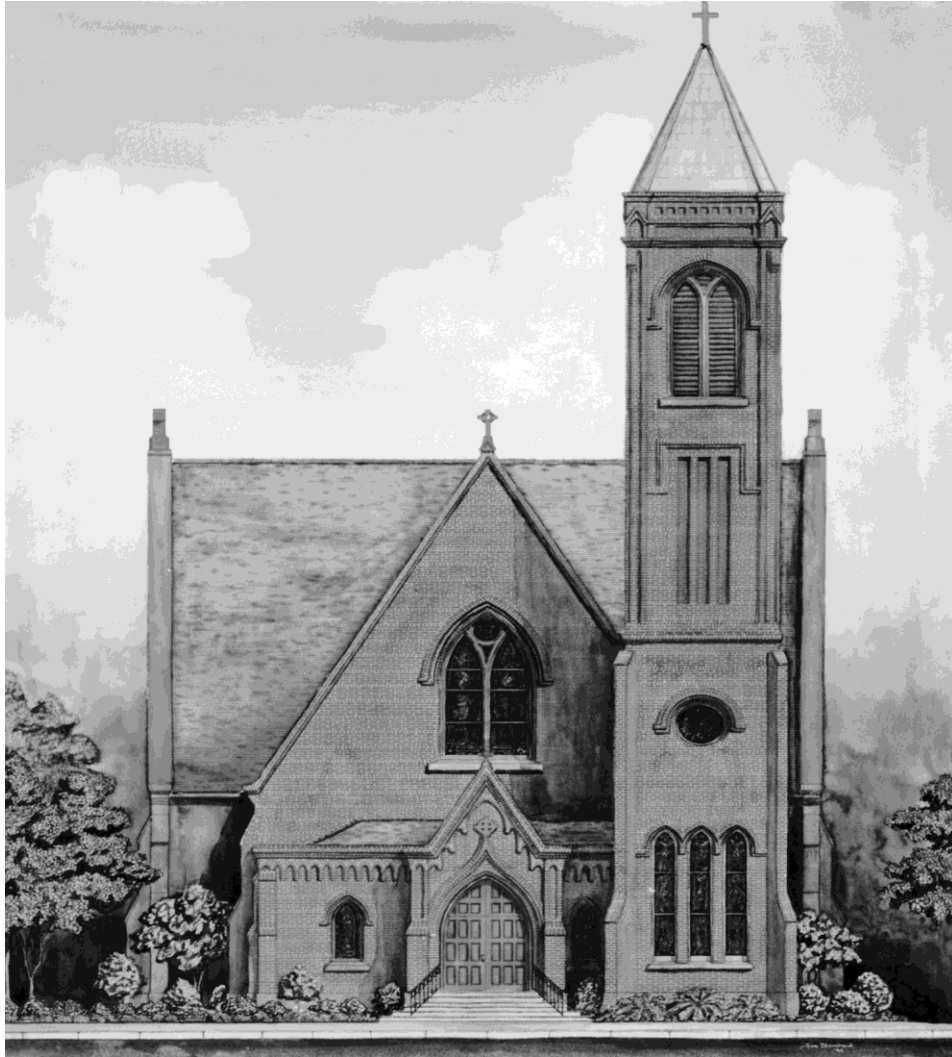


Annual Meeting



January 27, 2019

St. James Episcopal Church Annual Meeting Agenda

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|-------|---------------------------|-----------------------|
| I. | Call to Order | Gerry Sulzer |
| II. | Opening Prayer | The Rev. Ralph Howe |
| III. | Approval of 2018 Minutes | The Rev. Chris Duncan |
| IV. | Review Written Reports | The Rev. Chris Duncan |
| V. | Campus Plan Update | Gerry Sulzer |
| VI. | Treasurer's Report | Josh Pesses |
| VII. | Retiring Vestry | The Rev. Chris Duncan |
| VIII. | Announce 2019-2020 Vestry | Jay Noland |
| IX. | Old Business- None | The Rev. Chris Duncan |
| X. | New Business- None | The Rev. Chris Duncan |
| XI. | Adjourn | |

Praise God from whom all blessings flow;

Praise Him, all creatures here below;

Praise Him above ye heavenly host;

Praise Father, Son, and Holy Ghost.

Annual Parish Meeting January 21, 2018

The 2018 Annual Meeting of St. James Episcopal Church, Baton Rouge, Louisiana was convened in the church following the opening prayers of the 8:00 a.m. service with Gerry Sulzer, Senior Warden, presiding.

The Enabling Resolution setting forth the rules for the election of candidates to the Vestry and Associate Vestry were presented. A motion was made and seconded that the Enabling Resolution be accepted. Motion carried.

The nominated candidates for Vestry and Associate Vestry who were present at the service were presented.

Nominated for Vestry (six to be elected):

Denise Allen	Susan "Susie" Wood Furr
Claudia Black	Bob Israel
Lucy Bowers	Annie Jung
Linda Bowsher	Julie McCall
Patrick Broderick	Bettsie Baker
Steve Broyles	Craig Rhodes

Single Slate Presented for Approval for Associate Vestry:

Emma Benton Achorn	Lacee Perry
Nile Bolen	Rawlston Phillips III
Anita Byrne	Michael West
Chetwin Carter	

After the ballots were collected, the church service resumed. The process of presenting the Enabling Resolution, the candidates and the voting was repeated at the 10:30 a.m. service. At the conclusion of the 10:30 service, the congregation reassembled in Bishops' Hall and the Annual Meeting reconvened.

Mr. Sulzer welcomed parishioners. A motion was made and seconded to approve the January 22, 2017 Annual Meeting Minutes, included in the Annual Report handed out. The minutes were approved as presented in the report.

The Senior Warden report to the Parish Meeting was made. The full report is included with these minutes. Highlights of the report were as follows:

- Progress made in improving staff and administration
- Focused on implementing three parts of Campus Plan; Church restoration, Killgore Hall disposition, and parking improvements.
- Capital campaign raised \$2.21M in pledges for repair of historic church
- Contracted with Durable Slate for exterior work

- Thank you to Vestry, Vestry Officers, lay volunteers and staff

Treasurer Josh Pesses reviewed the 2017 Treasurer's Report included in the Annual Report. He noted we made tangible steps forward in improving our financial and operational footing. 2017 was another strong year for operating expense controls and pledge income showed a slight increase over prior year levels.

The Stewardship Report provided by David Warrington showed one third of our parishioners increased their pledges and we had 18 new pledges in 2017. His report is part of the Annual Report.

John Sykes and Susan Rolfs encouraged everyone to participate in Gumbo 2018.

Search Committee Co-Chairs Trey Robert and Helen Campbell presented an update on the search for a new rector, a copy of which is part of the Annual Report. They are optimistic a new rector can be selected by late spring.

Father Joe Reynolds gave the Interim Rector's report. The complete report is included.

The following nominees were elected to the Vestry:

Denise Allen
Claudia Black
Patrick Broderick
Bob Israel
Julie McCall
Craig Rhodes

The Associate Vestry slate was approved.

Gerry Sulzer recognized Retiring Vestry Members and presented each with a James Avery key ring in appreciation for their service. Retiring members were Margaret Culbertson, Andy McCall, Caroline Ross, Manette Sammons, Chip Stirling, and Gerry Sulzer. The retiring Associate Vestry members were recognized: Paul Buller, Megan Campbell, Don Capron, Betsy Hurst, Mary Pesses, Chad Touns, Robin Touns, and John Soule.

There being no further business to discuss, the meeting was concluded.

Respectfully submitted,
Manette Sartain Sammons
Vestry Clerk

Submitted Written Reports

Rector

Submitted by The Rev. Chris Duncan

“Always remember, there was nothing worth sharing like the love that let us share our name.” This lyric comes from a song by the Avett Brothers, a folk-rock band from North Carolina. The song is about the deep love often shared within a family. After six-months of serving as your rector, I continue to be in awe of the mission and ministry realized through you, the people of St. James. As I sit to write this year-end report, I am filled with gratitude for the many ways we serve as the hands and feet of Christ in Baton Rouge and beyond. It makes me think that there is nothing worth sharing like the love that let us share our name... St. James. Yes, St. James is filled with the love of Christ that is in turn shared with our members and community alike. Our mission statement says, “We proclaim Christ crucified and risen and invite all to join with us in ministry together in his name.” This mission is lived out and grounded in love. In fact, 2019 marks our bicentennial and this mission is our two-hundred-year legacy.

Over the past six-months, I have spent a lot of time getting to know St. James: about who we are and how lives are transformed through our ministries. Most recently, the “Glory into Glory” class was very helpful in this regard as I invited the participants to reflect on how we live out our purpose and then dream about the future God has instore for us to build upon our incredible legacy.

As we bid farewell to 2018, there is a lot to be excited about as involvement in parish events increased, Sunday attendance began to grow for the first time in many years, and membership grew by nearly 50 people. At the same time, new ministries are in the works as well as a dedication to continue to improve existing ministries. St. James has been and continues to be good stewards of the ministries and facilities that help us live out our faith. This is in part evident in the ongoing campus plan project on which Gerry Sulzer, outgoing Sr. Warden, will share more in his written report as well as in the Annual Meeting. St. James continues to serve our immediate neighbors through outreach to the hungry and homeless in incredible ways. I have also witnessed our mission being lived out in the community of fellowship and desire to grow in depth of faith. Yes, there is a lot to be excited about as we seek to build upon a positive 2018.

As the vestry looks to the new year, they will create new goals based on the past few years of visioning efforts and the recent “Glory into Glory” table conversations. Over the past months, I have heard four areas of focus most repeated within the congregation in which I hope we can take steps to further realize our potential.

- Children and Youth: I often hear people say that children and youth are the church of tomorrow. This is true, but I firmly believe they are also the church of today as we are all members of the body of Christ. St. James has welcomed a lot of new families in recent years and many long tenured members have shared with me their excitement about this growth. At the same time, there is a lot of untapped potential that takes funding, staff, and volunteers. Children and youth are not just a parent’s concern, but a parish concern. I look forward to continuing to grow this area of the congregation.

- Music: The most transformative thing we do as a church is coming together for worship and joining our voices with angels and archangels and all the company of heaven. At the heart of this for many people is music. I have asked the music ministry leadership to include more familiar congregational hymns and service music moving forward. Our music ministry has also been in an interim state for several years. It is time to take firm steps forward to build up this ministry.
- Outreach: We have incredible ministries that seek to serve our neighbors primarily through feeding programs- Food Pantry, We Care Bags, 5th Sunday Breakfast, and Christmas Feast. I have challenged the vestry in 2019 to fully fund our outreach ministries within the budget before we donate funds outside the congregation. In the past, some of our ministries have had to fund raise on the side and/or apply for grants. If it is a ministry of St. James, then we will support it with our resources. At the same time, we will continue to be generous through grants to those community organizations whose mission aligns with our own. Finally, I hope that 2019 will start the conversation about what other needs exist within the larger community and then find those places where the passions of the congregation intersect with those needs. It is in those places that new outreach ministry can be started, thus furthering our reach as the hands and feet of Christ to the world.
- Communications: Communication is at the heart of helping a large congregation like ours to stay connected and in community. I have received a lot of feedback about our communications and I am hopeful that 2019 will help us step forward. A new website that serves as both an online invitation to the community and a resource to the congregation, a concise weekly email with the most pressing updates, and a newsletter that shares the narrative of our life together in ministry are all ideas that I have heard from parishioners. I look forward to strengthening our communication efforts to meet the needs of our growing congregation.

Finally, I want to offer two challenges for this new year of ministry. When I first arrived, I asked in my first sermon for everyone to imagine how we could transform lives if we all claimed “I am St. James” within our own lives. The reality is that St. James is already at the heart of so many people. Now I hope we can go deeper and reach out even wider in two ways:

1. Commit to Come: Commit in your time and talent to be active in the life of the parish. Committing to come means being at church as often as possible because St. James is better when you are here, and I hope, you are better when St. James is an active part of your life. Committing to come also means finding a ministry that speaks to your passions whether centered in worship, fellowship, outreach, formation, or pastoral care. Ultimately, St. James is the people, and your participation matters.
2. Become an Inviting Church: There is no doubt that St. James is a welcoming church, but what if we took that a step further? The most welcoming thing we can do is not simply wait for people to come to us, but to reach out to others by inviting them. What would happen if every member of St. James invited at least one other person to a service or church event? This invitation does not have to be to a stranger. In fact, we should start with members who perhaps you have not seen in a long time and invite them to come back. This invitation could also be to a family member, friend, or neighbor. The most welcoming thing we can do is invite others into our church home.

What I have come to see in my short time here is that St. James is an incredible place filled with the love of Christ. I want as many people from the congregation and throughout the Baton Rouge area to come to experience this love through the transformative ministries and amazing people of St. James. After all, there is nothing worth sharing like the love that let us share our name, for we are St. James- yesterday, today, and tomorrow.

Senior Associate

Submitted by The Rev. Ralph Howe

The first six months of 2018 began a “wind down” of my time with interim rector, Joe Reynolds. It was a wonderful two years serving under him, and I hope to keep in touch with him and his wonderful wife, Elizabeth. I believe that he laid a solid foundation for Chris Duncan’s arrival this past summer. Father Chris came on board with both feet running, and has shown himself to be an able leader for St. James. There is a contagious enthusiasm in the air for our future. It is great to serve with him.

In the spring, I met with Bill Hines, vestry chair of the Worship Committee, and the Worship Committee, to look over a parish survey concerning times for the Christmas service. There had been a concern that our times were not helpful to families with young children. Of course, change always leaves some people overjoyed and others disappointed, but the recommendations, implemented by Father Chris this past holiday season, seemed to work well.

With Pastoral Care, under the leadership of vestry chair Claudia Black, there was a review of those no longer able to make it to church. I trained two additional Eucharistic Visitors (those licensed by the bishop to take communion to people in nursing facilities and homes) and met with the existing EV’s. We determined those most in need of home communions. I try to visit these people in their homes, but training EV’s allows those homebound to receive communion on a much more regular basis (in this case, at least once a month.) A group of dedicated people from our parish assist me with services at St. Clare’s Manor and Ollie Steele Burden Nursing Home. Other Episcopal clergy help with St. Clare’s, but our parishioners are the team that is there each month. Jane Perkins headed up this ministry for years, faithfully, but job constraints caused her to take a break. I have taken over the scheduling, and we have been assisted with three additional St. James parishioners helping.

One exciting event of the year was my assistance with helping form a discernment committee for Annie Jung for her path to the ordained ministry. I met with the group initially, then backed away to let them do their work. I have known Annie years before I came to St. James, and I am excited for her and her future as a priest. She enters seminary in the fall.

As usual, I am proud of the work done at our day school. Head of School, Lauren Ray, is doing a fine job, and the school continues to receive accolades for their work. I have scheduled chapel services for the whole time I have been here, picking lessons for the school year, centered on the readings for the saints’ days. This coming spring semester, I have changed the readings to reflect what is going on in the Christian Education classrooms, led by parishioner deSha Carter. This way

the lessons in chapel will connect to what is being taught in the classroom. Now, children will be exposed more to familiar stories in the Bible.

The School also focuses on outreach. There are collections of food for the food bank and monetary collections for those in need. I remain proud of our fourth and fifth grade classes, who in addition to their school work, stuff about 100 “We Care” bags of food for the homeless each week. These bags are distributed by volunteers each day from the lobby of the Ministry Center.

After my bypass surgery in September of 2017, I am happy to say that I have been somewhat released from my cardiologist, which basically means that I only have to check in with him every six months now. He says I am doing fine. A strange bout with vertigo entered my life in the fall, but after meetings with a physical therapist who specializes in balance issues, three separate audiologists, and ear, nose & throat doctor specializing in balance, and a few MRI techs, I have been deemed to be “cured”. I am reminded of my father’s words, “Old age isn’t all it is cracked up to be.”

As for any priest, the year was a mixed bag of some joys and some sorrows. Baptisms always bring me joy, as do weddings. I performed the nuptials for 16 people this year, some parishioners and some former students. Being of part of the joy that comes with those events is a gift to me. Sadly, I was involved with 13 funerals this year. Some were dear and longtime friends. I am, however, happy for the peace that has come to them.

I cannot fully express the excitement of working with Chris. His installation on January 16, seemed to be a full-fledged kick-off to a new chapter and a new future for St. James. I am thankful for a continued place on his staff and I look forward to the days to come.

Sr. Warden

Submitted by Gerry Sulzer

2018 was another active and productive year for your Vestry and Staff. We fondly bid farewell to our interim Rector of two years, Fr. Joe Reynolds at the end of May and called our vibrant and energetic new rector, Fr Chris Duncan who began his rectorship in mid-July. Fr. Chris has been enthusiastically received and has seamlessly picked up where Fr. Joe left off. I commend the search committee for their successful search efforts and recommendation. We also filled the vacant position of Business Manager in January with Jacques Pourciau who has been aggressively addressing our delayed maintenance issues as well as handling day to day administrative and personnel issues. Sextant Bara Byrd and Christian Ed Director Annie Jung were also hired to replace the incumbents in those positions that had decided to change career paths.

We made great progress in the area capital improvements over the past year. A Campus Plan was completed by CPEX at the end of 2016 and the plan was accepted as presented. In 2017, a campus planning committee was formed. This committee divided the recommended capital improvements into three categories, high, medium, and low priority. Three projects classified as high priority were; restore the exterior and interior of our Historic Church, do something with

Killgore Hall, and make parking lot improvements. I can happily report all three of the high priority capital projects are now well on their way to being accomplished. More details on these projects will be given in a spoken presentation.

Two other significant capital projects not in the original campus plan were started in 2018. We installed a new security system that includes cameras which can be viewed remotely to provide better protection of our people and property. This required a complete reissuing of access fobs along with concurrent promulgation of new access protocols to enhance the safety of our St. James Day School children. I appreciate everyone's patience as we worked the bugs out of our new system and protocols. We also started a project to replace the rickety, unreliable elevator in Atkinson Hall with a more commercial, handicap accessible elevator. This lift should be operational in early February, 2019.

The Vestry and staff continued their strong financial stewardship in controlling our costs in 2018. But we still had a \$49K operating deficit due to below budget income. On a high note, the 2019 pledge total has broken a steady five-year decline in annual pledge totals and reached \$1200K which was last achieved in 2016. This bodes well for the 2019 budget and the years to come. Another significant financial note is we paid off our \$1500K line of credit with a draw down on the Barnes Trust in December of 2018. This credit line was created in 2010 to finance the bulk of Killgore Hall's ~\$2000K purchase cost. We continued to carry this loan over the years because the earnings from the trust more than offset the loan interest. Recent rises in interest rate and increases in trust management fees have made this a losing strategy and thus the loan repayment.

It has been an honor and a pleasure to serve as your Sr. Warden over the past three years. I wish to thank all our lay volunteers and staff that provide service to/for our Congregation throughout the year. There are over 50 lay ministry groups whose volunteers number in the hundreds. While these volunteers and staffers go unnamed today, I acknowledge your efforts and thank you for your help in accomplishing our mission and in creating great fellowship. I thank Dan West for his valuable legal counsel as St. James' Chancellor during my three terms as Sr. Warden. I also wish to thank the Vestry for their service this past year, and especially my Vestry officers for their guidance and support; Denise Allen, Junior Warden, Barbin Graham, Clerk, and Josh Pesses, Treasurer as well as Trey Roberts, Chair of the Finance Committee. I also thank Fr. Chris Duncan for his guidance, support and insight that he has provided. Finally, I will always remember Fr. Joe Reynolds for his wisdom, his guidance, and his understanding during a difficult period in our congregation's life.

In closing, it is my sense that the revitalization of St. James is still in full swing. I see it in continued increases in Sunday church attendance, baptisms, confirmations and overall fellowship. The atmosphere at Fr. Chris' installation ceremony was charged with enthusiasm. A lot of good things are happening at St. James and I encourage each of you to join in by becoming an active participant in one or more of our many ministries. You will not be disappointed in the reward you will gain.

Jr. Warden

Submitted by Denise Allen

It has been my honor and privilege to serve the congregation of St. James as the Junior Warden this past year. This role provided me the opportunity to serve the parish I love and work with the dedicated staff, the honorable Vestry, and inspiring Clergy.

This past year, 2018, was one of transition for St. James Episcopal church. We said goodbye to Fr. Joe Reynolds, our interim Rector, who led us through two years with his wise, kind, thoughtful, skillful, and patient presence and words. We will forever be thankful to Fr. Joe as he brought us healing as well as leadership. St. James was made better through his ministry here. We also joyfully called and welcomed Fr. Chris Duncan as our new Rector. His enthusiasm, great preaching, engaging personality, and endless energy have brought a lightness and renewed spirit to our parish. We are all becoming more connected and more involved in parish life.

We saw the completion of the restoration work to the outside of our historic church and have begun the planning for the interior work. The Organ committee did extensive research and made the recommendation to the Vestry for an organ builder. Over the next two years we will see the work we've longed for set in motion.

Over the past year, the Vestry has 'dug in' ... a real working body with faces and hands striving towards many goals set at the Vestry retreat last year. All members of the Vestry are dedicated to the betterment of St. James as a whole. I am proud of the work done by the Vestry this year and even more hopeful and excited for 2019.

Thank you for the opportunity to serve St. James.

St. James Episcopal Day School

Submitted by Lauren Ray, Head of School

2018 was a remarkable year for St. James Episcopal Day School. Following our accreditation visit, the Southwestern Association of Episcopal School's On-Site Visiting Team presented a re-accreditation report including both commendations and recommendations for the Day School. Through the process, the Day School completed a deep dive into our mission, Episcopal identity, school climate and culture, governance, administration and organization, teaching and learning, fiscal responsibility, facilities, and safety. Below, you will read both the commendations and recommendations made by the team as well as an excerpt from the report explaining the rationale for each. During the 2018-2019 school year, the administration has committed to addressing the recommendations made by the team as well as continuing the hard work associated with the commendations.

The On-Site Accreditation Team commended the Day School for the following:

- Climate and Culture of St. James Episcopal School - "Nothing could describe the climate and culture of St. James Episcopal School better than to say it is a calm, happy, loving place where young people are encouraged to learn and to be respectful in a safe and

nurturing environment. ... The School has made a big commitment to its Episcopal Identity by weaving traditional Episcopal tenets into expectations for students and faculty alike, thereby developing a moral code based on kindness towards everyone, love of God, and respect for each other.”

- Ethic of Professional Growth - “Permeating the learning environment of St. James Episcopal School is an ethic of professional growth. With a commitment to the integration of technology into all areas of learning, the School dedicates enormous amounts of time and resources to professional training, support, and planning. Keeping an eye on age-appropriate use of technology, faculty are growing students’ levels of proficiency by utilizing increasingly innovative programs, individual faculty strengths, student learning needs, and teamwork.”
- Community of Servant Leadership - “St. James Episcopal School is replete with opportunities for leadership. Faculty are leading students and each other in forging new pedagogy. Grade 5 students are leading in chapel by assisting with the service, at carpool by walking younger students to their cars, in classrooms as reading buddies and mentors. Further, all age groups have an opportunity to lead by reading the Prayers for the People in chapel services. And the Facilities Manager and the Cafeteria Staff take great pride in their service to others, and care for students and adults alike with dedication and concern. All of this begins with the Head of School who demonstrates daily that no piece of the day-to-day operations of the School and its program is more or less important.”

The On-Site Accreditation Team recommendations for the Day School:

- Board Growth and Development - “The Board of Trustees is a dedicated, strong governing body that supports wholeheartedly the excellent leadership of the Head of School. This strong relationship now affords the trustees the opportunity to move to the next level of governance. By reviewing seminal documents of governance, thereby reconsidering the size of the Board, the need for establishing working committees, a formal process for recruiting new trustees, a new strategic plan, a long-range financial plan — a currently strong Board/Head relationship will be working towards ensuring the future growth of the School.”
- Safety - “Because of a pervasive feeling that St. James Episcopal School is a safe place to work and to learn, many safety measures are not providing the security that is expected. Many children are out of the line of sight within the School, whether in play areas, walkways, or hallways. In addition, students are walking unaccompanied by either a buddy or a teacher both outside and inside the School. Of additional concern is the lack of adequate supervision in various areas of the School during the After Care Program. Further, serious consideration should be given to the School Church services being open to the public. A false sense of security can lead to being less proactive in securing the school community.”
- Diversity - “Ten years ago, one of the recommendations of the On-Site Visiting Team was to address the need for more diversity on campus. Today, this remains a concern. Beginning with an exploration of how St. James Episcopal School defines diversity and what it means to be a diverse community will help the School to understand how to go about achieving it. Then, perhaps, a timeline with plans and goals for all aspects of this change will provide a path to success for the School.”

2018 Noteworthy Initiatives:

- Addition of a program for two-year-old children
- Expansion of our early childhood program with the addition of the Early Childhood Development Center (ECDC) in Killgore Hall
 - Construction to begin in March 2019
 - Completion and opening in August 2019
 - Will include two sections for two-year-old children, and three sections for three-year-old children
 - Will comprise 12 staff members: five teachers, five teaching assistants, and one division head overseeing all aspects of the early childhood program (curriculum, licensing, accreditation, and staff)
- Began a strategic planning process to ensure long-term sustainability and viability
- Hosted an Innovation in Education Showcase where members of the educational community from around the state were in attendance. The event included classroom visits, break-out sessions, discussions with school administrators, and students showcasing their work.
- Awarded over \$350,000.00 in grants for campus improvements and for use in the ECDC
- Initiated a new admissions/community event, The Pelican's Nest, offering families with young children an opportunity to come on campus for a playdate, an activity, and engagement with our school community

Stewardship Committee

Submitted by David Warrington, Chair

In 2018 we began to introduce one or two of St James' 58 Stewardship programs and committees every Sunday through our Service Leaflet and other publications. Each introduction briefly described the Stewardship committee/program mission and invited Parish members to join in.

The mission for doing this is threefold: 1) to broaden the concept of Stewardship from a focus on fundraising, to its real meaning, following Christ's teachings, to go and make disciples of all nations through use of our time, talent, and yes, also treasure 2) to show our Parish members how busy St James Parish really is, and hope that they will see something that they might be interested in joining, and 3) to specifically invite them to join us so that they will feel welcome.

As we moved into the Fall Pledge Drive, we diminished our introduction to programs in order to focus on pledging.

As we neared the end of the Pledge Drive we started the introductions again, as you have seen in the Sunday Service Leaflets. These are scheduled to continue throughout 2019.

Pledge Drive.

This should be our last report on our 2019 Pledge Drive. We have a reasonable idea as what funds to expect, and, as a Vestry, we have approved a budget based on those expectations.

Specific data follows:

Date : 01/18/2019
 Time : 10:42:19 AM

St. James Episcopal Church
2018 Pledges vs 2019 Pledges
Operating Fund
Amount 1: Pledge (01/01/2018 - 12/31/2018)
Amount 2: Pledge (01/01/2019 - 12/31/2019)

	Count	Amount 1	Amount 2	Difference	Percent Change
Both Years Zero	0	\$0.00	\$0.00	\$0.00	0.00
No Change	154	\$513,677.00	\$513,677.00	\$0.00	0.00
Decrease	32	\$115,554.00	\$85,000.00	(\$30,554.00)	26.44
Increase	103	\$456,284.00	\$527,852.26	\$71,568.26	15.69
New	43	\$0.00	\$76,100.00	\$76,100.00	100.00
Stopped	24	\$28,545.00	\$0.00	(\$28,545.00)	100.00
	356	\$1,114,060.00	\$1,202,629.26	\$88,569.26	7.95
Lowest Amount		\$45.00	\$50.00		
Highest Amount		\$120,000.00	\$122,500.00		
Total Number with Amounts		313	332		
Average Amount		\$3,559.30	\$3,622.38		
Weekly Average		\$21,424.23	\$23,127.49		

We added a new category of giving to our Pledge Card this year, giving the opportunity to Parishioners who cannot specifically pledge to indicate that they are unable to “Pledge”, but will contribute as they can. We had 6 Parishioners make this election. As a group they contributed \$13,660.00 last year, giving us an anticipated 2019 giving total of \$1,216,289.26.

Property Committee

Submitted by Patrick Broderick, Chair

The mission of the St. James Property Committee is to maintain the condition of the property, buildings, grounds and furnishings of St. James, functionally and aesthetically.

Your Property Committee has been faithful stewards this past year for a variety of maintenance and upkeep issues of our Church and Day School campus. While we may all appreciate that our historic church building is over 120 years old, it should also be noted that, with the exception of Bishops Hall, every building on our St. James campus is now in excess of 50 years old. We have a very mature campus, and many of the “hows and whys” of our existing facilities layouts are less readily available to us with the loss of longtime St. James parishioner and architect, Bill Hughes. The future maintenance of these mature facilities will require ongoing commitment and diligence to timely repairs. In that light, Mr. Jacques Pourciau joined the Church staff in 2018 and, among other duties, Jacques assists with the administration of Property Committee maintenance issues.

Some of the maintenance and “minor” improvement issues we have addressed in 2018 include:

- A new dishwasher in the Atkinson Hall kitchen to replace the existing 30+ year old unit.
- A new and larger elevator in Atkinson Hall to replace the original elevator (Under construction now).
- Re-stained and finished the N. Fourth St. exterior double wooden doors on the Church.
- New front metal double doors in Werlein Hall to replace the original exterior doors.
- Repair of the pool pump servicing “the River Jordan” courtyard fountain and stream.

- A landscaping master plan and a landscaping plan around the historic church building.
- Roof leak repairs to the Manship Ministries Building and Atkinson Hall. And, corresponding water damage repairs in Atkinson Hall.
- Window leak sealing repairs to the large windows in Bishops Hall.
- Water damage renovations throughout Kilgore Hall caused by flooding from a broken hot water pipe (Ongoing repairs and renovation of Kilgore Hall are continuing).
- Repair of broken slate stairs and walkway in the vicinity of the church and Atkinson Hall.
- New handicapped parking signage (provided by the City/Parish) for on-street parking on Sunday mornings along N. Fourth St. in front of the church and Atkinson Hall.
- New parking signage in the “L-shaped” parking lot adjoining the Manship Building.
- Repairs to the Joan May dining room table in the Atkinson Hall Parlor.
- A new security system and cameras for monitoring activities around our campus.

Some of the maintenance issues to be addressed in 2019 include:

- Replacement of four sets of exterior double doors in the Atkinson Parlor to the columbarium courtyard area.
- Sealing and replacing window frames throughout Werlein Hall.
- Replacing the ball moss covered trees in the City/Parish (C/P) street right of way lining Convention St. and N. Fifth St. (after the existing trees in the C/P right of way are removed by the C/P).
- Landscaping improvements around the church building, as part of the exterior renovation of our historic church building. And, trimming of the trees within the Church / Atkinson Hall courtyard.
- Lighting adjustments for the three Tiffany windows in the church.
- Additional security fencing throughout the campus.
- Repair of water damaged areas within the Manship Ministries Building
- Repair of the Abercrombie buffet in the Atkinson Hall Parlor.
- A new pedestrian handicapped ramp mid-block on N. Fourth St. (pending a permit issuance from the City/Parish).
- Completion of renovations to Kilgore Hall and the replacement elevator in Atkinson Hall.

The aforementioned existing facilities maintenance and “minor” improvement issues do not include the proposed renovations and new organ to our historic church interior nor do they include the proposed renovations to our parking lots. These “major” renovation improvements are under the purview of the Campus Planning Committee.

Please note that these major improvements will require a significant amount of temporary dislocations from the use of the Church and parking lots by Church and Day School staff, parishioners and guests during their construction phases. Our patience and understanding is kindly requested of all for the inconveniences caused by these improvements.

2018 Outreach Grants

Submitted by Shirley Young, Chair

Outreach grants have traditionally been considered St. James' annual financial contribution to the community at large. The grant application and award process is managed by a subcommittee of parishioners under the auspices of the larger Outreach effort chaired by the Vestry. The subcommittee met at St. James on August 29, 2018, for the purpose of allocating our grant funding among the 19 charitable entities that applied. Each subcommittee member was assigned one or more of the applications to analyze in depth prior to the meeting according to a standardized set of criteria. After discussing and carefully considering each application, we selected 13 of the applicants for funding. These allocations were based on financial and programmatic accountability, effectiveness, and fidelity to our mission of serving the neediest people in the community or diocese in the areas of feeding, housing, medical services and/or education. Members of the committee include Denise Allen, Anita Byrne, John Carpenter, Chris Frink, Barbin Graham, Bahin Leonard, Alan Miller, Laura Rempert-Kraeuter, Craig Rhodes, Mimi Riche, Vickie Schenk, Elizabeth Whitley, Phillip Wright, and Shirley Young.

Funded Applicant	Purpose	Funded For
Cancer Services	Direct Assistance Program	\$7,750
Capital Area Alliance for the Homeless	Client computer lab expenses	\$5,000
Capital Area Alliance for the Homeless - Art	Art supplies for classes	\$2,000
Emerge Center	Healthy food training for autistic children	\$2,000
Food Bank of Greater Baton Rouge	Bucks for Trucks feeding program	\$7,750
Gardere School	After school enrichment	\$6,120
Habitat for Humanity	Flood relief rebuild	\$7,750
Hope Ministries	Tech upgrade	\$5,000
Interfaith Federation	Holy Grill feeding program	\$4,000
Kids' Orchestra	Expenses associated with scholarships	\$5,760
O'Brien House	Education program for at-risk middle schoolers	\$2,790
St. James Food Pantry	Turkey checks for food bank recipients	\$4,158
Transfiguration/Angola	Two banquets for Angola Prison Ministry	\$3,175
	Total Allocated to Applicants	\$63,253
	Amount Left for Rector's Discretionary Fund	\$3,935

\$67,188

Sources of Funding	
Budgeted Outreach Grant Funding	\$60,000
ECW Contribution	\$5,000
1/2 of Easter Plate (\$2188)	\$2,188
Total Funding Available	\$67,188

2018 Financials

Submitted by Josh Pesses, Treasurer

In our prior letters, we've characterized the last two years (2016-2018) as a transitional time for St. James as a whole and specifically with the respect to our finances. Under the direction of Father Reynolds, we began taking the steps necessary to right-size our cost structure and invest in much-needed capital enhancements. We are extremely grateful for all the good work of Father Reynolds and thank him for leaving our Church in a better place upon his departure.

With Father Duncan's arrival in July 2018, St. James began a new chapter, one that has kicked off with a sense of great optimism for all the future holds. There is much work to do, but your Finance Committee and Treasurer are greatly encouraged by the financial acumen that Father Duncan brings as we look to build upon and accelerate the improvements that have already begun.

Before turning the page to 2019, we would like to review our 2018 financial performance. The story of the 2018 is largely unchanged from prior years – slightly lower revenue than budgeted, somewhat offset by tight expense management. Even so, our expenses continued to outpace revenue, which left us short of achieving breakeven operating income.

For 2018, our Pledge Income was \$990 thousand, \$65 thousand below our budget of \$1.055 million. Including Future Year, Prior Year, Unpledged and Plate Contributions, Total Contributions reached \$1.214 million, \$58 thousand below budgeted levels. Total Revenue, which includes income outside of contributions, was \$1.655 million, \$65 thousand shy of our plan.

2018 was another strong year for operating expense controls. Total Operating Expenses of \$1.764 million were \$16 thousand below our budgeted levels for the year. The Church ended 2018 with an Operating Loss of \$109 thousand compared to a projected loss of \$60 thousand.

After adjusting for Extraordinary Revenue and Expense items, we posted a Net Loss of \$451 thousand. We would note, however, that a considerable portion of this – roughly \$375 thousand – is attributable to unrealized losses in our investment portfolio, which will vary from year to year based on the performance of underlying securities. We would also note that our Restricted Income was down considerably versus last year while Restricted Expenses increased. This is largely based on the timing of revenue and expenses related to the Love of Christ Always Capital Campaign.

We have included a snapshot of our unaudited 2018 financials for your review below, comparing results to the 2017 fiscal year and our 2018 budget. For illustrative purposes, we have used green to denote where our performance compares favorably and red where it compares unfavorably. Please understand that these are preliminary financials and subject to change.

	2018	2017	2018 vs. 2017	2018 YTD Budget	Actual vs. Budget
Total Revenues	\$1,654,791.68	\$1,577,129.77	\$77,662	\$1,719,555.00	(\$64,763)
<i>Y/Y Growth</i>	4.9%				
Personnel Expenses	\$949,200.38	\$940,425.88	\$8,775	\$935,594.49	\$13,606
Diocesan & Other Expenses	\$200,201.08	\$182,890.00	\$17,311	\$200,201.00	\$0
Parish Program Expenses	\$83,917.14	\$33,114.07	\$50,803	\$91,852.00	(\$7,935)
Christian Education Expenses	\$18,861.77	\$20,550.88	(\$1,689)	\$24,600.00	(\$5,738)
Music Expenses	\$86,098.73	\$73,269.76	\$12,829	\$79,066.75	\$7,032
Office & Admin Expenses	\$189,819.74	\$169,392.76	\$20,427	\$188,000.00	\$1,820
Communications Expenses	\$6,000.03	\$5,306.12	\$694	\$6,250.00	(\$250)
Maintenance Expenses	\$95,305.85	\$119,815.82	(\$24,510)	\$119,200.00	(\$23,894)
Utilities Expenses	\$127,879.63	\$127,506.60	\$373	\$129,000.00	(\$1,120)
Lay Ministry Expenses	\$6,558.59	\$4,297.16	\$2,261	\$6,200.00	\$359
Total Expenses	\$1,763,842.94	\$1,676,569.05	\$87,274	\$1,779,964.24	(\$16,121)
<i>Y/Y Growth</i>	5.2%				
Net Operating Total	(\$109,051.26)	(\$99,439.28)	\$9,612	(\$60,409.24)	\$48,642.02
Non Operating Revenue	\$349,782.56	\$2,701,394.24	(\$2,351,612)	\$0.00	NM
Non Operating Expenses	\$691,883.62	\$444,136.89	\$247,747	\$0.00	NM
Net Total After Extraordinary Items	(\$451,152.32)	\$2,157,818.07	NM	(\$60,409.24)	NM

We have a responsibility to maintain our campus for current and future Parishioners and in 2018, we addressed some of the most critical capital improvement items. Most notably, we completed the long-overdue restoration to the exterior of our historic Church. The improvements contemplated as part of the Capital Campaign will continue, and we expect to begin addressing the landscaping, interior repair and restoration, and organ replacement in 2019. Other notable capital expenditures include the elevator upgrade in Atkinson Hall as well as an investment in a more robust security system for the Church and Day School.

In 2018, the Finance Committee and Vestry approved a plan to pay down the \$1.5 million balance outstanding on our line of credit. For many years, we have enjoyed a positive arbitrage on our line, with the Investment Portfolio posting gains that more than offset the interest we were paying. With interest rates on the rise, we believed that it was prudent to pay down this debt before the spread closed. This balance was paid down in late 2018 with funds from the Barnes Trust.

At the end of 2018, our Investments balance was \$6.6 million compared to \$8.5 million at the end of 2017. Unlike the prior several years, we experienced losses in the investment portfolio. This year-to-year decline reflects those unrealized losses as well as the \$1.5 million debt paydown.

We continue to engage our external accounting consultants and auditors. Our auditors completed a review of 2017 financials this past year and we are scheduled for a comprehensive audit in the coming year. We have implemented many of the changes suggested by our auditors and will continue to work to improve our financial processes and controls.

We are in the process of creating our budget for 2019 and expect to present a first draft in February at the annual Vestry Retreat. We are encouraged by the results of our 2019 Stewardship Campaign. While the formal campaign has closed, we urge those that have not pledged and wish to do so to please submit as soon as possible.

As we look to the year ahead, we have much on our plate. We anticipate moving from cash accounting to accrual accounting, a transition that is long overdue. We will be implementing a strategy to simplify our financials, while increasing transparency and communication. Our Investment Committee will be taking a more proactive role in determining year-to-year utilization of income generated from our portfolio. We also aim to present a budget to the Vestry much earlier than in the past.

Through these actions and many other smaller initiatives, we look to continue building a foundation that will allow St. James Church and its many Ministries to flourish for years to come under the leadership of our new Rector.

I thank you for the opportunity to serve as your Treasurer. If you have any questions or concerns, please do not hesitate to contact me.

Vestry Roster & Nominees

Outgoing Sr. Warden: Gerry Sulzer

Incoming Sr. Warden: Jay Noland

Term Ending 2019 (retiring)

- Frey, Charlie
- Graham, Barbin
- Harrell, Catherine
- Heroman, Buzzy
- Hines, Bill
- Larisey, Sue

Term Ending 2020

- Garon, Barbara
- Griffin, Lee
- Landrem, Kyle
- Noland, Jay
- Soule, Anna Catherine
- Warrington, David

Term Ending 2021

- Allen, Denise
- Black, Claudia
- Broderick, Patrick
- Israel, Bob
- McCall, Julie
- Rhodes, Craig

Nominees

- Carter, Tony
- Holmes, Wendell
- Johnson, Randal
- Kurtz, Amy
- Leonard, Bahin
- Pooler, Harriett
- Rabalais, Amy
- Roberts, Trey
- Sykes, John
- Tharp, Stewart
- Van Hook, Catherine
- Vasquez, Martha