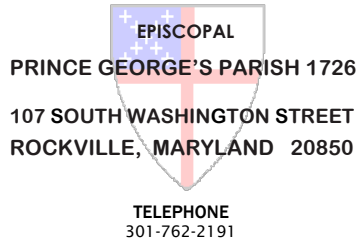


# CHRIST CHURCH



September 2022

Dear Friends,

I am writing to encourage you to make your annual pledge in support of our Christ Episcopal Church community. As I write this, I think back to where we were last year at this time—emerging from COVID isolation and starting to piece together our scattered parish family. How far we have come! In-person worship is again routine, our church finances are on much firmer footing (and we are soon to be debt-free), and we have tackled long-deferred maintenance of our facilities. Christ Episcopal School has not only survived but thrived, with enrollment at 110% of our goal.

What moves me most about this moment in our parish history is seeing firsthand the dedicated love of people bringing their creativity, energy, faith, and intellect to aid in our church's rebirth. There is a renewed spirit of personal ownership in building our church's future. I feel deeply blessed to be part of this community and to see all the ways that each of us, in our beautiful individuality, work together to create a spiritual home for one another.

There is no question that we've been through hard times, but our resilience and persistence are visible and powerful. Today I see ministries reforming, service projects starting again, and relationships building between friends both old and new. What an auspicious time to welcome a new Rector to join us in our re-awakening!

Thanks to the dedicated search effort led by Bryant Trost, we are well into our process of meeting remarkable candidates. These applicants have expressed their amazement and appreciation for our perseverance and creativity during difficult times. I invite you to join me in making a generous pledge to provide a solid foundation for our new leadership that demonstrates our shared commitment to the future of Christ Church. Your support this year communicates not only your love of the parish but also your desire to welcome and encourage our next Rector!

It is a truly exciting time to be part of this community. Thanks for being a part of it with me.

Your Senior Warden,

Emily Pearce



## Why Pledge?

Your pledge is vitally important. If you give without making a pledge, our Vestry cannot incorporate your gift in its annual planning. Our goal is that you — and all households — will make a gift in support of the work of our parish.

If you have pledged before, take a moment to consider the value you place on Christ Church. Locate your most recent contribution on the “staircase” below. We invite you to step up and increase your pledge for 2023.

|                   |                        |
|-------------------|------------------------|
| \$15,001+         | 6 Pledges<br>\$160,700 |
| \$7,501 - \$15k   | 6 Pledges<br>\$62,200  |
| \$5,001 - \$7,500 | 13 Pledges<br>\$79,752 |
| \$3,001 - \$5,000 | 18 Pledges<br>\$74,980 |
| \$2,001 - \$3,000 | 17 Pledges<br>\$43,940 |
| \$1,501 - \$2,000 | 9 Pledges<br>\$17,600  |
| \$1,001 - \$1,500 | 20 Pledges<br>\$25,311 |
| \$1 - \$1,000     | 31 Pledges<br>\$19,262 |

2022 pledge data

## Proportional Giving & Tithing

The Vestry and Clergy affirm the importance of proportional giving and the tithe. This means that before we make our pledge, we:

1. Calculate what percentage of our current income we are now giving to God.
2. Set a personal financial goal for our own giving, mindful that the Biblical standard is the tithe – 10%.
3. Strive each year to increase our giving and move toward our goal.

Proportional giving is a practical expression of our faith, aligning our generosity with our values. When we put the Almighty first in line for our giving, our generosity is truly transformed.

## How to Pledge

You can make your pledge using our online form or by returning your pledge card in the offering plate or by mail. *Please submit your pledge by Ingathering Sunday, October 30.*

To **pledge online**, click on the ‘Pledge’ button at [www.christchurchrockville.org](http://www.christchurchrockville.org) (at the top right) or scan the QR code below:



Christ Church is proposing an initial budget for 2023 of \$801,500, a 1.5% increase over 2022. Meeting this budget goal will require parishioner pledge income of \$550,000.

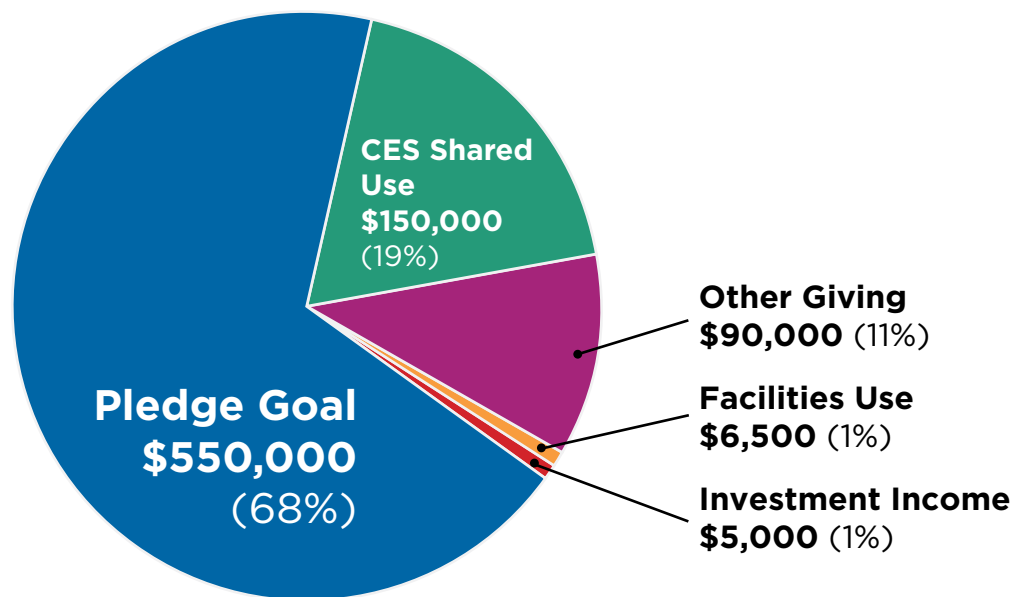
In addition to covering the fixed costs of maintaining our facilities and paying our bills, our budget goals for 2023 are to:

- Secure sufficient funds to **call a new Rector**
- Hire a part-time **Director of Christian Education** to expand our youth and family ministries
- Support our **Music Program** by staffing interim music directors for our adult choir and children’s choristers
- Provide financial support to our **other ministries**, including Worship, Outreach, Fellowship, and Pastoral Care

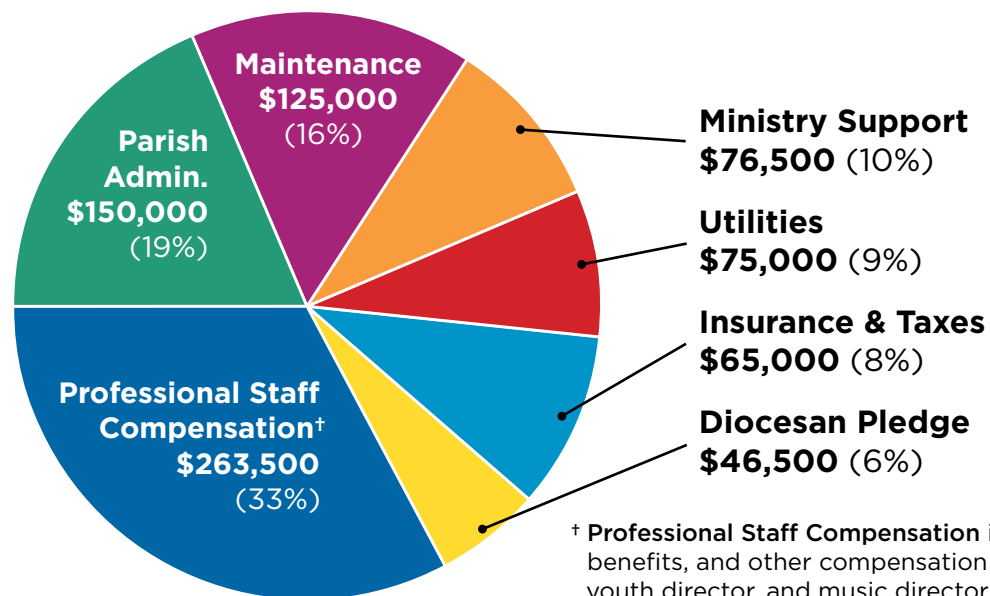
**Meeting these goals will require your support!** In particular, our ability to call a new Rector with the desired experience and qualifications is dependent on pledge income.

## CHRIST CHURCH ROCKVILLE – 2023 PROPOSED BUDGET

### 2023 Income



### 2023 Expenses



## Ministry Support

### Children & Youth Programs: \$7,500\*

Christ Church has always prioritized its programs for children and families, including Nursery, Sunday School, Children's Chapel, Youth Group, Mission Trips and other service opportunities.

### Music Program: \$9,000\*

Music is a vital part of worship at Christ Church, led by our Adult Choir and recently reconstituted Children's Choristers. We look forward to growing these programs in the year ahead.

### Outreach & Service: \$19,000

Christ Church engages in ministries that touch people in the Rockville community, the greater DC area, and beyond. These include efforts to alleviate poverty, hunger and homelessness, as well as teaching English as a Second Language Conversation classes.

### Worship and Other Ministries: \$41,000

Christ Church has a diverse range of other ministries, including our Worship ministries, Fellowship, Welcoming, Pastoral Care, Adult Christian Formation, Beloved Community, Environmental Stewardship, Communications, and Financial Stewardship.

*\* staff salaries not included*

**Christ Episcopal Church  
Proposed 2023 Budget**

|  | <b>2022<br/>Budget</b> | <b>Proposed 2023<br/>Budget</b> |
|--|------------------------|---------------------------------|
| <b>Receipts</b>                        |                        |                                 |
| Pledge Income                          | \$480,000              | \$550,000                       |
| Other Giving                           | \$148,000              | \$90,000                        |
| Facilities Use                         | \$6,400                | \$6,500                         |
| Investment Income                      | \$5,000                | \$5,000                         |
| CES Shared Use                         | \$150,000              | \$150,000                       |
| <b>Total Receipts</b>                  | <b>\$789,400</b>       | <b>\$801,500</b>                |
| <b>Expenditures</b>                    |                        |                                 |
| Professional Staff                     | \$187,100              | \$263,500                       |
| Compensation (clergy, music,<br>youth) |                        |                                 |
| Diocesan Pledge                        | \$44,200               | \$46,500                        |
| Outreach                               | \$15,000               | \$19,000                        |
| Worship                                | \$23,350               | \$23,450                        |
| Music Programmatic                     | \$9,000                | \$9,000                         |
| Youth Programmatic                     | \$7,500                | \$7,500                         |
| Other Ministry                         | \$17,450               | \$17,550                        |
| Parish Administration                  | \$145,000              | \$150,000                       |
| Insurance and Taxes                    | \$60,000               | \$65,000                        |
| Maintenance                            | \$115,800              | \$125,000                       |
| Utilities                              | \$75,000               | \$75,000                        |
| Jefferson Building Interest /<br>Swap  | \$90,000               |                                 |
| <b>Total Expenditures</b>              | <b>\$789,400</b>       | <b>\$801,500</b>                |
| <b>Surplus / Deficit</b>               | <b>\$0</b>             | <b>\$0</b>                      |

## Christ Episcopal Church: Come Home

### Questions & Answers

#### Fall 2022

We're in an important season of transition at Christ Church, and well into the final phase of our Rector search. Many in the congregation may be wondering how we're doing as a church and what lies ahead. The Stewardship Committee worked with the vestry and others to prepare these answers. We welcome other questions -- especially at our Town Hall on **October 9, 11:20 AM**. We're excited about the new opportunities and challenges ahead, and as we head into stewardship season, we invite you to participate in writing this next chapter in the life of our congregation.

### Rector Search

#### 1. Where are we in the process of calling a new Rector?

We are now vetting candidates and conducting interviews, and we expect to welcome our new Rector in early 2023. Below is an overview of the process that we've followed over the past year:

### Our Rector Search: Overview and Update



<sup>1</sup> Per the Diocese's new search process, the vestry manages the search rather than a separate Search Committee.

Updated September 2022

The New Process: We agreed to serve as a test congregation for a new diocesan search process. Our top priority throughout the process has been to identify the candidate who is the best match for our congregation. Beginning in fall 2021, we have followed the search process recommended by the diocese, as shown above. We wanted to ensure that all voices were heard; accordingly, the work of gathering and distilling the congregation's input into a parish profile required some time.

### Children's Ministry

#### 2. What's next for our ministry with children and youth?

The children's ministry is a vital part of life at Christ Church. A team of volunteers will continue to lead the nursery, chapel (i.e. children's church), Sunday school, and youth group. We're going



through an experimental phase and very much welcome your feedback and suggestions -- as well as additional volunteers to lead Sunday school and youth group. This is a great opportunity to plug in and get to know our children and young families!

### **Christ Episcopal School**

**3. The vestry voted in January 2021 to renew our relationship with the school and implement governance reforms. How's the school doing?**

After a rough patch, the school continues to enjoy very robust growth. During the 2021-2022 academic year, the school's performance exceeded budgeted expectations and achieved positive net income. For the 2022-2023 academic year, enrolled students presently number 122, translating into 112.4 full-time equivalent (FTE) students (11 FTEs over last year), supporting another year of operating in the black. With the sale of the Jefferson Building and the elimination of its burdensome mortgage, we expect that the school will continue to be financially self-sustaining and enjoy opportunities for further enrollment growth. Notably, the Raise CES reserve fund still contains around \$200,000, and growing this fund is part of the school's strategic plan. The school's new mobile-friendly website was launched in September 2021 (please help promote the site on social media: [www.cesrockville.org](http://www.cesrockville.org)).

**4. The school is now sharing some space and staff with the church. How's that going?**

So far so good. A cost sharing agreement has been implemented based on actual expenses incurred.

**5. Is the school on a stable foundation now?**

Thanks in significant part to the Jefferson Building sale and robust enrollment growth, the school has embarked on a much more financially sustainable path. Moreover, the vestry is committed to working closely with the Board of Trustees of the school to identify necessary course corrections in the event that actual performance begins to depart from what is budgeted. To this end, we have instituted a monthly financial reporting system that will give the vestry much greater visibility into the school's operations than existed in recent years. Perhaps more importantly, vestry members have developed solid working relationships and open lines of communication with members of the Board and school administration. Moreover, the school's Board of Trustees has been established as a standing committee of the vestry, and its chair, Dave Scott, attends vestry meetings. Ultimately, the school's ability to continue operating as a mission of the church is subject to the financial oversight and approval of the vestry. We believe that this more collaborative approach -- in contrast to the more arms-length relationship of recent years -- will position both the school and church to thrive.

**6. Will the parish be providing any financial support to the school?**

No; the school will continue to bear its share of operating expenses relating to the use of church space. Moreover, the school conducts its own fundraising activities, which were very successful during the 2021-2022 academic year. We also aim to encourage greater participation by CES students and families in the life of the church -- one example is the new tuition policy instituted in

spring 2021, which includes a 10% tuition discount for students who are active parishioners at the church.

## **Music Ministry**

### **7. What's the status of the choir and music ministry?**

Michael Arrington will continue to lead the choir through mid-January 2023. The choristers are preparing to resume their ministry and will be led until Christmas by Edwin Jacob, the Christ Episcopal School Music Teacher. In mid-January 2023, we will welcome interim Music Director Sonya Subbayya Sutton, who will serve with us until June 2023 and bring her rich experience with numerous parishes in the area (she also previously served in our parish on an interim basis). We hope to hire a permanent Music Director once the new Rector is on board, budget permitting.

## **Jefferson Building**

### **8. Is the Jefferson Building sale final?**

Yes, the closing took place on December 15, 2021.

### **9. Are there any remaining costs associated with the Jefferson Building?**

Although there is a residual debt associated with the Jefferson Building mortgage, we expect it to be fully paid off within the next few months. Informally termed the “swap,” the debt derives from a floating-to-fixed rate swap derivative, which was part of the original financing package when the church acquired the building. The amount of the swap has fluctuated inversely with interest rates. Given that interest rates have been rising steadily in recent months, we anticipate that the amount of the debt will drop to \$150,000 or below within the next few months. The Vestry and school's Board of Trustees have agreed that once the swap crosses this threshold, we will jointly pay off the balance, after which point the church and school will be debt-free; we will own the Thompson, Hillstrom, and church buildings free and clear.

### **10. What is going to happen to the Jefferson Building?**

The building is being gutted; the interior will be turned into condominiums. The exterior will remain largely unchanged. In addition, a row of townhouses will be built behind the existing building in part of the current parking lot.

### **11. What does this mean for us as a congregation?**

The property will be developed into condominiums and townhouses, so we'll have new neighbors right in our backyard. This presents an important opportunity for growth and outreach.

## **12. What is the impact on parking?**

Parking was one of the key issues that informed the vestry's negotiations regarding the Jefferson Building sale. We are guaranteed access to a minimum of 55 spots in the builder's new parking facility, in addition to the parking spots that we own immediately around the church building. In the evenings and on the weekends, we also have the free use of the city parking lot across the street from the church.

## **13. Will there be construction during the school year?**

Yes. The school community is aware, and the developer is committed to minimizing disruption to school and church programs and keeping the worksite fenced and safe.

## **Other**

## **14. What is the extent of our streaming abilities and the needed improvements? What is the cost to continue?**

Prompted by the pandemic more than two years ago, CEC implemented live video streaming of our worship services via YouTube. We also began archiving the videos on YouTube so that parishioners (or anybody else) can view our services whenever they want to; this creates flexibility for people who can neither attend in person nor live-stream services, but still want to stay connected.

We continue to believe this is useful in serving parishioners who cannot be with us in person, as well as in reaching a wider audience. Initially supported by volunteers, the streaming team determined that an outside vendor was needed to manage the technical and resource demands. In 2021, CEC applied for a Congregational Development Grant to cover this cost; however, the grant was not approved. Accordingly, CEC has been paying the cost of the streaming contractor from our operating budget. We have also invested in upgrades to our audio equipment and digital infrastructure to improve both the in-person and streaming experience, and to enable future enhancements.

## **15. What expenses/initiatives has CEC's endowment supported since 2019? Are they consistent with the wishes of the benefactor Katherine Thomas?**

Endowment Fund earnings (interest, dividends and investment gains / losses) for fiscal years 2019 through 2021 have been disbursed, subject to vestry authorization and the 5% disbursement "rule." Disbursements have been limited to funding projects that have included major repairs or improvements to the church buildings, such as the nursery air conditioning project and the Hillstrom House. In addition, funds were made available for the unique administrative fiscal challenges of the past three years, such as clergy transition costs and the closing costs associated with the sale of the Jefferson Building. Per the Endowment Fund bylaws, the Fund cannot be used to cover regular operating expenses of the church, nor the costs related to the 2018 - 2021 Capital Campaign projects. In the context of the wishes of Katherine Thomas, we believe that Endowment Fund disbursements do reflect her vision of enhancing and expanding the mission and ministry of the church.



# Christ Episcopal Church

107 S. Washington St., Rockville, MD 20850

## 2023 Annual Pledge

Come home!

My/our pledge for the year 2023 is \$.....

Name(s): \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_ Zip: \_\_\_\_\_

Telephone(s): \_\_\_\_\_ E-mail: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Would you like envelopes? Yes\_\_\_ No\_\_\_ If yes, weekly\_\_\_ or monthly\_\_\_?

Would you like information about: Paying a pledge online (e-giving)? Yes\_\_\_ No\_\_\_ Appreciated Stock Transfers? Yes\_\_\_ No\_\_\_

*Christ Episcopal Church is coming home...*

*Please join us and make your 2023 pledge.*

## Two ways to make your 2023 Pledge:

### Pledge Card

Fill in the pledge card found on the other side and return it in the church alms basin or by mail.

*OR*

### Make a Pledge *online*

[https://rebrand.ly/  
pledgeCEC](https://rebrand.ly/pledgeCEC)

