

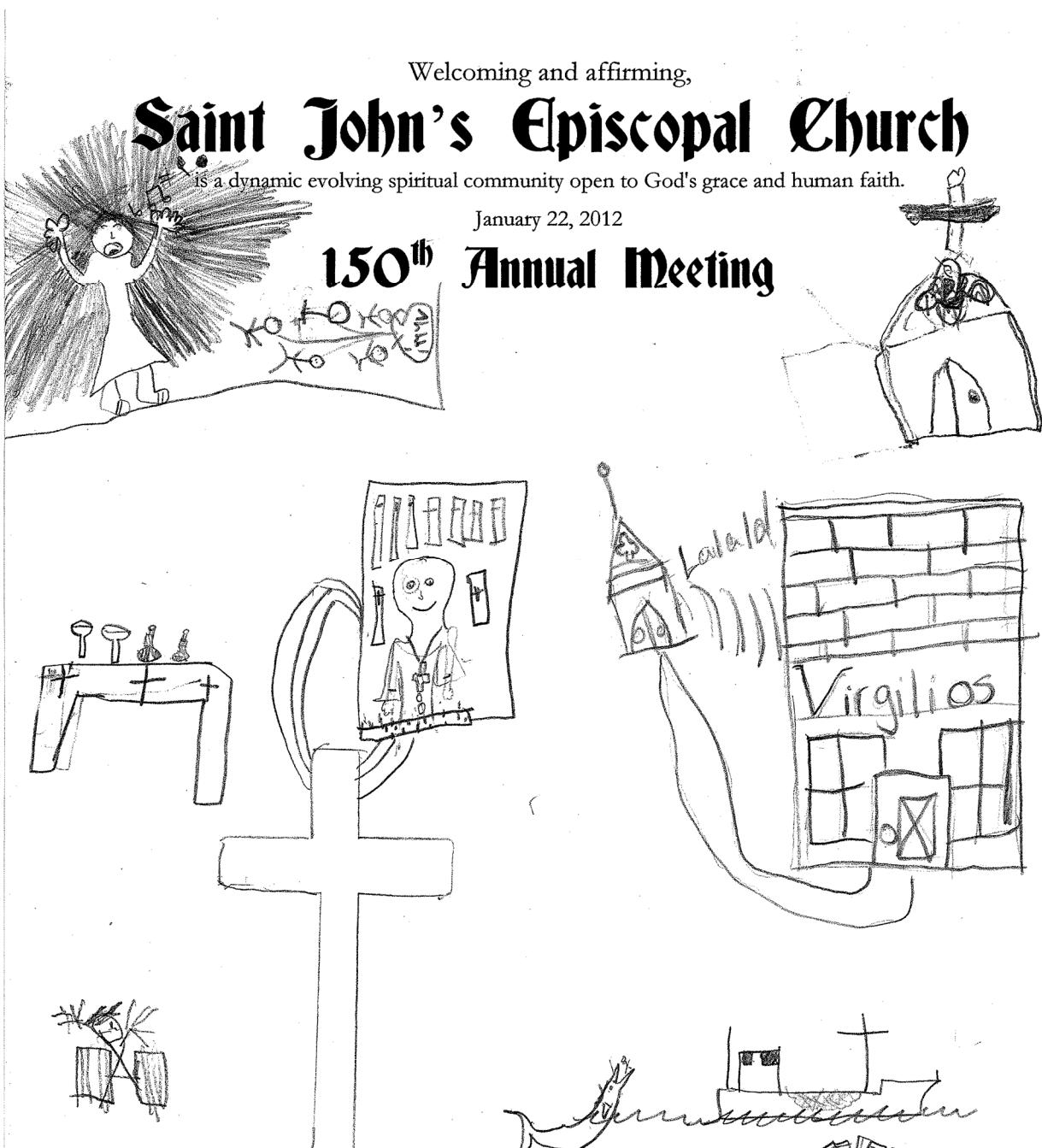
Welcoming and affirming,

Saint John's Episcopal Church

is a dynamic evolving spiritual community open to God's grace and human faith.

January 22, 2012

150th Annual Meeting



Nurture and Challenge Your Spirit with us at St John's!
Our mission in Christ is to nurture and equip members
for spiritual growth and active participation in ministries
of compassion, justice and peace in the church and beyond.

*Cover art by Choristers from Cape Ann Choir School
Virgilios appears as the kids are asked to project their voices to be heard on Main Street.*

Table of Contents	Page
Greetings from The Rector, The Reverend Bret Bowie Hays	4-5
Message from Deacon, The Reverend Laurel Deery	6
Message from Wardens Carolyn Stewart & Mark Murray-Brown	7-8
Minutes of the 149 th Annual Meeting, January 30, 2011	9-12
Acolyte Report	13
Adult Forum	14
Altar Guild	15
Building and Grounds	16-17
Centering Prayer Support Group	18
Country Cupboard Fair	18-19
Endowment	20-21
Flower Guild	22
Mission Outreach	23-25
Music	26-28
Open Door	29
Stewardship	29-30
Strategic Planning	31
Thrift Shop	32-33
Welcoming and Membership	34
Treasurer's Report	35
Balance Sheet	36
Annual Budget Report	37-39
Funds and Liabilities Report	40
Annual Budget Report By Program	41-43
Baptisms, Marriages, Burials	44

M. Thomas Shaw, III, S.S.J.E, Bishop of Massachusetts

Gayle E. Harris, Bishop Suffragan

Bret Bowie Hays, Rector

Laurel P. Deery, Deacon

Mark E. Nelson, Director of Music and Choir School

Betsy Levick, Parish Administrator

Marjorie I. Bishop, Church Assistant

“Bair” the Dog, Parish Mascot

VESTRY OF ST. JOHN'S EPISCOPAL CHURCH

Carolyn Stewart and Mark Murray Brown, Wardens

Janet Williams, Clerk

Chuck Everett, Treasurer

Jan Goodwin, Andy Harris, Jim McCarthy,

Ernie Runnels, Laurie Brown, Bill Braunlich,

Charles Curti, Sue Lupo, Jill Jackson

Greetings from the Rector

Dear friends in Christ,

In the brief time we have been together as priest and congregation, my optimism about our future as a Christ-centered missional community has grown even stronger. This has come about from observations and facts, not wishful thinking. I am proud of who we are and what we already accomplish, and I see tremendous potential for development — growth in faithfulness, depth, and activity as well as in numbers. The extent to which we realize that potential will depend upon the priorities we set and the choices we make as individuals and as a parish. To that end, I welcome a frank and robust conversation at this Annual Meeting.

Our greatest asset, as always, is our people. The faithful worshippers and dedicated volunteers who make up our congregation support a richer life of worship, outreach, and program than many larger congregations, and this richness is visible in the pages that follow. Every report is a story of what committed people can accomplish together in Christ's name. One matter the vestry will be considering at our next retreat is the structures of volunteers that do this holy work and how those structures can be optimized for productivity. By the same token, our diligent and talented staff work hard, often behind the scenes, to ensure that our life and work receive strong support. They consistently impress me and they are a joy to work with. In absolute terms and by comparison with other parishes, they are excellent.

I am aware that one area of anxiety for some is “the numbers,” our attendance and financial figures. I am pleased to report that there is good news in both areas. Sunday attendance since my arrival has been substantially above the past year’s average; we are seeing new faces and welcoming back some of those who had left. We also have a vastly-improved budget process and we are making progress toward our goal of reducing our draw on endowment funds to a sustainable level. One consequence of this improved clarity is that we have been able to trim the budget back to the essentials. While this is commendable progress — Chuck earned a standing ovation at the last vestry meeting for his painstaking work — it has made the fact very clear that our ability to continue the fullness of our mission depends entirely on our willingness to confront our income needs with prayerful, confident generosity. We are blessed with a few major donors, but we cannot and should not expect them to fund all of the good work we do. My hope is that every family will share, if not surpass, my optimism, enthusiasm, and pride, and join me in making gifts to Saint John’s as a generous proportion of our annual income. Our mission is vital to our community and to our own spiritual health; I know of no worthier cause.

This letter is not the appropriate venue for lengthy or comprehensive discussion of future plans, but there are a few initiatives I hope to advance in the coming year. Plans are in place for the further development of our two highest-profile ministries, Grace Center Inc. and the Cape Ann Choir School. Despite their very different missions, they both reveal Christ’s love to the world and bring to us some who would not otherwise darken our door. I hope to set up a group of lay leaders who are interested in reaching out to the wider community through sharing of their own faith stories, to the end of including even more people in our life and worship. Other groups I hope to bring into existence include a group to prepare innovative new liturgy, another to offer spiritual discernment of major life decisions to individuals who seek it, another to explore the theology of the sacraments, and another to evaluate and plan pilgrimage trips in future years. Not all of these will begin overnight and in all likelihood, not all of them will endure. But I’ve never been one to value

committees for their own sake; the important thing is mission — and the energy to accomplish it.

Like any multi-celled organism, a parish can only develop through constant, and complex, change. Like a child, a parish is worthy of great hope and unconditional love, and one way that love is expressed, that hope fulfilled, is by supporting worthwhile risks. As a family, a parish finds that the needs of individuals versus those of the whole are not in competition, but rather, “as iron sharpens iron,” the good of each strengthens the other. And like no other organization, a parish is centered on Jesus Christ, with the unique mission of uniting the world to Christ through, and in response to, his love. Participating in this mission is our privilege, our birthright, our duty, and our joy. I eagerly look forward to sharing with you in all the Holy Spirit has in store for us.

Yours in Christ,
The Rev. Bret B. Hays

Deacon's Report 2011

Looking back over the past year, I want to congratulate the parish on doing so well during the interim period. Parishioners took on new responsibilities and did a wonderful job of keeping St. John's active and vital. The doors of welcome remained open and new people came in. Thank you all for the way you helped St. John's continue its ministry to the community.

One of the most exciting times for me was welcoming Bret Hayes as the new rector for St. John's. The congregation has extended its' usual warm welcome, complete with bounteous coffee hours and pot lucks. A new era has begun with excitement, energy and great possibilities.

As your Deacon I have been involved with the formation of Grace Center, the center for those who need a place of welcome and warmth during the day. St. John's is one of three, soon to be four, churches which has opened its' doors to support this effort and many parishioners are involved as volunteers. I thank you for your strong support for this long-term need in the community.

At the request of Bishop Shaw, I have served on the Leadership Gifts Committee for his capital campaign. As your convention delegates reported, this campaign will provide funds, which might be helpful to St. John's through green grants as well as help many others in the diocese and in the world.

I continue to find my work with the staff and parishioners of St. John's very fulfilling and enjoyable. I am most thankful for my placement with you which allows me to study with you at Adult Forum, to share my thinking through preaching, and to respond to God's call together.

Respectfully submitted,

The Rev. Laurel Deery, Deacon

Report from the Wardens

Two new wardens starting out in the middle of a transition and interim time faced a steep learning curve at the beginning of 2011. But thanks to the generous spirits of our predecessors, Carol McKenzie and Rick Britton, who spent pleasant hours with us bringing us up to speed, as well as the kind on-going counsel of our colleague Marcus Crapsey, our way was made smooth. We are exceedingly grateful to them as well as to our Vestry colleagues for a productive and joyful year at St. John's.

We began by looking at ways to improve how we work together as a community and to communicate better the many wonderful things we're doing here together. The committee structure was strengthened and made more accountable through regular reporting and emphasis on succession planning. We adopted a Vestry Covenant that speaks to our mutual respect for each other and guides our deliberations. We reviewed and approved the magnificent work of our by-laws task force and presented those revised by-laws for approval by the parish at two special meetings in June. (The by-laws have been finally approved by the Diocese.) And we came together for a lively and productive leadership retreat where we examined our gifts and planned our way forward.

There were many celebrations:

- Catherine McGahey, the longtime bulwark of our parish, decided to retire after fourteen years, and we enjoyed a festive celebration in her honor in June. We welcomed Betsy Levick as our new Parish Administrator, Catherine's successor, never her replacement.
- After preparation by a dedicated band of volunteers, the temporarily unused rectory was rented to a family in May, bringing welcome and unanticipated revenue into our coffers.
- Martha Whitney's bold idea for a Summer Thrift Store became a very successful reality and provided a much-needed service to our neighbors as well as new resources for our outreach programs.
- The Cape Ann Choir School at St. John's Church was launched in September, under the skilled leadership of Mark Nelson and Astrid afKlintberg, and provides the children of Cape Ann an opportunity to learn and perform great music.
- The Holiday Fair, under the inspired leadership of Gwen Kopka and an enthusiastic band of volunteers, achieved unprecedented success with throngs of people from the community enjoying offerings of crafts, homemade delights and more.
- And just as 2011 was coming to an end, we welcomed Grace Center to St. John's, participating in a new interfaith ministry to those in need in our community.

Of course, the greatest celebration of all came on November 27, the first Sunday of Advent, when we welcomed The Rev. Bret Bowie Hays as our new rector. Bret's presence has brought a palpable sense of excitement and joy, and we are poised for a whole new life of discipleship here at St. John's.

There is, no doubt, still much to be done. We continue to search for new ways of ministering with children. We're exploring ideas to make our buildings more energy efficient and environmentally friendly. Despite the extraordinary financial progress we've made under the dedicated leadership of Treasurer Chuck Everett, we are still taking more than we should from our endowment for operating expenses. And hand in hand with that fact, our annual giving, generous though it is, still does not meet our financial needs. Our goal is to make stewardship a year-round focus, not just during a few short weeks in the fall.

We have come a long way together. We now have a solid foundation and the infrastructure we need to launch ourselves enthusiastically into 2012, celebrating our gifts and spreading the Good News to the world around us. We have faith that in this New Year we will see a reenergized parish boldly manifesting God's love in our community through our existing outreach efforts as well as new ventures we may not have even thought of yet. We are grateful for the opportunity to serve the parish as your wardens during this exciting time. We pray that we can continue to move forward together, nourishing and challenging our spirits, welcoming all to our midst and, as true disciples of Jesus, reaching out to serve our neighbors in Gloucester and beyond.

Faithfully,

Mark Murray Brown and Carolyn Stewart

ST. JOHN'S EPISCOPAL CHURCH
Gloucester, Massachusetts

MINUTES of the 149th ANNUAL MEETING

January 30, 2011

The Annual Meeting of the Parish of St. John was formally called to order by Warden Rick Britton, presiding, at 10:16 am in the context of the 9:00 am Eucharist.

SPECIAL ORDER

Dave Prentice moved that interim pastor Marcus Crapsey be given a seat and voice for the Annual Meeting; the motion was seconded and passed.

CLERK'S REPORT

The Minutes of the 148th Annual Meeting of the Parish of St. John held on January 31, 2010 were reviewed. It was noted that Charles Curti, Class of 2013, had been left off the list of Vestry members. The correction was moved, seconded and carried. Rick Britton requested a motion that the Minutes be accepted as amended into the Report; it was so moved and seconded. The motion carried.

REPORT OF THE NOMINATING COMMITTEE (part 1)

Jim LaBelle presented the slate of candidates for Wardens, officers and new Vestry members.

Wardens to serve until the Annual Meeting of 2012: Mark Murray-Brown and Carolyn Stewart

Treasurer to serve until the Annual Meeting of 2012: Chuck Everett

Clerk of the Vestry to serve until the Annual Meeting of 2012: Janet Williams

Vestry members to serve until the Annual Meeting of 2014: Andy Harris, Jim McCarthy, and Ernie Runnels

Vestry member to serve until the Annual Meeting of 2012: Jan Goodwin

Delegates to the Diocesan Convention until the Annual Meeting of 2012: Jan Goodwin and Jim LaBelle, alternate Martha Whitney

Delegate to the Deanery until the Annual Meeting of 2012: Charles Curti
A first call for nominations was entertained from the floor; there were none.

RECEIPT OF THE REPORTS OF THE 149th ANNUAL MEETING

It was moved and seconded that the reports as contained in the Journal of the Annual Meeting be received by title. The motion carried.

RECEIPT OF THE FINANCIAL REPORTS

TREASURER'S REPORT

Rosemary Sullivan presented the final **2010 Treasurer's Report** and then gave an overview of the budget process.

The balance in the **checking account** as of **December 31, 2010** was \$9724.01.

The market value of the **Endowment Fund** as of **December 31, 2010** was \$381,560.99. St. John's took a total of \$58,609.00, \$20,533.00 less than last year.

The **Rita and George Jorgensen Fund** had a market value of \$503,989.17 on **December 31, 2010**. We took the granted income of \$28,000.00.

The **Memorial Fund** as of **December 31, 2010** had a balance of \$16,021.59.

The **Ballard Fund** as of **December 31, 2010** had a balance of \$8482.33.

The **Beach Fund** as of **December 31, 2010** had a balance of \$1621.22.

The **Music Guild Fund** as of **December 31, 2010** was \$6391.46.

Fund Raising events in 2010 garnered \$20,150.23. As of **December 31, 2010**, we had \$773.32 in our **EBAY Auction Account**.

STEWARDSHIP COMMITTEE

Carolyn Stewart presented the Report [please refer to the Annual Report].

STRATEGIC PLANNING COMMITTEE

Mark Murray-Brown presented the Report [please refer to the Annual Report].

BUDGET FOR 2011

Please refer to the Annual Report.

REPORT OF THE NOMINATING COMMITTEE (part 2)

A last call for nominations was entertained from the floor; there were none. A proposal to close the nominations was requested. Adele Ervin so moved, it was seconded and carried.

Rick Britton proposed a motion for the Clerk of the Vestry to cast one vote for the slate of nominees as presented. It was so moved and seconded. The motion carried, the Clerk voted, and the slate was passed.

SEARCH COMMITTEE

Mary Cole spoke on the work and commitment of the Committee.

OTHER BUSINESS

Jim LaBelle reported that the By-Laws Task Force will approach the Parish in the next couple of weeks with a new proposed set of By-laws.

Linda Lavery raised the issue of Church School and Kelli Backstrom informed the Parish of the informal group working on the issue; the group is planning a report for the February Vestry meeting.

ACKNOWLEDGEMENTS

Bill Chapin expressed his appreciation of The Reverends Marcus Crapsey and Laurel Deery and the “thoughtfulness and completeness” of their reports in the Annual Report.

Adele Ervin stated that “stewardship must go forward, not back” and offered a special appreciation to Catherine McGeary for her work in Christian Formation.

The Rev. Marcus Crapsey thanked The Rev. Laurel Deery and the Wardens, Rick Britton and Carol McKenzie.

Carol McKenzie thanked and presented gifts to:

The Rev. Marcus Crapsey
The Rev. Laurel Deery
Marge Bishop
Catherine McGeary
Mark Nelson
Rosemary Sullivan (retiring Treasurer)
Jim LaBelle (retiring Vestry member)
Jonathan Pope (retiring Vestry member)
Bob Stains (retiring Vestry member)

Rosemary Sullivan thanked and presented gifts to the retiring Wardens, Rick Britton and Carol McKenzie.

Mark Nelson moved and the seconded that the 149th Annual Meeting be adjourned. The motion carried and the Annual Meeting was adjourned sine die at 11:15 am.

Respectfully submitted,

Janet L. Williams, Clerk of the Vestry

St. John's Acolyte Report for 2011

2011 brought a number of changes to the Acolyte program at St. John's. Long time head of the program, Kim Prentice, stepped down after Easter and Sue Lupo took her place. We also saw Fiona Prentice and Janet Williams take leave after a number of years of service.

Training of new acolytes began in the spring and Julian Murray-Brown and Marlaina Rallo have been practicing their skills on a regular basis and will shortly be entering the acolyte rotation on their own.

Brynn Sibley and Norm Barr have been faithful and consistent acolytes and their service is much appreciated.

As we enter 2012 we are pleased to have Kim Prentice return to service and to have Fiona Prentice offer her services as a substitute.

St. John's welcomes any adult or young person over the age of 9 to serve in this ministry.

2012 Acolytes:

Norm Barr

Brynn Sibley

Julian Murray-Brown

Marlaina Rallo

Kim Prentice

Fiona Prentice

Sue Lupo

Respectively submitted,

Sue Lupo

Acolyte Coordinator

Adult Forum, 2011

Adult Forum presents an opportunity for St. Johns parishioners to discuss the Christian faith and engage one another in safe and personal ways. 2011 saw a wide variety of topics and leaders, creating discussions that were interesting, frequently surprising and marked with wisdom and depth. The group size varied between 6-8 to 13-15 with an average attendance of 10. The sessions focused on a number of topics, several over the space of multiple weeks. All except one (a late substitution for someone who found they couldn't facilitate) were chosen by the group.

- Intercessory Prayer: Laurel Deery
- Understanding and Sharing the Good News: Mark Murray-Brown and Carolyn Stewart
- Parker Palmer's "A Hidden Wholeness:" Lynn Runnels and Jill Jackson
- Poetry of Spirit: Writing and Reading (based on The Psalms): Glo Richardson
- Art That Connects Us With God: Jim Labelle and Rosemary Sullivan
- "Christ on Trial" by Rowan Williams: Bob Stains
- Music of the Church: Mark Nelson
- Gifts and Challenges of Aging, based on Joan Chittester's "The Gift of Aging": Charles Curti
- Welcoming the Other, based on Jean Vanier's "Befriending the Stranger": Bob Stains and Naomi Astyk
- Outreach/Shane Claiborne video as stimulus: Elizabeth Redmond

As the year progressed, there was a steady increase in level of participation, mutual trust and a sense of community.

Report of the 2011 Altar Guild

To paraphrase an old saying, how we worship is what we believe. The Altar Guild takes pride in setting the stage for the beauty and meaning of our worship experience. We try to work in pairs to build confidence and fellowship.

This year we formalized the organization of the Guild, writing a mission statement, drafting a budget, and establishing co-chairs plus a method for rotating the leadership. The Flower Guild and the Bread Bakers are now part of the Guild.

We say goodbye and thank you to two retirees, Jean Dyett and Mary McCarl (who still helps out when needed); we will miss your spirited service. We welcome two new members, Malcolm Henderson and Marcia Mullen.

Thank you, 2011 sacristans, for your loyal and able ministry. We always need new members and are happy to initiate people into the “mysteries” of the Altar Guild.

Neila LeBeau and Janet Williams, Co-chairs

Sacristans

Janie Brown
Marjorie Fergusson
Malcolm Henderson
Paul McGeary
Marcia Mullen

2011 Buildings and Grounds Team

Leader: George Sibley – George handles “everyday, hands on” maintenance throughout the year.

Members: Pete Goodwin, Martha Whitney – new member in 2012.

Vestry Liaisons: Jim McCarthy, Chuck Everett, treasurer

Projects completed in 2011:

1. **Weekly checkup on grounds & facilities by George Sibley.** This year included shoveling snow off the Thompson Room roof and replacing bulbs in the sanctuary. If George finds anything that he can do himself, he takes care of it..
2. **Repaired and painted wooden sign on Middle Street.** Cost covered by gift from Nancy Poland.
3. **Attached handrail at Thompson Room entry.**
4. **Reviewed General Risk Survey from insurance company requested by Chuck Everett.** Fire extinguishers inspected and recharged or replaced if necessary as a result.
5. **Sanctuary lamp fixed by Pete Goodwin.**
6. **New storm door installed at rectory.**
7. **Mat at entry to sanctuary replaced.**
8. **Pilot lights on kitchen stove cleaned by Unis Plumbing.**
9. **Replaced threshold at the entrance to the sanctuary and repainted doors & trim.** Costs covered by Nancy Poland gift.
10. **Leak in Thrift Shop ceiling addressed by snaking toilet pipe.** Thank you to the Ms. Fixits and Martha Whitney for contacting the plumber and solving the problem.

Project ongoing in 2011 & 2012:

1. **Update Emergency lighting and lighted exit signs, and smoke detectors.** Committee met with Joe Mountain, fire inspector for the Gloucester Fire Department, and Eric Johnson, an electrical engineer, to identify the scope of what St. John's needs for emergency lighting, lighted exit signs, and smoke detectors. Pete Goodwin then drew up a floor plan for the church and parish hall buildings, and presented a report based on the information given him by Eric Johnson. Mr. Johnson and Mr. Mountain did not charge a fee for the information and walk through, and we thank them for their generosity. The scope has been divided into 3 steps:

Step 1: People Safety – Emergency lighting and exit signs. \$5,700.00. **Higher Priority, going out to bid**

Step 2: Fire Detection – Smoke detectors. \$5,100.00. **Lower Priority**.

Step 3: Other – Emergency lighting in bathrooms, smoke detectors in undercroft, horn/strobes, beam smoke detector in sanctuary, and pull stations at doors. \$11,100.00. **Lowest Priority**.

Based on this information, Pete sent out requests for bids for Step 1 from three local electrical contractors, and the committee will review the bids and make a decision on the project in 2012.

Projects for future consideration:

1. **Replace Parish Building roof.** Shingles appear to be very brittle, and are at an “end of life” situation. There are no leaks, but a decision of when to replace the shingles should be made. George received an estimate about a year ago from O’Keefe of about \$16,000.00 to install new shingles on the Parish Hall roof. **Priority** – make a decision in 2012 when to replace shingles, delayed because of emergency lighting expenses.
2. **Repairs to parking lot.** Investigate costs for patching vs. complete resurfacing after this winter. **Low Priority**

Submitted by Jim McCarthy

Centering Prayer Support Group

The **Centering Prayer Support Group** continues to meet on Mondays at 11:30 AM in the Thompson Room for silent prayer, intercessions and faith sharing. Participants have been meeting for nearly two years and welcome anyone from within and outside the St. John's community. For further information, please contact Cecily Merrell at 978-546-9014.

Country Cupboard Fair 2011 Report

Historically, although St. John's has always had a Holiday Fair, it was not written up for the Annual Report. However, as the fair has become a major fund raising and community outreach activity for the parish, it seemed appropriate to provide a summary of what has been accomplished and what is needed going forward.

In preparation for the November 19th Country Cupboard Fair, an ad hoc group began meeting in July, 2011, at first every few weeks, and then weekly. While our fair has always been stylish and well thought of, the goals this year were to increase the variety and number of handmade items and foods for sale, to create a new logo with consistent branding and to increase the number of people who came to the fair. Particularly as we prepared to welcome our new rector, we wanted to re-open the doors of the parish and welcome the community.

We were particularly fortunate to have Al Browne step up to help us with marketing. Al not only made wonderful contacts with the local media and worked with us to create the logo, he had a larger vision of a series of events on Middle Street for that day that became the Middle Street Harvest festival. While the Cape Ann Farmer's Market next door brought many new people to the fair, this was the first time we put modest advertisements in other papers (Manchester Cricket and Salem Evening News) and we believe it was worth the effort and cost. Posters of the Fair could be found throughout the local communities, and signage at the rotary and on Washington and Middle Streets was also effective.

The creation of a new Country Cupboard Fair logo, poster, tags, placards and signage was a group effort. However, a particular thank you goes to Laurie Brown for her creative and technical skills which took these ideas and brought them to fruition. Linda York-Robbins offered to create the "Country Cupboard" for our poster, and Laurie translated that into the branding for all our items. She and her printer were creating new labels and placards, as well as solving display problems, up until the fair began. This type of branding and labeling is essential for the future.

Assuring we would have sufficient items to sell was another concern. As we moved into weekly Thursday morning crafting sessions, the group/committee was ever willing to cut out fabrics, create food mixes, braid hemp for dog toys, decorate food cones and do whatever needed doing. While we ended up with an impressive array of lovely items to sell, and while we almost sold out, it must be said that the majority of items, both craft and food, were made by a handful of people. My recent retirement allowed me time and inclination to create and coordinate such projects. Laurie Brown used her connections with Virgilio's and Stop and Shop to obtain many foodstuffs that we relied on for our projects. As the parish grows, we will need to increase the number of both crafters and

cooks.

Re-opening the Thrift Shop for the fair was a great addition, yet required a great deal of effort, particularly on the part of Martha Whitney. Having these “boutique items” downstairs opened up the Thompson Room for the expanded and popular Jewelry Tables. But at the same time, the basement area had been a staging and supply area in the past, and now needed to be made available for Thrift Shop display. The flooding of part of the basement in the weeks before the fair only added to Martha’s challenges.

As in the past, the parish responded generously with their time when called by Glo Richardson to help in set-up, manning tables, welcoming and manning check-out tables. We were also able to access teenagers through the Harvest Meals Program to help in lugging up some of the heavier tables etc. from the undercroft. One area we struggled with was in clean-up and break-down of the fair. Due to scheduling issues, we had very few helpers. This will also need to be better planned for next year.

Perhaps one story can exemplify this year’s fair. We wanted to welcome people to our fair, and so we gave them a small gift when they left...a tiny plastic bag of cosmos seeds with a tag thanking them for coming. The seeds came from Martha’s garden, the bags were filled and labeled by the committee, the logo came from Laurie, and they were given to surprised and delighted attendees by our check-out staff as they left.

Respectfully Submitted,

Gwen Kopka, Fair Chair

Committee Members: Laurie Brown, Martha Whitney, Al Browne, Adele Ervin, Arlene Wilson, Jane Walsh, Jane Brown, Cecily Merrill, Sereda Feener

ENDOWMENT REPORT 2011

Our endowment fund has two components. The historic endowment fund that we have had for many years, and a recent trust gift that we have been calling the “Jorgensen Fund”. As reported by the Treasurer, the historic fund at year end approximated \$328,000 and the Jorgensen Fund about \$449,000. Neither of these funds were immune to the market volatility of 2011 when markets dramatically overreacted to any bad news or good news. Look just at one example – the market reaction to news of the prospective default by Greece of its debt. When European help appeared to be on its way, the market soared, when such negotiations seemed not to be progressing markets tanked. Markets soared on the Prime Minister’s announced austerity program and tanked the next day when the program was resisted by the public. 300 points up one day, 400 down the next, up 250, down 300. And, with all due respect to Greece, its *gross national product is about the gross state product of Maryland, and represents 4/10ths of one percent of the world economy!* Markets did not move because of any genuine world economic threat the default represented, they did so because of speculation on the effect it might have on the perception of worth of other countries’ bonds. There is no otherwise sensible investment strategy that counters this kind of market volatility in equities, especially in light of historic lows in interest rates making bonds unattractive – the term for all this was – “no place to hide”. But in the end, the rises and falls of the markets effectively neutralized each other over the year and 2011 ended about where it began, maybe a tiny bit up.

Seaward Management, the manager of our historic endowment, took a couple of steps with the Committee’s approval and suggestion, reducing equity somewhat, particularly domestic equity which is underperforming international equities, and increasing carefully selected fixed income investments, and phasing out individual equity securities in favor of equity based mutual funds, Ishares and EFTs, so that, in spite of the declining size of the fund over time by virtue of our withdrawals, we could still achieve significant diversity. And diversity, in the view of all responsible general investment managers, is the sine qua non to defend against market unpredictability.

The Jorgensen Fund has been managed by RegentAtlantic, a well respected New Jersey based national investment manager with over 2 billion dollars under management. A fund of the size of ours would not normally be handled by such a firm, but they had been the manager of the funds of the trust from which our fund came. RegentAtlantic took a different approach, investing what they themselves referred to as “aggressive growth”. That is scary language in this economic time, but the reason it did so is to try to build the fund into a size that made our annual drawdown sustainable. Its equity investments were entirely in mutual funds, Ishares and ETFs from the beginning so it was well diversified.

The Committee near the end of last year deliberated about the long term approach with our funds and decided that it would be much better in the long terms to merge the two accounts into one, which would give a manager a substantially larger account to manage so that there was substantially more flexibility in management. We also decided that the manager would be Seaward. Seaward has been with us for many years, they have done well over the years with our account, they are local making periodic meetings with the manager feasible, and their investment strategy remains one that the Committee approves of. This is not any negative comment about Regent Atlantic, they are a very successful, ethical and capable firm. The Committee prefers to stay with Seaward who is a proven performer with our funds.

Moving an investment fund from one manager and its custodian to another manager with its

different custodian involves a lot of paperwork, and that process has started and we expect by the end of January this will be finished.

Robert G. Stewart, Chair

Flower Guild

Our mission is to arrange memorial altar flowers for the Sunday services as well as seasonal arrangements and decor for Lent, Easter, Advent and Christmas.

Each Flower Guild member designs and creates the lovely arrangements on a rotating weekly schedule. A special group effort is put in for the Easter and Christmas displays throughout the church.

Eric Russell of Russell's Flowers has generously served as our local florist and has done demonstrations of new and different styles of arrangements. We thank him and his staff for their support.

Janie Brown, Chair

Flower Guild Members

Janie Brown, Chair

Laurie Brown

Cherie Everett

Jan Goodwin

Catherine McGeary

Mark Nelson

Lin York-Robbins

Sara Stotzer

Mission Outreach Annual Report – 2011

Mission statement: To help those in need within the Cape Ann community and the world. Additionally, to be an outward and visible expression of St. John's Episcopal Church.

Emergency Fund

Under Marge Bishop's administration, \$2329.00 from the St. John's budget allotment was dispersed to provide spontaneous relief to Gloucester individuals and families in the form of one-time grants up to \$ 50.00.

On November 18, 2011 the Dolliver Trust of \$262.47 was given, to the Fund

Cape Ann Interfaith Commission Harvest Meals Program

Since February of 1999 Maud Warren with volunteer help has been serving meals every Tuesday evening at St. John's. In addition to monetary contributions, parishioners have volunteered time to assist with the preparation and serving of the meals. St. John's also supported the Interfaith Commission's preparation and distribution of holiday gift bags to Harvest Meals guests in December.

Cape Ann Habitat for Humanity

As in the past years we provide meeting space and a mailing address. Volunteers are always welcome to join.

Open Door/Cape Ann Food Pantry

Under Alex Garcia-Mata's devoted direction, parishioners helped prepare, serve and clean up community suppers on a bi-monthly basis. Parishioners contributed food throughout the year for the Food Pantry, also.

Toys For Kids

Parishioners, under Marge Bishop's direction, once again provided holiday gifts requested by Gloucester families for their children through the Christmas tree "Bell" program. Parishioners provided gifts for approximately 40 children on Cape Ann.

Souper Bowl

In February through the Souper Bowl of Caring we raised \$1,182 which was divided between the Open Door and Cape Ann Interfaith.

Respectfully submitted

Marge Bishop

St. John's Outreach Activities, 2011, continued

Committee Activities

The Outreach Committee's major event for the year was a very special event for Valentine's Day. Parish members Sarah Wetzel, soprano, and Sue Lupo, alto, contributed their wonderful singing voices and a varied program of art songs to present, "Songs of Love & Peace," a concert on February 13, 2011 to benefit Haiti Projects, Inc. and the Society of St. Margaret's convent in Haiti, accompanied by Kathleen Forgac on piano. Sarah Hackett of Haiti Projects and Sister Claire Marie of the Society of St. Margaret spoke about their organizations' work in Haiti, and the concert was followed by an elegant champagne reception. We raised \$1,000, so that each organization was given \$500. Thanks to all who helped make this memorable event a success.

Later in the spring, the Committee sponsored two Soup & Service events to hear from parish members about the Outreach activities in which they are involved. Malcolm Henderson spoke of his experience with prison ministry in March. In April, Astrid afKlintenberg talked about her public defender role as her spiritual mission.

During the early part of the year, the Committee also continued to sell Bishop's Blend Coffee and tea, fair trade products, proceeds of which support Episcopal Relief and Development.

Common Cathedral

This year St. John's sent eight parish members to common cathedral on October 2. That morning, an assembly line in Parish Hall I prepared 150 sandwiches, which we took in to Boston to serve lunch before the worship service on the steps of the Cathedral. The experience of worshipping with this outdoor congregation of both unhoused and housed individuals is always a very rewarding experience. For more information on *common cathedral*, visit ecclesia-ministries.org, and consider joining us next year. Our participation was coordinated by Carole Secrest.

Action Shelter Lunches

In the spring, Elizabeth Redmond took over coordinating the making of lunches for the Action Shelter which was ably coordinated by Kim Prentice for many years. This Cape Ann Interfaith program has grown over the years so that we now prepare 35 to 45 full bagged lunches each Saturday which shelter guests take with them when they leave the shelter on Sunday morning. As of year end, Rosemary Sullivan, Gwen Kopka and Mary Jane Sawyer, Laurie and Janie Brown, and Elizabeth each have responsibility for one or two Saturdays a month, with regular assistance from Cecily Merrell and Laurel Hughes. Adele Ervin and Malcolm Henderson also helped regularly during the year, as well as others too many to list but much appreciated! During Advent, we asked the parish as a whole for financial support for the program and are very grateful for the \$491 raised that will be used to purchase non-perishable supplies.

Grace Center

At the very end of the year, on December 28, St. John's joined a very exciting new outreach activity, hosting Grace Center on Wednesdays. This program, created by Cape Ann clergy, hosts a drop-in center for homeless individuals and others who need a place to go during the day to rest, get warm, and obtain resources for health, employment and housing. The location rotates among three Middle Street churches while a permanent location is sought. Deacon Laurel Deery was instrumental in

bringing the program to St. John's, and is the contact for parish members who would like to volunteer for the program.

After a busy two years, the current Outreach Committee stepped down in the fall, while many of the programs listed above continue. Watch the weekly FYI and bulletin for opportunities to participate.

Respectfully submitted,

Elizabeth Redmond, past Chair

For the Outreach Steering Committee: Laurie Brown, Chuck Curti, Adele Ervin, Carole Secrest, and Laurel Deery, Deacon

Music Program, 2011—Saint John’s Church, Gloucester MA

The heart of our music program is the task of creating community here, both for the Liturgy as well as the life of the parish. To borrow the name of a music book: “Music Makes Community”. Another longer motto that I’ve recently found inspiring is this:

**GOD gave us speech for common expression.
GOD gave us poems to reveal things of deep meaning.
GOD gave us music when speech will not suffice.**

At the encouragement of clergy and leadership of St. John’s Church, this spring we applied and received grants to begin the **Cape Ann Choir School at St. John’s Church**. This program is an expansion of the previous Children’s Choir incorporating a new focus on education using the curriculum of the Royal School of Church Music in America. The mission of this program is to equip children from the church and the area to enable community, diversity and understanding, to enrich the present, secure the future, learn lessons for a lifetime. Charles Curti took the lead in the successful grant writing process, Astrid afKlinteberg and Rick Britton serve in leadership roles. Astrid has also accepted a position as choir mom/leader/teacher, an invaluable offering. The **Choristers** sing **Evensong** monthly (First Thursday) Evensong services. To date more than \$12,000 has been raised to launch and support this program. The **Choristers of CACS** sang at the **Middle Street Walk** with other area choirs and as a solo group at the live Pageant in Rockport as an outreach to the community. They sing every 2-3 weeks at the 10:30 service, including Palm Sunday and Easter Day. They sing at and provide leadership for the Christmas Eve Pageant, They also sang in a choir festival in Annisquam in the spring and at the Middle Street Walk at St. John’s Church in December with choirs from St. Mary’s & First Congregational Churches in Rockport and the Annisquam Village Church. This program also depends upon parents, and extended family for transport, communication and support for the children to attend the rehearsals, services and performances.

The dedicated and talented members of the **Parish Choir** sings most every Sunday during the academic year, as well as at special programs and Holy Days. Joined by the Children’s Choir, the Parish Choir participated in the **Advent Festival of Lessons and Carols** based on the O Antiphons on December 4.

We again enjoyed the Silent Movie in January with Peter Krasinski for his 7th appearance. Organist Christian Lane and soprano Jolle Greenleaf presented a wonderful program of Renaissance and Baroque vocal and organ music. Internationally acclaimed organist Almut Roessler returned in October to play a recital amongst her appearances in New York City and at the University of Michigan. These events are funded through generous contributions to the St. John’s Music Guild, which also supports guest musicians who join us occasionally for worship and workshop experiences.

The Music Director selects hymns, and other congregational organ and choral music after reading the lessons for each Sunday. Music is chosen based upon the capabilities of the personnel, for appropriateness and balance, from the *Hymnal 1982*, and *Wonder, Love and Praise* as well as many other sources, from chant to Renaissance through modern choral traditions, to American and European folk traditions, to modern World Music. Service orders, inserts and worship books are prepared providing music details as well as scores to enable everyone to sing.

I create signage, help in the production of the weekly FYI, and work to embellish the space for worship. I volunteer in the Flower Guild. I attended the national conference of the Association of Anglican Musicians in Greenville SC in June, which was a much appreciated chance for rest, respite and sharing ideas with colleagues. I am very thankful for the extra weeks off this Summer granted in honor of serving for 10 years at St. John's Church.

It was a remarkable year in the completion of the interim period, and saying good bye to Marcus Crapsey, interim pastor, and welcoming our new Rector, Fr. Bret. I am fortunate to work with such fine dedicated priests, without whose trust and wise counsel these offerings would not be possible. Deacon Laurel Deery is a constant source of encouragement and support. Marge Bishop, Catherine McGahey and Betsy Levick continue to be great to work with and foster a spirit of team work. Nancy Poland, a Gloucester native and resident of Düsseldorf has been especially supportive both in providing encouragement and advice as well as providing resources for our programs.

Thanks to all of you, especially for your singing, and for your kind comments and suggestions. And to these wonderful people who sang as part of the choir program:

Choristers of the Cape Ann Choir School at St. John's Church

Sadie Backstrom
Nora Backstrom
Jonah Backstrom
Grace Dolan
Isabel Mondello
Julian Murray-Brown
Iona Murray-Brown
Charlotte Salmon

Parish Choir

Astrid afKlinteberg
Rick Britton
Cherie Everett
Chuck Everett
Dean Harrison
Sue Lupo
Gwen MacCaughey
Jane Mead
Cecily Merrell
-See more names on next page
Carol McKenzie
David Oliver
Sheryl Reed
Patty Rhinelander
Ernie Runnels
Lynn Runnels
Jody Shirley
Marsha White

Mark Edward Nelson, Music Director
In nomine, Jesu, Soli Deo gloria!

Open Door Report 2011

St. John's was responsible for five dinners at the Open Door, Gloucester's food pantry and free meal provider on all but two days of every week. Our parish provides the funds for the purchase of all ingredients for a nutritious, well-balanced hot dinner, which volunteers cook and serve to the guests, usually fifty or sixty people of all ages. Our decades-long participation in this community service has been made possible because volunteers have always stepped forward to lend a helping hand.

Alexandra Garcia-Mata, Director

Annual Report of the Stewardship Committee

The Stewardship Committee strategy this year, developed after attending a Diocesan Stewardship Conference in March, was to develop a message that parishioner giving at St. John's was not only responsible and necessary, but that (along with the giving of time and of talent) it is a core discipline of Christian belief. Since the time of the disciples, Christian organizations have been supported by free-will donations of their members. As a profession of our faith we are urged to consider these as sacrificial gifts to God in acknowledgement for all the blessings that have been bestowed on us.

We presented variations on this theme in letters that accompanied the first three quarterly pledge statements. We discussed stewardship via the lectern at Sunday services and many folks got up to witness their loving support of St. John's at the all-parish kick-off dinner on October 14.

Pledged income for 2012 will be \$145,060. Roughly equal to the actual pledge income for 2011. We had 83 pledges, a decrease of 3 from last year and 12 less than we had in 2008. Now that we have a new rector, our goal is to increase membership while continuing to enhance our mission outreach activities.

The current average pledge of \$1744 is higher than it has been in past years. This means that pledge increases from core members were able to compensate for lost members and for decreases due to retirements and to poor economic conditions. On the one hand this seems unsustainable (our 4 largest contributors are providing us with 20% of pledge income). However, we are a faith-based organization. Five years ago we had reason to think our endowment would be spent by now. The hard work, love and commitment stemming from our Strategic Plan, coupled with the faith and support of our members has built a firm financial platform for our operation. That said, we will have to rely on more members going forward.

This year we didn't have a formal Fundraising Committee. In theory, members should share the cost of the operating expenses through pledges, allowing fundraising activities to raise money for mission outreach or building maintenance. We aren't there yet, but we worked at lowering our expenses in several areas and raised income by renting the rectory for several months. When this was combined with income from the Summer Thrift store and the successful Holiday Fair, we cut the additional draw on our endowment to less than \$20,000 (down from \$68,000 in 2008). With the increased costs associated with a new three-quarter time rector the additional draw will be \$38,000 in 2012. This is the amount we would need to capture in increased pledges or fundraising income to consider our budget balanced. So next year while prayerfully considering all you can do for St. John's be sure to also tell your friends about us. We do so much for each other and for many in need on Cape Ann and elsewhere. I know in my heart there are many folks out there who would love to be a

part of our community. We need more members!

We'd like to take this time to thank the members of the committee for their dedication and their support over the year: Ernie Runnels, Al Browne, Jonathan Pope and Bill Braunlich.

Respectfully Submitted: Jim LaBelle and Don Cole: co-chairs

Saint John's Strategic Planning Committee Annual Report 2012

Saint John's Strategic Planning Committee is an Ad Hoc Committee with the prime role to create, modify and guide the development and achievement of the SJC Strategic Plan through 2013. Its main responsibility is to advise the Vestry on long-term strategic management decisions to achieve the Vision of the Church. The responsibility for implementation of the Plan's Goals (Mission, Financial, Growth and Governance) resides with the appropriate leadership, committees and members of the Parish.

This past year The Strategic planning committee has continued to refine strategies to achieve the targets associated with the 4 Goals and meet with leaders of other committees to coordinate efforts to achieve targets within their purview. To a great extent the responsibility for the realization the parish has embraced our goals. The Governance target has been achieved. The 4 Mission Targets are all actively being worked on by different sub committees. The 4 Growth targets are all either achieved or actively worked on or a current priority.

We have made great strides in accomplishing the targets of the Financial Goal but we will fall short this year of our goal of reducing the additional draw from the endowment by \$13,000. The goal for 2012 was an additional draw of \$20,000 while \$33,000 is budgeted. One of the original criteria of the Strategic plan was that financial goals cannot stand-alone but must be a reflection of the other goals. We knew when the vestry voted to advertise for a $\frac{3}{4}$ time rector that it would be a challenge, but felt that the investment would aid the realization of the Mission, Growth and Governance Goals. Stewardship and Fundraising have done exemplary work towards their target but the key to financial stability is growth and growth will come if we are dedicated to our mission.

Members of the Strategic Planning Committee are Bill Braunlich, Sue Lupo, Jim Labelle, Chuck Everett, Bob Stains and Jonathan Pope Chairperson.

Respectfully submitted, Jonathan Pope, Chair

Bill Braunlich,
Sue Lupo,
Jim Labelle,
Chuck Everett,
Bob Stains

St. John's Summer Thrift Shop

St. John's Summer Thrift Shop opened for business on the 31st of May and continued for three mornings each week until September, with the hope of fulfilling the following goals:

- To honor the commitment of the church to Millenium Development Goal #7 which addresses responsibility towards environmental sustainability.
- To provide a source of affordable household goods, furniture, books, and other recycled or repurposed items for our downtown neighborhood and the community.
- To provide an alternative to the summer yard sales that we had offered in previous years. Although very successful, they were also very labor intensive and had grown to three consecutive summer Saturdays, which still wasn't adequate time for the abundance we had to offer.
- To create an ongoing source of revenue for St. John's Church from items no longer wanted or needed by parishioners.
- To reduce the amount of "stuff" we store in our undercroft, with the hope of creating a more organized and efficient use of that space.
- To make productive use of space on the lower level of the Parish Hall that was no longer used when the number of school-aged children in the congregation dwindled.

A dozen volunteers kept the shop open, stocked, inviting, and tidy while we welcomed a growing number of visitors into our church. By the end of the summer we had a steady clientele and a clear indication that there was a need being met by our presence in the neighborhood, as most of the shoppers arrived on foot.

In anticipation of similar success in 2012 I expect to make the following changes:

- Have signs made for placement at Washington Street and over the entry door.
- Expand into the former nursery space, increasing the sales space by approx. 25%.
- Install shelves and hanging rods in that space so we can offer a limited amount of clothing in response to customer requests.
- Invest in some wall racks and hardware that will increase the effectiveness of some of the display areas.

In addition, an increase in volunteers will allow us to increase the hours that the shop is open and, hopefully to increase the season from the previous year's 15 weeks to a possible 22 weeks. Please consider whether you have a few hours to offer this summer and, as always, please bring your donations all year round as you find items you no longer use or want.

Respectfully submitted,

Martha Whitney

Welcoming and Membership Annual Report

2011

2011 was a year when the Welcoming and Membership Committee faced a number of opportunities and challenges, and celebrated its achievements. Membership is an outcome of all that a church is: its liturgy, spiritual leadership, community outreach, and congregants. During the transition year of 2011 the committee focused on being an ancillary support to the church and vestry.

Opportunities/Achievements:

- Created and delivered Easter baskets to over 30 home-bound parishioners,
- Organized and staffed the annual Gloucester sidewalk sale days in August,
- Organized the poetry and prose series and published a booklet of poems and prose by parishioners and community members,
- Although not related to membership, managed the rental of the rectory which raised over \$7,000 in unbudgeted revenue for St. John's,
- Co-wrote two grants in support of the church music school both of which received partial funding,
- Participated in the recruitment of the Parish Administrator,
- The committee was self-funded throughout the year.

Challenges:

- The committee will require new leadership in 2012.
- The committee was not able to gain new members but we did receive assistance from many parishioners for several projects.

Giving Thanks:

The committee is very grateful for the support it received throughout the year from many parishioners and from the staff, especially from Marge Bishop. We are very grateful for their assistance as it would not have been possible to achieve the above with their support.

Respectfully submitted,

Charles Curti, Chair

**St. John's Episcopal Church
2011 Annual Financial Report
Annual Report of the Treasurer for the year 2011**

The Treasurer's Office was in transition this year as well, with the retirement at midyear of Catherine McGahey who had ably managed the Parish accounts for 13 years, the welcome addition to the staff of Betsy Levick, Parish Administrator, and a new Treasurer. The updating of software and business office systems is underway under the guidance of Elizabeth Redmond who was appointed Assistant Treasurer by the Vestry.

We are pleased to report that the use of Additional Endowment funds to cover operating expenses was significantly reduced in 2011 as compared to budget and even exceeded the Parish Strategic Plan goal for endowment utilization. Both an increase in income and control of expenses contributed to this encouraging financial result.

The year of transition produced a savings in salary expense with the Parish decision to manage with a half time Interim Rector, and new income was derived from the rental of the unoccupied Rectory. In addition pledge payments were up and income was enhanced with two fund raising efforts: the founding and operation of the parish Thrift Store by Martha Whitney and the very successful Country Cupboard chaired by Gwen Kopka.

The development of the 2012 Budget was enhanced by the leaders of the recently formed Parish program committees. They were each delegated the responsibility of preparing budget requests for the support of their committee programs or activities and the subsequent monitoring of expenditures or income generation within the Vestry approved budget.

The Strategic Planning and Finance Committees were also very involved, adding their perspective during the budget building process.

Planning for our 2012 Budget has been more challenging, however. An expected but none the less significant increase in the salary and benefits for the three quarter time Rector position and other inflationary pressures on the cost of goods and services without a sufficient offsetting increase in pledges will make more difficult our ability to continue to meet the Strategic Plan goal for 2012. Expenditures will continue to be scrutinized for value cost savings that do not jeopardize our Parish mission, but we must continue to look for opportunities to increase our stewardship and fund raising efforts to meet this financial challenge.

Respectfully submitted,
Richard Everett III
Treasurer

ST. JOHN'S CHURCH
Balance Sheet Standard
As of December 31, 2011

ASSETS		LIABILITIES & EQUITY	
Current Assets		Liabilities	
Checking/Savings		Current Liabilities	
1000 Operating Cash		Other Current Liabilities	
1001 Cape Ann Savings NOW	27,466.76	2300 Deferred Revenue	21,610.24
Total 1000 Operating Cash	27,466.76	2301 Prepaid Pledges	441.00
1100 Restricted Cash		2302 Action Shelter Lunches	
1130 Beach Fund	1,621.22	2303 Choir School	1,827.75
1140 Ballard Fund	8,182.97	2304 Directed Gifts	2,950.00
1155 SJC Memorial Fund	16,133.33	Total 2300 Restricted Funds	26,828.99
1165 Music Guild	10,537.31	2100 — Payroll Liabilities	
Total 1100 Restricted Cash	36,474.83	2040 Long Term Disability	62.51
1180 Investments		2041 IRP (Short term disable.)	106.43
1181 Endowment Fund	328,114.26	Total 2100 — Payroll Liabilities	168.94
1182 George&RitaJorgensen ..	449,142.78	Total Other Current Liabilities	26,997.93
Total 1180 Investments	777,257.04	Total Current Liabilities	26,997.93
Total Checking/Savings	841,198.63	Long Term Liabilities	
Total Current Assets	841,198.63	2500 GCB-mortgage payable	94,885.45
Fixed Assets		Total Long Term Liabilities	94,885.45
1200 Rectory	167,000.00	Total Liabilities	121,883.38
1300 Land and Buildings	878,000.00	Equity	
1310 Church furniture &fixtures	151,000.00	3000 Openning Balance Equity	117.09
Total Fixed Assets	1,196,000.00	3010 Fund Equity Balances	813,789.76
TOTAL ASSETS	2,037,198.63	3020 Unrestricted Gen Fund Bal	1,092,348.37
		3900 — Retained Earnings	4,276.22
		Net Income	4,783.81
		Total Equity	1,915,315.25
		TOTAL LIABILITIES & EQUITY	2,037,198.63

St Johns Episcopal Church			
Annual Budget Report			
12/31/11			
	2011 Budget	2011 Actual	2012 Budget
Pledges-number	86	83	83
Pledges-amount	148,065.00	138,393.00	145,060.00
Income			
4000 Prepaid pledge payments *	7,500.00	0.00	21,610.00
4005 Current year pledge payments	147,615.00	138,393.73	123,450.00
4010 Prior year pledge payments	2,000.00	2,920.00	1,000.00
4020 Plate Offerings-check	1,500.00	1,049.00	1,500.00
4021 Unpledged Envelopes	3,000.00	2,663.00	2,800.00
4022 Children's Envelopes	0.00	0.00	100.00
4025 Plate offerings-cash	3,000.00	2,950.90	3,600.00
4030 Special Offerings	4,500.00	5,933.00	5,000.00
4035 Choir School	0.00	8,472.25	19,231.00
4100 Total return from Endowment	19,000.00	19,000.00	17,400.00
4115 George & Rita Jorgensen Trust	28,000.00	28,000.00	28,000.00
4240 Fundraising income	15,000.00	10,798.44	10,000.00
4241 Thrift Store Income	0.00	5,460.25	5,800.00
4300 Parking & Hall Contributions	10,000.00	8,533.00	9,000.00
4301 Rectory Rental	0.00	7,082.45	0.00
4400 Heat & Maint. Contributions	500.00	360.00	500.00
4460 Rector's Discretionary Fund	1,000.00	2,291.47	2,100.00
4485 Flowers Contributions	2,000.00	2,630.00	2,400.00
4486 Sanctuary Lamp Contributions	600.00	525.00	600.00
4490 Directed Contributions	0.00	8,771.33	3,391.00
4600 Misc. Income	50.00	0.00	100.00
4605 Outreach Contributions	0.00	0.00	1,200.00
4610 Special donations transfer	0.00	0.00	0.00
Total Income	245,265.00	255,833.82	258,782.00

Expense	2011 Budget	2011 Actual	2012 Budget
5001 Custodial Service	7,538.00	7,416.00	7,800.00
5005 Grounds & Parking Lot Maint.	2,600.00	2,475.00	2,300.00
5008 Snow removal	4,000.00	4,733.00	5,000.00
5010 General kitchen supplies	2,100.00	2,768.07	2,300.00
5020 Building Insurance	7,000.00	5,130.00	5,500.00
5021 Rectory Insurance	0.00	849.00	930.00
5030 Maintenance-Church	3,000.00	4,801.21	5,000.00
5035 Maintenance-Rectory	3,000.00	6,726.35	3,000.00
5041 Electricity Church		3,492.15	3,500.00
5042 Electricity Parking Lot		115.91	150.00
5043 Gas Church		802.06	850.00
5044 Oil Burner Service fee		425.56	800.00
5045 Fuel Oil		12,596.68	14,000.00
5046 Sewer/Water Fee		994.83	1,300.00
5047 Security		1,462.26	1,500.00
5040 Utilities	23,000.00	19,889.45	22,100.00
5100 Church school and youth	750.00	161.56	500.00
5101 Library	0.00	0.00	0.00
5110 Adult Education	100.00	279.65	300.00
5170 Youth activities	0.00	0.00	0.00
5210 Diocesan Assessment	38,576.00	38,576.04	35,565.00
5310 Music supplies	1,000.00	785.62	1,000.00
5330 Organist Substitute	2,000.00	2,100.00	900.00
5331 Organ & Piano Maintenance	0.00	0.00	1,000.00
5335 Choir School	0.00	4,829.25	6,110.00
5380 Rector Salary	0.00	4,793.00	43,156.00
5381 Interim Rector Salary	34,000.00	34,000.08	0.00
5382 Music Director	35,415.00	33,957.42	32,284.41
5385 Choir School Director		3,643.00	11,006.00
5383 Parish Administrator	20,232.00	19,827.09	19,394.00
5384 Church Assistant	18,147.00	18,146.88	18,800.00
Christian Education	11,300.00	0.00	0.00
5400 Salaries	119,094.48	114,367.47	124,640.41
5401 Nursery	600.00	0.00	0.00
5414 Rector Search	15,000.00	10,634.89	0.00
5415 Supply Clergy	1,500.00	660.50	1,000.00
5420 Rector's Local Travel	0.00	98.82	1,000.00
5421 Rector's Professional expense	0.00	2.55	1,000.00
5422 Interim's professional expense	1,900.00	1,389.19	0.00
5423 Interim's Travel	2,000.00	1,036.85	0.00
5424 Rectors Cell Phone	1,200.00	1,239.46	1,250.00
5426 Rectory Electricity		328.60	1,500.00
5427 Rectory Gas		831.29	2,000.00
5428 Rectory water/sewer		676.09	500.00

	2011 Budget	2011 Actual	2012 Budget	
5425 Rectory utilities	4,000.00	1,835.98	4,000.00	
5430 Rectory mortgage interest	9,900.00	5,459.23	4,050.00	
5440 Health Insurance	1,968.00	627.00	8,238.00	
5450 Workers' Compensation Ins.	900.00	789.00	930.00	
5460 FICA Taxes	5,968.00	5,781.47	6,003.00	
5470 Rector's pension expense	0.00	1,226.05	11,034.00	
5476 Interim LTD	128.73	118.03	0.00	
5477 Interim Life insurance	282.00	258.50	0.00	
5478 Rector's LTD Insurance	0.00	19.50	200.00	
5479 Rector's Dental Insurance	0.00	48.00	1968.00	
5482 Interim Dental Insurance	0.00	1804.00	0.00	
5483 Continuing ed.-Rector	0.00	0.00	1,500.00	
5484 Continuing ed.-Interim	1,000.00	986.00	0.00	
5487 Continuing ed.	0.00	0.00	1,000.00	
5500 Computer	400.00	407.44	1,000.00	
5510 Copier	1,000.00	788.07	1,000.00	
5530 Postage	2,000.00	1,468.00	1,700.00	
5550 Office supplies	2,800.00	2,692.72	2,900.00	
5560 Telephone	2,300.00	2,431.35	2,500.00	
5570 Annual Audit	400.00	300.00	-	
5600 Outreach	0.00	105.00	1,200.00	
5601 St John's Emergency Fund	3,000.00	2,353.00	3,000.00	
5602 Open Door	0.00	622.66	800.00	
5710 Flowers	2,000.00	1,629.19	2,000.00	
5725 Altar and Worship	600.00	925.36	1,000.00	
5801 Fundraising	1,000.00	1,539.17	1,500.00	
5802 Thrift Store	0.00	0.00	345.00	
5803 Evangelism	0.00	655.99	1,000.00	
5804 Annual Fund	0.00	273.00	500.00	
5850 Other Events	100.00	0.00	500.00	
5900 Rector's discretionary Fund	1,000.00	2,291.47	2,100.00	
6000 Miscellaneous Expenses	300.00	343.50	500.00	
6001 Creditcard processing fees	900.00	768.26	900.00	
6010 Directed contributions	0.00	0.00	0.00	
6030 Party and gifts	100.00	277.15	300.00	
Total Expense	278,005.21	269,774.02	291,863.41	
OPERATING INCOME(EXPENSE)	(32,740.21)	(13,940.20)	(33,081.41)	
Rectory Mortgage Principal	-	(4,783.81)	(5,000.00)	
Total Net Income (Expense)	(32,740.21)	(18,724.01)	(38,081.41)	
4110 Additional Principal from Endowment	\$32,740.21	18,724.01	33,081.41	
NET INCOME(EXPENSE)	0.00	0.00	0.00	

**St. John's Episcopal Church
2011 Annual Report
Funds and Liabilities**

Main Checking Account: balance at 12/31/11: \$ 27,466.76. All bills paid including Diocesan Assessment of \$38,576.

Endowment Funds

General Endowment Fund: balance of market value at 12/31/11 was \$ 328,112.26. Market value at 1/1/11 was \$381,560.99. A total of \$ 19,000 of total return was budgeted and taken from the unrestricted General Endowment and applied to the operating budget. Additional Endowment principal of \$ 18,724 was withdrawn to cover the operating deficit for a total endowment utilization of \$ 37,724 from the General Endowment. Contributions received by unrestricted bequest are to be added to this fund.

Rita and George Jorgenson Fund: balance of market value at 12/31/11 was \$ 449,142.78. Market value at 1/1/11 was \$ 503,989.17. This fund was established in March 2008 with an unrestricted gift of \$ 555,608.23 from the Jorgenson Trust. \$ 28,000 has been withdrawn from the fund each year since 2008 to help cover parish operating expenses.

The combined market value of both the General and Jorgenson funds was \$ 777,257.04 at 12/31/11. The two funds have recently been combined under a single manager to better coordinate investment policy and decisions.

Other Funds

Memorial Fund: balance at 12/31/11 was \$ 16,138.35. This fund receives gifts designated by the donor as being in memory of a recently deceased individual. The fund also receives contributions on occasions of thanksgiving such as a birth or marriage anniversary. The purpose of the fund is to provide funds for non-routine or unbudgeted purchases that enhance our worship or program. Decisions to expend funds are made by the Rector in consultation with the Vestry. Donations to the fund in 2011 totaled \$ 65.00: interest totaled \$ 41.76. No expenditures were made from this fund in 2011.

Ballard Fund: balance at 12/31/11 was \$ 8,185.48. The income only of this fund may be used for new or repair of vestments for the church choirs and other vestments and appurtenances concerned with liturgy- acolytes, lay readers, chalice bearers and altar. Purchases from this fund were made in 2011 for choir robes in the amount of \$ 297.45. Interest for the year totaled 20.18. The fund was established with a gift of \$ \$7,563.58, and the amount currently available for the purchase of vestments is \$621.90.

Beach Fund: balance at 12/31/11 was \$1,625.39. The income only of this fund may be used for the vestments of the Rector, altar cloths, and chancel furniture, and any remaining balance of income may be used for the benefit of the church as needed. Interest for the year was \$ 4.17. The fund was established with a gift of \$ 1,522.49, and the amount currently available for expenditure is \$ 102.90. Trustees of the Fund are Arlene Wilson and Adele Ervin.

Music Guild Fund: balance at 12/31/11 was \$ 10,540.21. This Fund is used to underwrite additional costs of the music program under the direction of the Music Director. Interest for the

year was \$ 15.59. The Fund received a gift of \$ 5,000 from Nancy Poland in 2011. \$ 867.00 was used to cover the difference between contributions and expenses of concerts and recitals.

Liabilities

Mortgage loan on the Rectory: outstanding principal balance at 12/31/11 was \$ 94,885. The variable interest rate was reduced during 2011 from 6.25% to 4.25% at our request and will be reviewed in 2012.

St. John's Episcopal Church

Annual Budget Report By Program

December 31, 2011

	2011 Budget	2011 Actual	2012 Budget
INCOME			
Stewardship			
Pledge Payments			
Current Year	155,115	138,394	145,060
Prior Year	2,000	2,920	1,000
Other Contributions			
Plate Offerings - Checks	1,500	1,049	1,500
- Cash	3,000	2,951	3,600
Unpledged Envelopes	3,000	2,663	2,800
Childrens Envelopes	0	0	100
Special Offerings	4,500	5,933	5,000
Choir School	0	8472	19,231
Heat & Maint. Contributions	500	360	500
Flowers Contributions	2,000	2,630	2,400
Sanctuary Lamp Contributions	600	525	600
Directed Contributions	0	<u>8,771</u>	<u>3,391</u>
	172,215	174,668	185,182
Outreach			
Outreach Contributions	0	0	1,200
Thrift Store Income	0	5,460	5,800
Rector's Discretionary Fund	1,000	2,291	2,100
Benefit Events			
Souper Bowl		1,182	
Concerts		1,750	
Coffee House		118	
Other		778	
	1,000	11,579	9,100
Other Income			
Fund Raising Events	15,000		
Holiday Fair		9,848	9,000
Other Events		951	1,000
Rectory Rental	0	7,082	0
Parking & Hall Contributions	10,000	8,533	9,000
Misc.Income	50	0	100
	25,050	26,414	19,100
Endowment			
Interest on Special Funds			
Total Return from Gen'l.Endowment	19,000	19,000	17,400
Jorgenson Trust	28,000	28,000	28,000
	<u>47,000</u>	<u>47,000</u>	<u>45,400</u>
TOTAL INCOME	245,265	259,661	258,782

EXPENSE

	2011 Budget	2011 Actual	2012 Budget
Rector			
Salary	0	4,793	43,156
Health Ins.	0	463	8,238
Pension, Life & Disability Insurance	0	1,226	11,034
Dental Insurance	0	48	1,968
LTD Insurance	0	20	200
Professional Expense	0	3	1,000
Continuing Education	0	0	1,500
	0	6,553	67,096
Administration			
Staff Salaries			
Music Director	35,415	33,957	32,284
Parish Administrator	20,232	19,827	19,394
Church Asst.	18,147	18,147	18,800
Christian Education Director	11,300	0	0
Choir School Director	0	3,643	11,006
Nursery	600	0	0
Supply Clergy	1,500	661	1,000
Staff Benefits			
FICA tax	5,968	5,781	6,003
Workers Comp.	900	789	930
Pension	0	0	0
Continuing Education	0	0	1,000
Services			
Computer	400	407	1,000
Copier	1,000	788	1,000
Postage	2,000	1,468	1,700
Office Supplies	2,800	2,693	2,900
Telephone	2,300	2,431	2,500
Rector's Cell Phone	0	1,239	1,250
Credit card processing	900	768	900
Annual Audit	400	300	0
Annual Fund Expense	0	273	500
Rector's Local Travel	0	99	1,000
Fund Raising Events	1,000	1,539	1,500
Other Events	100	0	500
	104,962	94,810	105,167
Worship			
Altar & Worship	600	925	1,000
Flowers	2,000	1,629	2,000
Music Supplies	1,000	786	1,000
Organist Substitute	2,000	2,100	900
Organ & Piano Repair	0	0	1,000
	5,600	5,440	5900
Christian Education			
Church School & Youth	750	162	500
Library	0	0	0
Adult Forum	100	280	300
Youth Activities	0	0	0
Choir School	0	4,829	6,110
Evangelism	0	656	1,000
	850	5,927	7,910

	2,011 Budget	2011 Actual	2012 Budget
Outreach			
Outreach	0	105	1,200
Emergency Fund	3,000	2,353	3,000
Open Door	0	623	800
Thrift Store	0	0	345
Donations of Benefit Events Proceeds		3828	
Diocesan Assessment	38,576	38,576	35,565
	41,576	45,485	40,910
Buildings and Grounds			
Custodial Services	7,538	7,416	7,800
Grounds & Parking Lot Maintenance	2,600	2,475	2,300
Snow Removal	4,000	4,733	5,000
Building & Liability Insurance	7,000	5,130	5,500
Maint. & Repair	3,000	4,801	5,000
Utilities	23,000	19,890	22,100
Electric -Church		3,492	3,500
- Parking Lot		116	150
Gas -Church		802	850
Fuel Oil		12,597	14,000
Oil Burner Service		426	800
Sewer & Water		995	1,300
Security & Safety		1,462	1,500
Kitchen Maintenance & Supplies.	2,100	2,768	2,300
	49,238	47,213	50,000
Rectory			
Mortgage Interest	9,900	5,459	4,050
Mortgage Principal		849	930
Building & Liability Insurance		6,726	3,000
Maintenance & Repairs	3,000		
Utilities	4,000		
Electricity		329	1,500
Gas		831	2,000
Water & Sewer		676	500
Grounds Maintenance			
Snow Removal			
	16,900	14,870	11,980
Other			
Rector's Discretionary Fund	1,000	2,291	2,100
Rector Search	15,000	10,635	0
Interim Rector Salary & Benefits	42,479	39,780	0
Party & Gifts	100	277	300
Misc. Expense	300	344	500
Special Funds Interest Added to Principal			
	58,879	53,327	2,900
TOTAL EXPENSE	278,005	273,625	291,863
OPERATING INCOME (EXPENSE)	(32,740)	(13,964)	(33,081)
ADD'L PRINCIPAL FROM ENDOWMENT	32,740	13,964	33,081
NET OPERATING INCOME (EXPENSE)	0	0	0
Rectory Mortgage Principal Payments		4760	5000
Total Additional Endowment Utilized		18,724	0
			38,081

ST. JOHN'S EPISCOPAL CHURCH
150th ANNUAL MEETING

22 JANUARY 2012

Baptisms

Jane Elizabeth Haight
Anna Bailey Frear
Emmett James Gossom
Mason Patrick Gossom
Joshua James Henderson, Jr.

Confirmations

David Ralph Greene Prentice

Burials

Florence R. Williams
Edith G. Niemi
Stephen Davis
Dorothy E. Nichols
Gladys Mary Atkins
James A. Robertson