unite the Right on August 12. Many more added their voices in prayer, staying away from the demonstrations out of necessity or conviction that physical presence would not be helpful. All were united in the proclamation of the divine imperative to love neighbor as self.

In 2018, the priority for mission and outreach is to bring together lay leaders and volunteers in many ministries—ADP, PACEM, Salvation Army, Haiti, IMPACT, etc.—to develop a vision and structure for the next chapter in outreach and mission at St. Paul's, to build and reinforce local and global partnerships that open opportunities for parishioners of all ages to have hands-on experiences in expressing and exploring their faith through service and advocacy. In support of this priority, the Vestry approved a 25% increase in our outreach budget for 2018. Thanks are due especially to Anne Ribble and Kay Slaughter for their work leading the outreach grants committee; Pat Punch for coordinating our Salvation Army dinner teams; John Frazee for representing St. Paul's on the IMPACT leadership team; Sue Rainey and the African Development Project team; and Julie Lautenschlager and David Slezak, for helping to coordinate our PACEM week.

University ministry

Our Canterbury undergraduate fellowship is thriving by any measure. For the 2017-18 academic year, we have three undergraduate Canterburians living in the Canterbury House, whereas the house is full for next year with eight residents. A year ago, six students participated in Canterbury's winter retreat at Shrine Mont; this month, the group had to move to a larger cottage when more than twenty students signed up. Weeknight Canterbury gatherings following the Wednesday evening service have doubled and tripled in size. When we have a chaplain who can devote half of his or her time to this group, even more dramatic growth is possible. It has been a joy and a blessing for me to get to know our Canterburians this year, and especially to work with undergraduate leaders Lachlan Hassman and Sarah Paquette as they have cheerfully contributed their time, creativity, and faithfulness to building up our Canterbury program.

Skinner scholarships are merit-based awards for Episcopalians who are undergraduate or graduate students at the University of Virginia. The Rector of St. Paul's traditionally appoints a committee to review all applications and make award recommendations to the Rector. The Rector then nominates potential recipients. We have more than thirty Skinner scholars this year, studying at every level in several different schools of the University, supported at a range of levels by Skinner funds, and worshiping in several different Episcopal churches including St. Paul's. As part of our effort to build up the Skinner group as a community of prayer and discernment, the springtime program will include two sessions on

Ignatian spirituality led by local Roman Catholic educator Jason Lillis. The top priority for the Skinner program in 2018 is to revise the application process and clarify expectations of Skinner scholars.

Adult Formation and Pastoral Care

Our extraordinary team of Stephen Ministers continues to provide loving, helpful care for parishioners and others navigating personal crises and difficult transitions. Many Stephen Ministers also participate in offering healing prayer in the Chapel during communion at the 10 o'clock service. We also have Eucharistic visitors who take communion to anyone who wishes to receive it and is unable to come to church. Over all, St. Paul's does an admirable job of staying in touch with the hospitalized and homebound, but there are opportunities for better communication and coordination, which is a goal for 2018.

Karen Mawyer and Jarrett Millard continue to lead Education for Ministry, our most robust program of adult education. We are also blessed with a variety of Bible study leaders—Daniel Wise, Christopher Brookfield, Jody Lahendro—as well as ongoing groups (like Generation Wise) and occasional series, such as the upcoming Wednesday Lenten series on contemplation, led by Leslie Middleton, Virginia Ritchie, and Marianne Yencken. During Lent, we will also have a program of inquiry and/or preparation for Baptism, Confirmation, and Reception. By next fall, I look forward to having a diverse group of leaders in place to help plan and coordinate a variety of adult-formation programs.

Finance and Facilities

As the Treasurer's report will show, all financial trends are moving in the right direction at St. Paul's. After budgeting for a deficit in 2017, we finished without one. Pledge increases for 2018 over 2017 are upwards of 10%, and our endowment-fund investments grew at an extraordinary rate in 2017. All of this opens opportunities for the 2018 Vestry (and future Vestries) to take deliberate steps over a period of years to remediate historical budget cuts and skimping. There are three primary areas where our budget needs to grow just to make up for tight budgets and under-spending in recent years:

- The most pressing area in this category is in deferred maintenance. St. Paul's has gotten behind in maintaining and updating our facilities, and should plan on several large expenditures in the coming years, including HVAC systems and interior and exterior painting.
- Within a few years, we should also expect to grow our staff to serve the needs of a growing parish. St. Paul's should aspire to be a model employer for current staff and future hires alike, offering competitive compensation packages that allow us to hire and retain superb lay and ordained employees, and to hold them to high standards.
- Our financial contribution to the life and ministries of the Diocese is well below the voluntary guidelines. The 2018 budget reflects a first step in what is intended to be a gradual, multi-year effort to share our resources abundantly with the wider church.

In addition to the positive trends in attendance and giving, we have more good fiscal news on the horizon, as we look forward to renegotiating the Booker House lease. For many years, our rental income from leasing the Booker House as University office space has been well below market value, and the negotiation of a new lease to begin between 2019 and 2022 promises to provide a reliable revenue stream of an amount that will be significant in addressing the issues noted above. The Vestry has empowered a committee to work on the negotiations, chaired by Virginia Ritchie, and including Mildred Robinson, Bob Sayler, and Lloyd Snook. Part of the work of the 2018 Vestry will be to evaluate our priorities for the allocation of the expected increase in rental income.

Conclusion

I am overwhelmed with gratitude week in and week out for the opportunity to serve at St. Paul's, and for the care, generosity, prayers, and goodwill of this parish community. It has been a special privilege to work with the 2017 Vestry as we navigated together the transition of my arrival, and I am full of joyful expectation about the new Vestry and the life of St. Paul's in 2018.

Senior Warden's Report

Christie Thomas

I imagine many of us have used the phrase “what a difference a day makes”, and maybe some of us have even heard the song of the same title that Dinah Washington made popular in 1959. Well, for St. Paul’s, I’m thinking “what a difference a year makes”. This time last year, in January 2017, we were still eagerly awaiting the day that the Reverend Will Peyton and his family would arrive on the scene. Now, as I reflect on the twelve months that have passed, I am struck anew by how much has happened, as well as by the renewed sense of enthusiasm and energy that I feel among us.

It has been a delight for me to watch as Will, with his fresh eyes, worked with the Reverend Elaine Ellis Thomas, the Reverend Dr. Heather Warren and the staff to reimagine, reshape and reinvigorate parish life and our worship together. It’s wonderful to see more faces, both familiar and new, in the pews on Sundays; and, it brings me sheer joy to watch as an increasing number of children gather in front of the Holy Table for the children’s homily. Another joy for me is the growth of the Canterbury Program, led by Lachlan Hassman and Sarah Paquette. If you need a good dose of hope, spend a little time among this amazing group of young people. It’s sure to do the trick.

When I think of the summer of 2017, I suppose I shall always be reminded of the heartache that our parish and community experienced as a result of the white supremacists’ events in July and August. A great many St. Paulians were involved in prayer, witness and advocacy through these dark days. For me, a point of brightness in the midst of this darkness was the visitation on September 7, 2017 of our Presiding Bishop, the Most Reverend Michael B. Curry. His message of encouragement, which I can see and hear over and over thanks to YouTube, may always move me to tears as it did that day, and as it did just now as I replayed it while writing. One of his opening remarks to those gathered was that the people of Charlottesville and St. Paul’s have been a reminder that “...we are called to follow Jesus...boldly, courageously, and above all lovingly”. I am grateful for the leadership of our clergy and staff during that very troubling and difficult time.

Change has been afoot once more in recent weeks. We looked forward with great anticipation to the arrival of the Polifka family; and their presence among us, along with Deke's good work with Daniel Hine, has been wonderful. My heart swells as I hear the organ fill the nave in glorious fashion once again. More change...Elaine and Tim's departure for Elaine to answer the call as Rector of All Saints' Episcopal Church in Hoboken, NJ. This has been a noticeable and notable difference for us all. Elaine worked tirelessly throughout her more than three years among us, and Tim was also a steady and faithful servant. I know you join me in wishing every blessing on them in this new chapter in their lives. As for St. Paul's, I look forward to what God has in store for us as we search for a new Associate Rector in the coming weeks. Finally, change is coming to the Vestry. Deep thanks to Lloyd Snook (who served as Junior Warden this year), Anne Cressin, and Michele Allen (who served as Co-Chaplain this year) as they conclude their time of Vestry service. It has been a pleasure work with them!

It has been my privilege and honor to serve as Senior Warden this year. My love for the Episcopal Church and for St. Paul's only grows deeper and stronger over time, and this period of service has nourished this love in untold ways. Thank you for this.

Using the word 'love' brings me back to Bishop Curry's September 7th message, and seems a fitting way to close. He said, "Jesus came to show us that there is another way, and that way can save us all. ...this way of Jesus—which is the way of the cross, which is the way of unselfish, sacrificial love—is the way that changes lives and can change the world." Let us continue to be this change.

Treasurer's Report

Lynne Weikart

Our parish had a good year in 2017. We began the year with a deficit of almost \$20,000. We ended the year with a balanced budget of \$855,000. Most of our revenues ended the year in a surplus. In 2017, St. Paul's experienced for the first time in several years increased pledges and far greater plate offerings. This growth puts us on a firmer financial footing than previous years. Unlike many churches, our parish has a diversified revenue stream which means in addition to plate offerings and pledges, we receive monies from rent and endowment income. This revenue diversification means that we can support outreach activities in both the university and the community.

We had expenses of \$855,000. The payroll is the largest part of our budget. We support two full-time and one part-time priest. In addition, we have a full-time music director and part-time choir director. Our support staff consists of a full-time parish administrator and custodian as well as a part-time parish secretary and bookkeeper. With staff members come fringe benefits, including health insurance and pensions, for a total payroll of \$514,000. St. Paul's buildings require maintenance and we spend over \$125,000 a year. In addition, we spend over \$100,000 in all our different outreach offerings including the Diocesan Pledge, Outreach grants to the community and the University Commission. Clearly, there is not much left for programmatic needs and administration. We anticipate that some expenses will be problematic in the future. We have a large physical plant and our maintenance needs are never ending. Rising health benefits continue to be a challenge.

I think it is important to remember that we have strength in our financial underpinnings. Our endowment is roughly \$1.65 million, our operating reserves are almost \$63,000, and the value of our real estate, as assessed by the city, exceeds \$8 million. Our current financial position is solid, and we can look forward to financial growth. We, with our new rector, face the challenge of continuing our new growth that has occurred this year. What a wonderful challenge!

I would like to thank our administrative staff, John, Alice and Martha for all of their help. Please contact the Church Office if you would like a copy of our detailed year-end financial report.

Five Year Revenue History

	2013	2014	2015	2016	2017
Pledges	\$623,196	\$591,143	\$581,660	\$577,628	\$587,664
Open Plate	\$36,573	\$33,990	\$32,364	\$34,331	\$46,346
Givers of Record	\$44,000	\$19,388	\$27,781	\$27,579	\$24,790
Rental Income	\$56,299	\$55,033	\$58,683	\$60,402	\$59,650
Interest	\$106	\$5	\$308	\$37	\$3
Other Income	\$52,922	\$50,366	\$50,869	\$54,672	\$62,733
Endowment	\$51,273	\$51,366	\$69,867	\$66,000	\$69,000
Total Income	\$864,368	\$801,288	\$821,532	\$820,665	\$850,186
	1.40%	-7.30%	2.50%	-0.10%	3.6%

The Endowment Fund

The St. Paul's Memorial Church Endowment Fund was established in 1980 to receive bequests and gifts to support the missions of the Church over time.

Annual payments to the parish have been from four to five percent of the current market value of the Fund at the time the trustees made a decision. The allocation to the parish in 2017 was \$69,000.

The fund is invested in two charitable funds pools. Each is broadly diversified. The market value of the Fund for the last two years is shown below.

	<u>12/31/2016</u>	<u>12/31/2017</u>
Charlottesville Area Community Foundation	\$ 288,615	\$ 337,889
Diocese of Virginia Fund	<u>\$ 1,214,838</u>	<u>\$ 1,326,772</u>
TOTAL	\$ 1,503,454	\$ 1,664,661