



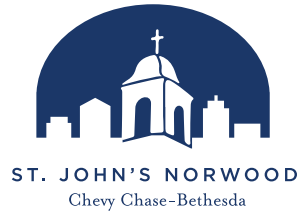
2017 NARRATIVE BUDGET

ST. JOHN'S EPISCOPAL CHURCH | NORWOOD PARISH



ST. JOHN'S NORWOOD
Chevy Chase-Bethesda

BUILDING COMMUNITY AT THE CROSSROADS OF FAITH AND LIFE.



ST. JOHN'S 2017 NARRATIVE BUDGET

Dear Brothers and Sisters in Christ,

Contained in the pages that follow are the amazing stories of what God is doing at St. John's Norwood today. As with every other area in our lives, how we spend our money says a lot about who we are, what we value, and speaks volumes to our priorities.

This Narrative budget offers a story and visual description of our life together as a church family, particularly our goals and priorities, and the resources dedicated to achieve them. Together, our time and resources, be they financial or otherwise, facilitate a sacred space for worship, personal & spiritual growth, community building, and making a difference in the world around us.

The intent of this narrative budget is to illustrate and give breath to the theological statement which is our 2017 Operating Budget passed by the Vestry in February of this year. This narrative is based on (but does not replace) the traditional line-item budget.

I would like to offer special thanks and recognition to vestry member Gary Dean who spearheaded the effort of making this narrative budget possible. His devotion to this project is a reflection of the desire and commitment of the entire vestry to making the financial stewardship of St. John's more visible to, and understood by, the congregation.

My prayer is that you will find this resource illuminating, offering you deeper insight into your home church. And may God continue to stretch and mature us as we seek to grow in greater generosity and love toward God and one another.

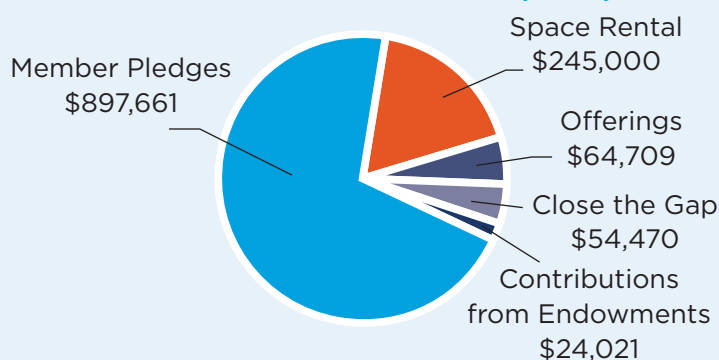
Faithfully yours,

Sari Ateek, *Rector*

REVENUE

The majority of St. John's revenue comes from two primary sources: Pledges and Space rental. Supplementary revenue also comes from offerings (not designated as pledges), and contributions from endowments. Below is a brief description of each of these.

2017 TOTAL REVENUE: \$1,285,961



PLEDGES

This is the church's first and primary source of revenue. Pledge income is the money that members of the congregation commit to giving each year toward the life and ministry of the church. In the last two years, we have begun to shift our giving models and messaging away from dollars and figures toward proportionate giving. Scripture teaches us that spiritually-mature giving is that of giving in proportion to one's income - which allows the whole body of the church to share equally in its ministry and mission. St. John's members are encouraged to move toward the 5-10% giving level as a spiritual investment and act of worship. Here is a summary of 2017 pledges:

Annual Pledge Range	Number of Givers per this Range	Total Pledges by Givers in this Range	% of Total Amount of Pledges	Average Annual Amount per Giver	Average Weekly Amount per Giver
\$1-\$500	33	\$11,454.00	1%	\$347.09	\$6.67
\$501-\$1,000	55	\$43,031.00	5%	\$782.38	\$15.05
\$1,001-\$2,000	63	\$90,840.00	10%	\$1,441.90	\$27.73
\$2,001-\$3,000	48	\$124,294.00	14%	\$2,589.46	\$49.80
\$3,001-\$5,000	43	\$176,430.00	20%	\$4,103.02	\$78.90
\$5,001-\$15,000	40	\$279,130.00	31%	\$6,978.25	\$134.20
\$10,001-\$15,000	7	\$82,400.00	9%	\$11,771.43	\$226.37
Over \$15,000	5	\$93,600.00	10%	\$18,720.00	\$360.00
TOTALS:	294	\$901,179.00	100%	\$3,065.23	\$58.95

SPACE RENTAL

This income comes primarily from the Oneness-Family School which has operated from our facility for more than 25 years.

OFFERINGS

These are loose-plate offerings and contributions to the church that are not designated as pledges, including major feast offerings such as Christmas and Easter, as well as one-time thanksgiving offerings. The response to this year's "Close the Gap" request included not only increased pledges (which are included as pledges) but also \$54,470 in additional, separate contributions. For budget purposes,

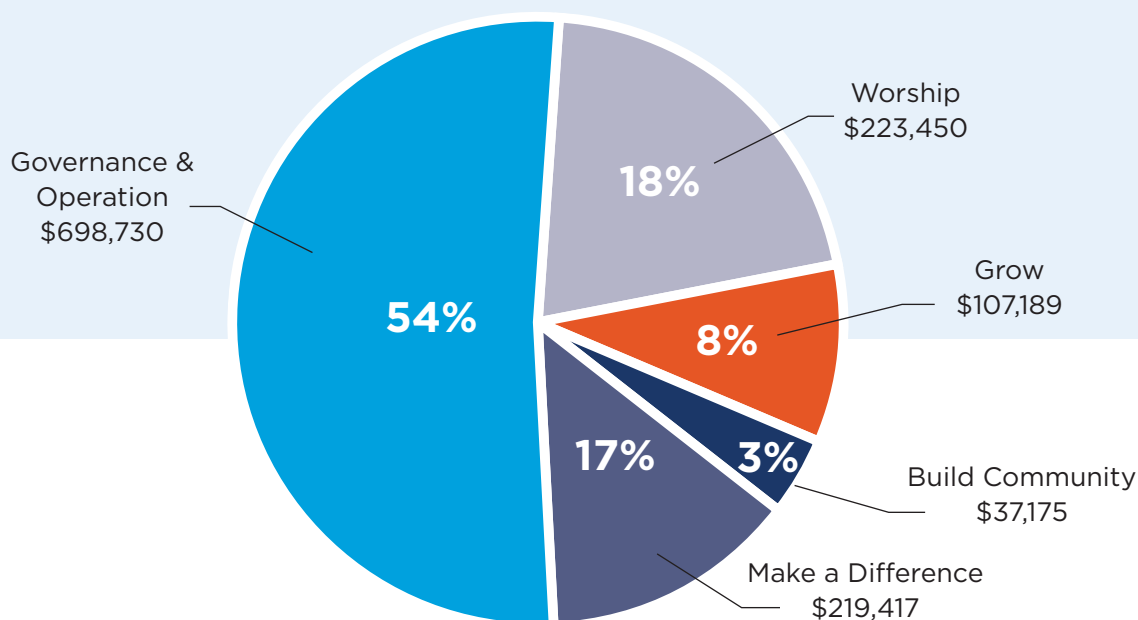
those contributions are treated as one-time offerings, and for transparency and increased awareness they are reflected in the separate "Close the Gap" category.

CONTRIBUTIONS FROM ENDOWMENTS

In addition to a small amount of interest income from St. John's operating account, the Clergy Housing Endowment Fund is the primary source of revenue in this category. The Clergy Housing Endowment Fund makes a contribution to the operating budget each year to help offset the cost of clergy housing expenses. The amount contributed fluctuates each year based on the fund's investment income earned during the prior year.

OPERATING BUDGET INVESTMENTS

2017 OPERATING BUDGET: \$1,285,961



Our Core values at St. John's are 4-fold - affectionately referred to as the "Core 4": **WORSHIP, GROW, BUILD COMMUNITY, and MAKE A DIFFERENCE.** These overarching ministries are supported and enabled by St. John's "**GOVERNANCE & OPERATION**" essential for day-to-day functioning of St. John's. All of our spending, the entirety of St. John's operating budget, is an investment towards these five areas (in corporate business-speak, they are our "organizational programs"). The Narrative Budget describes our spending, our investments, in these five areas, and every

individual line-item in our 2017 operating budget is reflected in the Narrative Budget. In recognition of our commitment to the health and success of each area, St. John's Associate Rector and Lay Employee salaries and related expenses including health and pension benefits are aligned to and reflected under one of the areas according to the primary job responsibilities of that person. The Rector's salary, benefits, and expenses have been divided equally across all five areas.

WORSHIP

Then he took a loaf of bread, and when he had given thanks, he broke it and gave it to them, saying, "This is my body, which is given for you. Do this in remembrance of me."

LUKE 22:19

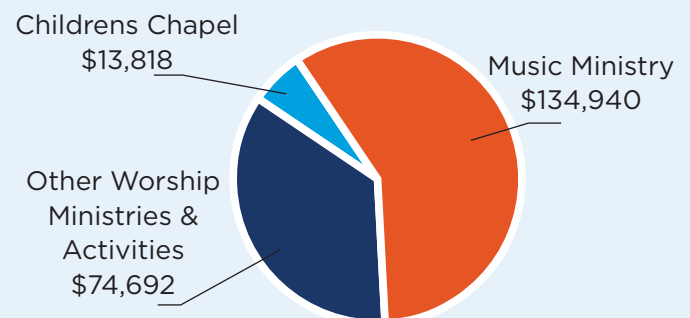
Breaking bread together is at the heart of our identity as Episcopalians. It is a central part of the rhythm of our lives to gather on the first day of every week to worship God together, to engage scripture with our hearts and minds, to seek guidance through prayer, to offer our gifts of thanksgiving, and to receive the love of God made tangible through the body and blood of Jesus Christ at communion.

St. John's holds six worship services each week: Five Sunday Services (including our Children's Chapel), and one midweek service. Each service has its own unique character, appealing to different demographics and worship preferences. Worship design and liturgy is a collaborative process every week between our clergy, music director, and parish secretary, and at each service, devoted volunteers provide leadership in and support for worship including Acolytes, choirs and musicians, Ushers & Greeters, Welcome Teams, Lay Eucharistic Ministers, Lectors, Altar Guild, Flower Guild, Memorials, and Children's Chapel.

MUSIC PROGRAM

Music is one of the most vibrant elements of our expression of worship at St. John's. Thanks to the leadership of our very talented Music Director, Anne Timpane, the music program includes five separate choirs ranging from the Primary Choir for our youngest singers up through the St. John's Choir, a group which includes gifted amateurs along with professional section leaders who model good vocal technique, professional attitude and musical phrasing. In addition to our singing choirs, we also offer the Norwood Ringers, our mixed-age handbell ensemble made up of musicians of all levels, and give special programs and concerts in our worship space throughout the year. The music is supported and led using our three manual chancel organ built by the renowned Berghaus Organ Builders in

2017 WORSHIP BUDGET: \$223,450



2008, our concert quality Mason & Hamlin BB piano, the chapel organ given by parishioner Charles Wiecking in memory of his aunt, and the Boston upright piano used for rehearsals in the choir room. Through the financial commitment of the parish, we are able to maintain these instruments and programs as well as support the Organ Reserves, a fund set aside for future repairs.

CHILDREN'S CHAPEL

As a part of our commitment to making the worship experience at St. John's relevant, we believe in providing a safe, engaging, and age-appropriate worship space for our young children. The Children's Chapel (for ages 3-8) is under the faithful and creative leadership of Pamela Terry and takes place year round on Sunday mornings during the 9 am (or 10 am combined service) hour. Every Sunday our youngest parishioners engage in prayer through art, praise in music and movement, reflection through ritual, and connection by way of sharing and story. Children's Chapel celebrates each liturgical season with intention, providing our children with a meaningful introduction to the symbols and practices that are the foundation of our Christian faith.

Make every effort to support your faith with goodness, and goodness with knowledge, and knowledge with self-control, and self-control with endurance, and endurance with godliness, and godliness with mutual affection, and mutual affection with love.

2 PETER 1:5-7

Following Christ is a journey in which we are constantly called to learn and grow. None of us are finished products. At St. John's, we are committed to education and to providing opportunities for individuals of all ages to grow and mature into their best selves. Our primary educational offerings take place on Sundays (during the program year) at 10am in the form of our Church School and our Adult Forums. Other weekly offerings geared toward spiritual formation include two weekly Bible Studies (Wednesdays at 10:30am, and Sunday evenings at 6pm), an ongoing Education for Ministry course, occasional parenting forums, and a bi-annual J2A pilgrimage for our teens as well as adult Pilgrimage to the Holy Land. Education at St. John's finds one of its greatest resources in our Parish Library which, thanks to the love and dedication of parishioner Toni Hartman now provides an impressive collection of books and resources on all subjects related to life and faith.

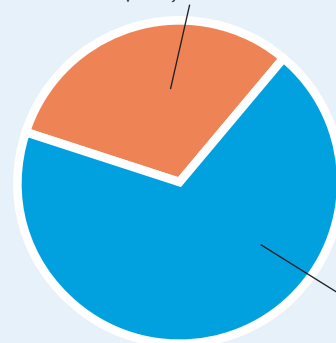
CHURCH SCHOOL

With over 250 children enrolled, St. John's Church school is one of the largest children's program in the Diocese of Washington thanks to the faithful leadership of Church School Director, Nancy Derr, and 34 volunteers who are recruited each year to teach and nurture our twelve weekly classes. The Church School continues to be one of the main draws for new parishioners seeking a church where their children can learn and grow in the faith. Since this past September alone, the church school has seen an infusion of thirty new steady-attenders from 17 new families who have recently joined St. John's. One of the rare and impressive

2017 GROW BUDGET: \$107,189

Other Grow Ministries & Activities

\$34,875



Church School
\$72,314

aspects of our Church School - thanks to our excellent Journey to Adulthood program (J2A) - is that we currently attract as many students from sixth to twelfth grade as we do fifth and under.

St. John's church school puts character growth and community-building first beginning with our 3 year-olds. The children and teens know and care for each other, which is the basis for our excellent weekly attendance, and we have many long-standing traditions of annual events including the Christmas Pageant and spring musical, that raise morale, connect the young people to the larger congregation, and keep children coming all the way through high school.

BUILD COMMUNITY

Therefore encourage one another and build up each other, as indeed you are doing.

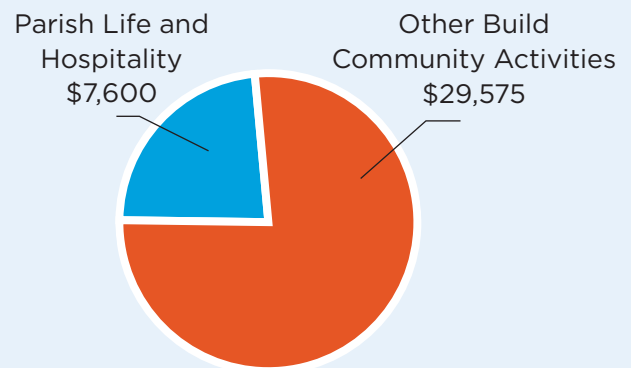
1 THESSALONIANS 5:11

"Building Community At The Crossroads Of Faith And Life" is the mission of St. John's. Everything we do is a step on our chosen path to build community: helping people connect to people. Whether we worship, learn, grow, or serve, all of this is meant to help us deepen our sense of community with God and with one another. We believe that building community is at the center of what it means to be a church. Although most of our ministries and activities could potentially fall under this heading because they involve relationship building, there are several that are specifically aimed at building community including our book groups, men and women's ministries & annual retreats, third Sunday Suppers & Parish Life social events, New Parent Ministry and Koinonia fellowship dinners

PARISH LIFE & HOSPITALITY

The mission of the Parish Life committee is to promote fellowship and opportunities to enhance the life of the parish. Parish Life coordinates over 20 events each year, which include: Third Sunday Suppers, Renewal Sunday Barbecue, Easter Egg Hunt, Pentecost Cakes, Strawberry Festival, and many of the much loved Christmas activities. A small army of dedicated parishioners, led by one fearless leader, volunteer as event coordinators and event helpers who contribute their time, talent, and treats, to ensure each event is fun and provides an opportunity for everyone of every age at St. John's to enjoy socializing together. Also included here are expenses related to coffee for Sunday mornings as well as kitchen supplies.

2017 BUILD COMMUNITY BUDGET: \$37,175



Community Life Coordinator is **NOT** included. This position is funded by individual donations through **December of 2017**.

COMMUNITY LIFE COORDINATOR

(not a 2017 operating budget expense)

In June of 2015, St. John's hired parishioner Anne Derse as the Community Life Coordinator, a new part-time staff position in response to the growth of our congregation. Anne's position involves connecting people to people as a way of building community. She also plays a much needed supportive role for the ministries of St. John's including connecting parishioners to ministry opportunities, and providing a personal connection to our visitors and prospective members. The Community Life Coordinator position is currently at 10 hours/week, and is not funded through our operating budget, but rather through the generosity of 4 parish contributors whose financial support will sustain this staff position through December of 2017.

MAKE A DIFFERENCE

You will receive power when the Holy Spirit comes on you; and you will be my witnesses in Jerusalem, and in all Judea and Samaria, and to the ends of the earth.

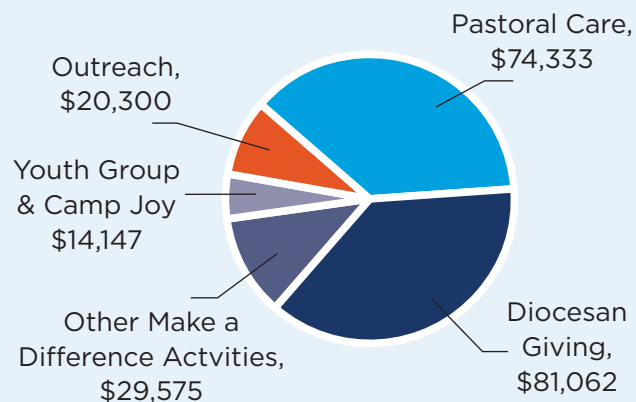
ACTS 1:8

The church exists to make the love of God known. We believe that this translates into making a positive difference in the lives of people in the name of Christ. It is Christ's love that compels us to be there for one another, and to reach out beyond ourselves to a community and a world that needs the healing touch of love. Making a difference means both "inreach" as well as "outreach." Reaching in means caring for our own congregational needs and supporting one another in this journey of faith and life. Reaching out means caring for those beyond the wall of our church through targeted ministries and activities that are aimed at making a difference. St. John's is currently in the midst of an extensive Vision Process (an initiative of the Vestry) aimed at identifying how we as a congregation can best serve and make a difference in our local community as an extension of our faith & calling to bear tangible witness to the love of Christ. In addition to the specific activities of inreach and outreach described below (Pastoral Care, Outreach Committee, Diocesan Giving, and Camp Joy), other ministries include the self-sustaining Opportunity Shop (which commits its proceeds to the Outreach), Eco Action Team, Holy Land Committee on Education and Outreach Committee, and our annual march in the Pride Parade as a witness to God's inclusive and affirming love.

PASTORAL CARE MINISTRY

Pastoral Care is, quite simply, how we care for one another at St. John's. When faced with life's trials and transitions, we often find ourselves in need of extra support, and our pastoral care ministry is here for you. Pastoral care at St. John's is a joint effort between our clergy and lay leaders and is coordinated by our Associate Rector, Elizabeth Tesi, whose primary focus is pastoral care. Specific ministries designed to offer pastoral support at St. John's include the

2017 MAKE A DIFFERENCE BUDGET:\$219,417



2016 outreach contributions **NOT** included in Operating Budget:

- Outreach Sundays: \$16,509
- Opportunity Shop: \$17,000
- Auction: \$12,000
- NPF Grant for Hospital in West Bank: \$3,000

Stephen Ministers, Lay Eucharistic Visitors, Healing Prayer Ministry, Reading Ministry, a grief support group (in partnership with Montgomery hospice), and prayer shawl ministry. A dynamic and evolving process, our pastoral care network includes home & hospital visits, prayer, counseling, bereavement support, home communions, notes, meals & transportation, prayer shawls, walk-in support and financial assistance. The Memorial Garden at St. John's is an extension of our pastoral care ministry, providing a beautiful and well-cared-for resting place for church members and loved ones who have died.

OUTREACH MINISTRY

Jesus said, "whatever you did for one of the least of these brothers and sisters of mine, you did for me." (Matt. 25:40) This is the heart of the St. John's outreach ministry. Our parishioners collaborate to help those in need in our area and around the world. Locally, our parishioners cook and serve a dinner each month at Shepherd's Table and Bethesda House; provide breakfast each weekday at Bethesda Cares; and all the meals for one week twice each year at Interfaith Works' women's shelter. Parishioners also volunteer for Samaritan Ministry of Greater Washington and the Bishop Walker School and furnish apartments for refugees and others through Lutheran Social Services and Housing Up (THC). As a part of our commitment to outreach as a church, a portion of our operating budget is allocated every year to supporting various local and international humanitarian efforts. The funds are administered by the Outreach Committee. The outreach money provided through our operating budget is greatly augmented by donations from the Opportunity Shop, individual parishioners, proceeds from the bi-annual auction, and the Sunday sales of grocery cards.

In 2016, the Vestry allocated \$14,000 to the Outreach Committee; \$4,000 for supplies for Shepherd's Table; and the loose plate collections of 12 Outreach Sundays, which totaled \$16,509. The Opportunity Shop contributed \$17,000, and the auction raised \$12,000. A grant from our Norwood Parish Fund endowment to support the Hospital in the West Bank was awarded in the amount of \$3,000.

The Organizations and causes that St. John's supported financially in 2016 are as follows:

- Interfaith Works
- Housing Up (THC)
- Samaritan Ministry
- Bethesda Cares
- Bishop Walker School
- A Wider Circle
- Victims of the mass shooting in Orlando
- Lutheran Social Services
- Bethesda Help
- United Thank Offering

- Literacy Council of Montgomery County
- Seabury Resources for the Aging
- Al-Ahli Hospital in Gaza
- St. Luke's Hospital in the West Bank
- International Rescue Committee
- Episcopal Relief and Development
- Food for the Poor for hurricane relief in Haiti

YOUTH GROUP & CAMP JOY

St. John's Youth Group (which is separate from the church school and meets weekly on Sunday evenings) serves teens in the 7th -12th grade through community building and service opportunities. Led by staff member, Cynthia Grimes, who is herself an alumni of the group, the Youth Group fundraises throughout the year in order to spend a week each summer at Camp Joy repairing homes for people-in-need in rural West Virginia. Camp Joy is a long standing and meaningful activity that expands our young people's spiritual horizons and social awareness while making a positive difference in the lives of others.

DIOCESAN GIVING

One of the gifts of being Episcopalian is that we are connected to a wider Church in mission and ministry. St. John's is one of 87 parishes in the Episcopal Diocese of Washington (EDOW), and our Diocese is one of many that form the Episcopal Church in the U.S., and together, we are connected to the Anglican Communion in the world. This ever widening circle of shared ministry makes us a part of something much bigger than ourselves, and grounds us in a movement that is bringing change and restoration to our world one community at a time. An integral part of our connection to the wider church is the Diocesan Pledge. Typically, local Churches contribute 10% of their operating income to the ministry of their Diocese which then supports numerous outreach activities in its local community as well as the national church and its efforts. In the same way that we invite our church members to move toward proportionate giving, St. John's as a whole also contributes a percentage of its income to the diocese. Just as many individual St. John's parishioners have a 10% goal of proportionate giving, St. John's is committed to increasing its Diocesan Pledge each year until we reach the 10% giving level. In the past few years the percentage has been steadily increased, and in 2017, our Diocesan Pledge is at 8%.

GOVERNANCE & OPERATION

All things should be done decently and in order.

I CORINTHIANS 14:40

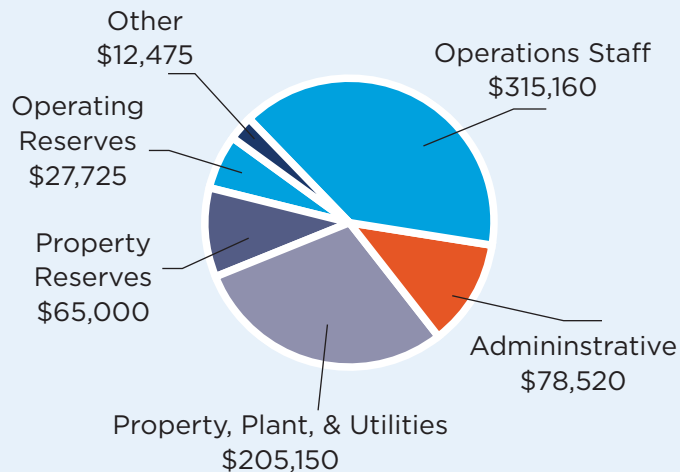
Proper governance and administration create conditions and provide the foundation for congregational health and wellbeing. Rector, staff and lay leadership work together to discern God's will and develop a strategic vision for mission. Stewardship provides the necessary support for the church's mission—both local and global. Transparent accounting and reporting generates confidence and provides church leaders the information they need to faithfully shepherd resources. None of this is possible without human resources, both paid and volunteer, who carry out this work. Significant time and resources are allocated to ensure that our Governance & Operation processes and functions are executed fully and faithfully.

In addition to staff, administrative costs, and property expenses described below, Governance & Operation at St. John's also includes The Vestry & Committees of the Vestry (Finance Committee, Personnel Committee, Property Committee, Communications Committee, Development for Community Committee, and the Norwood Parish Fund Board), the Officers of the Vestry (Chancellor, Secretary of the Vestry, and Treasurer), Parish Archives, Tellers, Website Taskforce, and Operating Reserves.

STAFF AND ADMINISTRATIVE EXPENSES

The 'nuts and bolts' operations work at St. John's is performed by the Rector Sari Ateek and an administrative staff consisting of full-time Director of Church Operations, Karen Berry, part-time Parish Secretary, Liz Luck, and part-time Bookkeeper, Latoya Cross – with much support from volunteer parishioners including the Treasurer, Finance Chair, Communications Committee and, more recently, the Website Taskforce. The administrative staff maintains the parish database, coordinates church communications (including the

2017 GOVERNANCE & OPERATION BUDGET: \$698,730



website, bulletins and weekly newsletter), tracks pledges and contributions, handles payroll and accounts payable, maintains bank accounts and funds, and provides financial reports to the vestry and committee chairs. Costs associated with church operations include office supplies and postage; telephone, internet, and photocopier costs; fees for IT support, bulk emails, website & database hosting; computer hardware & software expenses; bank & payroll charges; and church insurance.

PROPERTY, PLANT, AND UTILITIES

St. John's is blessed with a beautiful building, surrounded by lovely grounds with a Memorial Garden and columbarium, that have become a sanctuary in the bustling city of Bethesda-Chevy Chase. The original building was built in 1948 and later expanded in 1954. Significant

renovations took place in 1991 and 1998, along with a bell tower renovation in 2000 and organ installation in 2007. The church provides space for worship, education, fellowship, administration, and meetings. Approximately half of the building is rented to the Oneness Family School during the week.

Maintaining an older building and its systems provides an ongoing challenge for the Property Committee, made up of a dedicated group of volunteers who contribute their time and expertise to care for our aging facility. The Property Committee works hand-in-hand with the Director of Church Operations to keep the building licensed and operating, as well as attending to the needs of our tenant, a full-time school. A significant portion of the Governance & Operation budget goes toward building operation – paying for utilities such as gas, electric, water, and trash removal; as well as security and fire alarm monitoring. A smaller portion of the budget goes for upkeep of the building and grounds – paying for snow removal, landscaping, housekeeping supplies, and salary for our on-site sextons. The remaining and largest portion of this part of the budget goes toward building maintenance and repair.

PROPERTY RESERVES

In 2015 a Capital Reserve Funding Analysis was commissioned with the help of a Norwood Parish Fund grant. The study has outlined future major capital replacements in order to help St. John's budget adequate funding of our Property Reserves, and in 2017 the amount for Property Reserves was able to be increased to the recommended level.