



EPISCOPAL CHURCH OF THE ANNUNCIATION

ANNUAL PARISH MEETING

JANUARY 17, 2021

602 N. Old Orchard Ln. Lewisville, Texas 75077
Phone (972) 221-3531 www.annunciationlewisville.org

AGENDA FOR THE ANNUAL PARISH MEETING

January 17, 2021
12:30 P.M. via ZOOM

Call to Order - Lorie Grant

Opening Prayer - Father Jonathan Totty

Election of the Clerk for the Annual Meeting - Lorie Grant

Reports from Vestry and Staff

Senior Warden

Treasurer

Associate for Ministry Development

Youth and Outreach Ministries

Children's Ministries

Montessori Episcopal School

2020 Year in Review Slide Show

Introduction of Current Vestry Members - Lorie Grant

Thank You to Outgoing Vestry Members - Lorie Grant

Election for Vestry Members and Delegates to Diocesan Convention - Lorie Grant

Incoming Vestry

Benny Demel

J'Lane Taylor

Nancy Thorne

[June McIntire is filling the unexpired term of Margaret Martin]

Delegates

Lorie Grant

Lucy Fisher

Anne Moon

Theresa Orrin

Jon Wilson

The Lord's Prayer - Mother Catherine Thompson

Adjournment

January 2020 Vestry Meeting Minutes
THE EPISCOPAL CHURCH OF THE ANNUNCIATION, Lewisville, Texas
Sanctuary, Sunday, January 19, 2020

Call to Order By Senior Warden: by Betty Milligan

Opening Prayer, Father Jonathan Totty at 9:47 a.m.

Election of Clerk for Annual Meeting: Betty Milligan

Betty provided a motion for a general vote to approve or disapprove

Introduction of Current Vestry Members: Betty Milligan

Current Vestry Members

- Bill Lindsay
- Pamela Behrens
- Alan Ladd
- Ray Henderson
- Margaret Martin
- Lorie Grant

Outgoing Members

- Betty Milligan
- Cindy Bush Rieckhoff
- Cheryl Babb (served interim)

Thank You to Out-Going Vestry Members: Betty Milligan

Election for Vestry and Convention Delegates: Betty Milligan

Incoming Vestry:

Cheryl Babb
Joe Pack
Jerry Shook

2020 Delegates to Diocesan Convention:

Mary Ann DuTeil
Dick Gooding
June McIntire
Sherry Miller
Jessica Price

Senior Warden's Report

Treasurer's Report

A Year in Photos – To Be Rescheduled

Children, Youth & Outreach Ministries – Beth Parker and Tracy Miller

MES Head of School Report – Tracey Reinhart

Ministry Report – Father Jonathan Totty

Lord's Prayer – Mother Catherine Thompson

Voting Agenda Topics	Motion to Approve By	Seconded By	Outcome
<i>Election of Clerk</i>	Betty Milligan	Not required	Approved
<i>Election of Vestry</i>	Diane Vaughan	Cam Reinhart	Approved
<i>Election of Convention Delegates</i>	Laura Braun	Lee Dryja	Approved

Betty Milligan adjourned the meeting at 10:46 a.m.

Respectfully submitted,

Pamela Behrens, Clerk

CHURCH STAFF

The Rt. Rev'd George Sumner	Bishop
The Rev'd Catherine M. Thompson	Rector
The Rev'd Jonathan Totty	Associate for Ministry Development
Bill Balkey	Sexton
Jamie Damrel	Administrative Assistant
Dr. Elise Choi	Director of Music and Organist
Amy Kenney	Director of Business Affairs
Tracy Miller	Director of Youth Ministry and Outreach
Beth Parker	Director of Children's Ministries

THE 2020 VESTRY OF ANNUNCIATION

Lorie Grant	Senior Warden
Bill Lindsay	Junior Warden
Joanne Teeters	Treasurer
Dick Gooding	Assistant Treasurer
Pam Behrens	Clerk
Cheryl Babb	
Alan Ladd	
Margaret Martin	
Joe Pack	
Jerry Shook	
Sarah Ward	

VESTRY MEMBERS' TERM

Mrs. Cheryl Babb	Term Ending January 2020 Mrs. Betty Milligan	Mrs. Cindy Rieckhoff
Mrs. Pam Behrens	Term Ending January 2021 Mr. Alan Ladd	Mr. Bill Lindsay
Mrs. Lorie Grant	Term Ending January 2022 Mr. Ray Henderson	Margaret Martin

A RECAP OF 2020

PEOPLE STATISTICS

Active Baptized Members	390
Others who are Active	92
Total Members	482

WORSHIP STATISTICS

Sunday Holy Eucharist	83	Number of Confirmations	3
Weekday Holy Eucharist	6	Number of Receptions	1
Daily Offices held on weekdays	201	Number of Marriages	1
Lay Eucharistic Visitations	17	Number of Burials	7
Number of Baptisms	1		

***Average Sunday Attendance** **247**
through March 15th

MONTESSORI EPISCOPAL SCHOOL

Staff: 20 Students: 62

Rector's Reflections

Submitted by Mother Catherine Thompson

In Luke, chapter 13, verses 18 and 19, Jesus says, “What is the kingdom of God like? And to what should I compare it? It is like a mustard seed that someone took and sowed in the garden; it grew and became a tree, and the birds of the air made nests in its branches.” Much has been written and preached on these particular verses from scripture, including an analysis on the size of the mustard seed, the less than impressive stature of a full-grown plant, where it was planted, and by whom. Luke tells the parable in only two verses for a reason. Jesus did not mean to imply that the tree would be like the towering cedars of Lebanon, and that somehow what we see is a diminished version of what Jesus had in mind. What Jesus described was not an image of the future glory of the kingdom of God, which would indeed be grand and glorious, but rather the presence of the kingdom God at that particular moment in time – all potential and possibility, full of hope and anticipation of all that God had in store for God’s people.

This particular parable really speaks to me in light of what has occurred over the course of the past year. I find that I spend so much time recalling what we’ve lost, that I fail to remember to look for the signs of God’s presence all around us, even though it is still there. As you may remember, we distributed seeds in the April 3rd edition of our Church at a Distance packets. While it was difficult to be apart for Easter, we hoped this gift would provide a little joy. In September, Susan Cutts shared this photo of the flowers blooming in abundance in her backyard, and called it, “Blooming Blessings.” I was reminded of the old adage, “Bloom where you are planted.”



While our circumstances are far from ideal, we are reminded to look for the signs of God all around us, to remember that the Holy Spirit is still active and moving in our lives. Even though we are physically distant from one another, God has continued to bless us, and our ministries, in a myriad of surprising ways.

During this quiet season on our campus, we were able to complete a number of projects, including updating the nursery, installing new pews, painting a large portion of our main building, replacing the carpet in several rooms, renovating the ramp to the office, and repairing the flower bed along College Parkway.

When we were informed that we could not worship in person, an amazing team of people came together, including Dr. Gary Gordon, Jon and Lori Wilson, Mark Thompson, David Ward, Joanne Teeters and Easel Yoo. They joined me, Fr. Jonathan and Tracy Miller in quickly transitioning to a livestream of our worship from the Oratory Chapel. The Vestry then authorized the purchase of new video equipment, and we returned to worship in the sanctuary in October. This transition was nothing less than miraculous, given the amount of technical expertise required to make it in a short amount of time. I know it has not been without glitches, but God continues to provide the perfect people to help us navigate our way through the complexities.

We also learned how to utilize Zoom for meetings and classes, enabling the business of the church to continue, and our formation opportunities to flourish, for both adults and youth. EYC transitioned to Zoom in order to stay connected. Greg Anderson, John Campbell and Lee Dryja began offering Evening Prayer via Zoom on Friday nights, and Mary Ann DuTeil gathers the Daughters of the King together every Tuesday for Evening Prayer, lifting up our needs to God.

We quickly mobilized a team of amazing volunteers to help deliver nearly 220 packets to the doorstep of every household, containing everything one might need for worship at home, helping us to remain connected.

We were blessed in April to receive a PPP loan to help cover our expenses during the pandemic in the amount of \$63,925. We were also blessed to receive generous gifts from several members of the congregation, not only to help Annunciation remain financially sound, but also to provide financial support to those members affected by the pandemic due to a loss of employment. Between cash donations and gift cards, we were able to give away \$7,900 in support of our brothers and sisters in Christ.

While we could not worship indoors, a little bit of creativity and a whole lot of flexibility allowed us to hold services in our courtyard. With Bishop Sumner, we were able to celebrate the confirmation, reaffirmation or reception of 5 wonderful people. We also celebrated a wedding and two memorial services. We offered a service of contemplative music under the direction of Dr. Gary Gordon, as well as a Christmas Eve singalong with Bob Vaughan, Jon Wilson and Lori Wilson, under the direction of Dr. Elise Choi.

Fr. Jonathan and I spent time with parishioners at home, safely distanced and wearing masks, including eight services of Holy Eucharist held in the backyards of members. By doing so, we hoped to form regional connections for those people who live near each other. Beth Parker, our Director of Children's Ministries, and Nancy Bauer delivered VBS kits, complete with projects, Bible verses and blessings for our families with young children. They also delivered Advent kits to help families observe the season together. Tracy Miller delivered gifts to the doorsteps of our youth.

We also hosted a number of successful drive-by events, including two food drives for the Salvation Army, a shoe collection for Soles 4 Souls, Pet Blessings for our community, our Celebration Sunday event, and Gary's good-bye celebration.

While we were very sorry to say goodbye to Monica Campbell, Gary Gordon and Kem Lawson, we were blessed to welcome Jamie Damrel (Administrative Assistant), Elise Choi (Director of Music Ministries) and Amy Kenney (Director of Business Affairs). I want to extend my heartfelt gratitude to the search committees who were willing to meet with candidates, under less than ideal circumstances, in order to find the perfect person to fill each position. We have been truly blessed to have such wonderful people on staff.

Last but, certainly not least, we were blessed to have ten glorious Sundays of in-person worship in the first quarter of the year, as well as four additional weeks in November. It is abundantly clear from the number of people who came that we thoroughly enjoy being together. Our average Sunday attendance jumped from 237 in 2019 to 247 in the first ten weeks of 2020. I am certain that growth will continue when it is safe to resume worship in person.

All of this is to say that while 2020 has certainly presented challenges, God continues to provide “blooming blessings” in the midst of those challenges. We have stretched ourselves, grown in our faith, and come to a new understanding of what it means to experience the love of Christ in wonderfully unexpected ways. I want to celebrate all that we’ve accomplished, and look forward to all of the potential and possibility that remains ahead of us.

Senior Warden Report

Submitted by Lorie Grant

Thank you for joining us this morning. This year has been a challenging one for all of us. However, even with those challenges it has been a successful one for our church home. During this financially trying times our Church is blessed to be in a good place financially. Joanne and Dick will discuss this in more detail during their talk.

I would like to thank the Clergy, our Church office staff and Dick and Joanne for all of their hard work this year, it was a very hard job to stay within our Budget and we so appreciate your hard work.

Our New streaming/ Video system was a blessing for us all. Who would of thought that the Pandemic would bring us this gift for us all to enjoy.

We want to say a Big thank you to David Ward for all of his tireless work in this effort. He was there for the entire process and we are so grateful.

Our Goals for the Vestry in 2020 were many. We were able to achieve most of them and I am pleased to share them with you today.

We completed repairs to the roof and to the ceiling in the Narthex.

We completed painting in the welcome center, Oratory chapel, nursery and the flower and vesting rooms.

New Carpet was installed in the Oratory Chapel, Library and vesting rooms.

We continued our support of the Salvation Army and received a grant from the Diocese of Dallas that will allow us to do more to help our neighbors in need.

We continued Laundry Love, had a Taizé service in the courtyard, and had a successful MES Auction.

Delivered our Thanksgiving baskets to our First Responders, Youth group continued meeting using Zoom, our Choir scholars continued to bless us with their beautiful voices, we were able to continue our Christmas mission of supplying gifts to Navajo land, MES and to our LISD Angels.

Had a beautiful Christmas Eve Carol service in the Courtyard that had a toasty cozy fire and hot chocolate and treats.

Celebration Sunday was a race toward stewardship and was a drive by event that was well attended.

We continue to do Church and Morning Prayer virtually. It is so welcoming due to our beautiful new system. We continued our adult formation classes and is a witness to our Clergy’s innovation and their love for speaking and sharing God’s word.

We delivered our Church at a Distance packets that allowed our church family to be part of the worship and be able to still partake in the Holy Communion.

We were able to provide Walmart Gift cards to our families who were most affected by the Pandemic. What a blessing this was too many and to all of us.

Wanted to welcome Elise Choi as our New Music Minister. Her music is wonderful and we are so grateful she has picked us as her new Church Family.

And last but not least our Crowning achievement is our beautiful New Pews and Choir Loft chairs.

You can truly appreciate its beauty when we are watching our church service virtually.

The cameras are very kind to our beautiful new pews.

As you can see our church, it's leaders and our church family continued to do the work of the Holy Spirit during these very trying times. I want to thank all of you for allowing me to serve you. Please know how much I appreciate your trust and look forward to continuing God's work with each of you.

Hope to see everyone soon.

Thanks be to God.

Lorie

Junior Warden's Report

Submitted by Bill Lindsay

Property and Maintenance

We have concluded some major improvements to our Church property during 2020. They are as follows:

- ◇ Repaired leaks in church roof.
- ◇ Installed new audio visual system.
- ◇ Painted Narthex, Welcome Center and Oratory Chapel
- ◇ New flooring and rugs in the Narthex, Welcome Center and Oratory Chapel
- ◇ New pews for the church
- ◇ Repaired the garden fountain

I want to thank Mother Catherine, Father Jonathan, the entire Vestry, and the church staff especially Bill Balkey our Sexton, for their help and support in these endeavors. I would like to especially thank David Ward for spear-heading the audio/visual upgrade project. It will enhance our worship and our outreach for years to come. I also want to also single out Joe Pack for his great assistance and being an invaluable resource.

These are significant achievements that will enhance our fellowship and worship; however, our church buildings are aging and will continue to need attention.

We have a lot to be than thankful for as a Church. We are especially blessed with talented people who are responsible for the remarkable stewardship of our property.

I will be concluding my three year term on the Vestry. These have been three rewarding years for me. I have been blessed to have associated with such dedicated and caring people. I want to thank the members of our church for allowing me the honor and privilege to serve them on the Vestry. May God bless you and our church in all its endeavors.

MINISTRY REPORT

Submitted by Fr. Jonathan Totty

I recently read Walter M. Miller Jr.'s *A Canticle for Leibowitz*. Among other things, Miller's novel is a sustained meditation about the fragility, finitude, and mutability of human life contrasted with the enduring nature of the Church. Most of our lives changed drastically in the year 2020, but the mission of the Episcopal Church of the

Annunciation remained the same. Annunciation remained committed to fostering the spiritual and religious growth of our parishioners to the end that we as a community continue to grow in the love of God and our neighbors. In prayer, study, and worship Annunciation continued to serve our church family and our local community.

ADULT CHRISTIAN FORMATION:

Adult Formation classes are held on most every Sunday of the Academic year. In the past year Cam and Tracey Reinhart, Tracy Miller, Mother Catherine and I led discussions and taught classes to foster spiritual growth in the lives of the people of Annunciation. Our class topics ranged from "Theology and Dr. Who" to conversations about the lives of Desmond Tutu and Dietrich Bonhoeffer. The theme of our 2020-2021, academic year adult formation classes "Authentic Discipleship and the Mission of God" manifested as classes about communicating our faith, the mission of the apostolic church in Acts, and the witnesses of Christian discipleship in the lives of canonized and everyday saints. Furthermore, our adult formation classes have taken up the request of the 2018 General Convention of the Episcopal Church to foster racial reconciliation. Our classes framed the mission of God in the world as God's work to reconcile all people to each other and Godself and discipleship as the role of Christians to stand in solidarity with the oppressed and marginalized. At Annunciation, our Christian Formation programs incorporate individuals into a community committed to growing in the love of God and our neighbors.

The COVID-19 pandemic made it impossible for us to gather for adult formation classes in person for much of the year, but our classes offered through Zoom were well attended and allowed us to reach folks who are not geographically part of our parish. Therefore, I offer a hearty thankyou to all who participated in our Adult Christian Formation classes; my hope is that our formation programs are a blessing to the spiritual life of our parish.

CHURCH AT A DISTANCE:

To state the obvious, church in the year of our Lord 2020 was strange. In mid-March, Annunciation's services moved from in-person to online. Throughout the rest of the year, we maintained a presence online by streaming Morning Prayer and the Holy Eucharist.

Throughout the year the method and equipment Annunciation used to stream our worship developed rapidly. In March we began livestreaming our services using a laptop and an iPhone on Facebook Live and Zoom from the oratory chapel. Dr. Gary Gordon, John and Lori Wilson, David Ward, Joanne Teeters, Mark Thompson, Tracy Miller, and the Flower Guild were instrumental in aiding Mother Catherine and me to provide online worship for the people of Annunciation. As it became clear the pandemic would last the duration of the year, we looked into ways of improving the quality of our streamed worship services. First, we attempted to improve our audio quality. So, we added an audio interface that allowed us to use microphones in the oratory chapel. Simultaneously, we began planning to install a video system in the nave in order to stream services from Annunciation's principal altar. However, Annunciation was not the only church attempting to buy video cameras in 2020, so our equipment remained on backorder for most of the summer. The new video equipment was, then installed in the early Fall, and we began to stream both Morning Prayer and the Holy Eucharist from the Sanctuary. I especially want to thank David Ward and Sebastian Campbell for their help in taking Annunciation online.

In addition to streaming services, Mother Catherine and I celebrated six backyard Eucharist's in the month of October. We divided our parishioners into the neighborhood areas in which they live and invited small groups to join us on Sunday evenings for a time of corporate worship in the Holy Eucharist. I want to especially thank John Campbell, Joanne and Dale Teeters, Tracy and Mike Miller, Chris and Greg Acker, Bonnie and Ian Refo, and Maggie and Don Meisinger for hosting Eucharistic services in their backyards. Also, I want to thank Cindy and Mike Scharff and Mary Ann DuTeil and Allan Buffington for offering to host backyard Eucharist's (these were canceled due to rain). In the midst of the pandemic, celebrating the Eucharist together in small groups was good time to reconnect with physical worship and each other.

INVITE, WELCOME, AND CONNECT:

The Invite, Welcome, and Connect program at Annunciation intends to grow our parish both in terms of membership and spiritual depth. Alan Ladd is the lay leader who helps with the program. Alan oversees our ushers and greeters as well as our gift giving ministry, which are parts of Invite, Welcome, and Connect. New visitors to Annunciation receive a warm welcome and are given a welcome gift bag. Then, Mother Catherine and I facilitate quarterly classes after the last Sunday service in which we explain how new members can become more involved in parish life at Annunciation. I, then, stay in contact with our new members, and help them to participate in our common life of worship, service, and faith at Annunciation.

In 2020, twenty-five people became members of Annunciation through the Invite, Welcome, and Connect program by joining Annunciation for the first time or by reactivating their membership. Even in the midst of the COVID-19 pandemic, folks sought out the worship provided by Annunciation. When potential new members contact the church office or inquire about Annunciation through our social media presence, then a truncated form of the Invite, Welcome, and Connect is implemented to welcome new members into our church family. Mother Catherine and I held two new member classes in 2020, which is known as Annunciation 101. Annunciation's welcoming spirit led to our new members from 2020 getting involved in ministries such as Altar Guild and our Young Adult Small Group.

MEN'S PRAYER AND FELLOWSHIP MINISTRY:

On the first and third Tuesday of each month the Men's Lunch Bunch meets for a time of prayer, fellowship, and discussion. In the past few months, we discussed everything from cognitional theory and critical realism to the problem of evil. However, the discussions need not be about theology or religion, and anyone is welcome to lead the discussion. For example, I am thankful for Greg Acker's presentation about Bibles and Bible publishing. For my part, I greatly enjoy facilitating the Men's Lunch Bunch, and I look forward to another year of edifying fellowship and discussion.

YOUNG ADULT MINISTRY:

In January of 2020, I began a young adult small group. Before the pandemic, our group consisted of four group members and me. I designed a curriculum titled "The Way" consisting of excerpts from classical texts on Christian Spirituality and discussion questions about prayer, study, and service. The COVID-19 pandemic caused us to quit meeting in person, and we met a few times on Zoom before taking a break for the Summer. Our young adult cohort resumed in person meetings, and we quickly grew in number to seven members and me. With the growth in number came a growth in the diversity and depth of our discussions. I am thankful God is blessing Annunciation with these folks who thoughtfully engage the Christian spiritual tradition to grow in the love of God and neighbor.

WORSHIP AND LITURGY

ALTAR GUILD - *submitted by Joanne Teeters, Chairperson*

The Altar Guild ministry supports our church family through the preparation of our weekly church services, as well as preparing for all special services (such as baptisms, weddings, or funerals) and seasonal services (such as Advent, Christmas, Palm Sunday, and Holy Week). Our team provides support to each other and are on ready to serve our congregation. We are a behind the scenes ministry serving our parish.

Given the challenges of 2020, being a behind the scenes ministry has its advantages. Through the uplifting direction from Mtr Catherine and Fr Jonathan, we have supported our church services all year long. Individual team members are able to follow all safety procedures and serve at times when the church is quiet. It is a peaceful opportunity to prepare for our weekly services.

We are thankful we can offer opportunities to be involved. The Altar Guild is a flexible group who easily rolled with the changes throughout the year - from preparing for physical distancing in the sanctuary, changes in service, to quick turnaround so to expedite the taping of our services. A ministry of dedicated folks! Our current team is:

Cheryl Babb, Ginny Biggs, Laura Braun, Trudy Cleland, Lucy Fisher, Shirley Jones, Ann Martin, Charleen Shook, Anna Stredic, Sandra Tolbert and Sarah Ward. We were blessed to add new members this year – Bradie Hilliard, Jennifer Luthe and Beata Hill.

All of us on the Altar Guild truly appreciate the guidance from Mtr Catherine and Fr Jonathan and the support received from Tracy Miller and the team in our Church Office. Thank you!

LAY EUCHARIST VISITORS - *submitted by Rick Rieckhoff*

This year the LEV ministry took communion to 2 recipients during the first 3 months of 2020.

LEV service was suspended on March 8th and has not resumed as of today.

Recipients were Mary Ann Hubl & Cindy Beachley.

In November the LEV team was asked to assist in delivering communion packets to parishioners and we did so, for one week, until that program was suspended, as well.

We lost two, of our seven teams due to changes in schedules, moving, and personal reasons.

Looking forward to 2021 and the hope of an available vaccine and a return to normalcy.

LECTORS - *submitted by June McIntire*

The Lector Ministry carries out their service during the Liturgy of the Word, reading scripture lessons at all three services each Sunday and leading the Prayers of the People during the 7:15 worship services. Apart from serving at the Sunday services, Lectors volunteer to read at special services during Christmas, Holy Week and any other special services that arise. The goal of the Lectors within this ministry is not to draw attention to the Lector themselves, but rather focus on delivering the word of the Lord and conveying the message within the reading.

As we all know, this year was quite different from any other in the past. We only worshipped together at church for a brief time before the pandemic came rushing in and shutting us down, so things were, and still are, quite different. I do want to send a huge “Thank you” shout out to Tracey Miller and Mark Thompson for delivering the Word of the Lord during these trying times.

This past year, we did lose a few members due to life changes, so, if you love a good story and conveying the word of the Lord, I pray you will consider joining the Lector team when we resume normal life back in church. Currently we have 25 members that support approximately 160 worship services, delivering many lessons to our congregation. Preparing for the lessons is a simple process of the 3 R’s...reading, reflecting and rehearsing. This allows the Lector to lend the reading their personal touch and focus on the context of the lessons. We are always seeking individuals such as yourself to join our ministry. If you are interested, please reach out to me via email at june.mcintire@gmail.com.

Thank you to all the volunteers that serve on the Lector team; I am grateful to you all for your dedication to Annunciation delivering the word of the Lord. And I look forward to welcoming many more to our ministry.

VERGERS - *submitted by Greg Anderson*

The position of Verger goes back over 700 years. Today Vergers are laypersons who serve the church in a ministry of service. Often the Verger is seen in a simple cassock moving about the church preparing for worship. The Verger's logistical and behind the scenes support allow the clergy more time for pastoral and sacramental responsibilities. Our Vergers process at all liturgies and are especially helpful with visiting clergy. Vergers assist the clergy and manage the altar party, including the Acolytes, Lay Eucharistic Ministers, etc. They are ready to step up and be problem solvers during the service. Contact: Greg Anderson ganders0n0107@gmail.com

STUDY

CHILDREN'S MINISTRY

Submitted by: Beth Parker, Director of Children's Ministry

3 JOHN 1:4 - I have no greater joy than this: to hear that my children are living according to the truth.

As part of the Children's ministry team, this verse means so much. As parents and teachers, we spend our whole life hoping our children and the children of our church will learn to be truthful and believe in things beyond them. And we know the Lord has the same hope.

This year was one like no other, but Children's Ministry forged on! In this time of change and uncertainty, we can be positive to know and feel that the children of our church are learning to overcome and adapt new skills in the way we learn about Jesus and his love. Our children are surviving a pandemic that has shaken their world before they can fully understand it. But in Children's Ministry we did all we could to help make the children feel some normalcy this year.

We Started off 2020 with seven Christian formation teachers, and five children's chapel volunteers. We were unable to do our Children's Stations of the Cross or annual Easter Egg Hunt due to Covid. But we feel the things we did still helped to make our little ones feel the closeness to God they would have gotten at church.

Once the Pandemic hit and church was closed, the monthly church at a distance packets delivered to families included a weekly bulletin for young children.

For VBS in July, which is normally our biggest event, we took a new route this year. With the help of Nancy Mattingly, we created VBS home family boxes with the theme Concrete and Cranes: Building on the Love of Jesus. Each family received the boxes with daily crafts, bible stories and conversation starters to help make everyday connections to the bible lessons. Thank you to Nancy Mattingly, Zoey Mattingly, and John Robert Parker as they spent the day delivering these packages with me!

In July we also sent home in the church at a distance packets a Lord's Prayer packet for children, to help children break down the different parts of the Lord's prayers and how it pertains to their lives.

In August, school-aged children (Kindergarten - High school) received their Backpack Blessings tags in the church at a distance packet, to offer some sort of peace as they began their journey this year in education, either face to face or virtually.

For Advent, Nancy Mattingly and Myself created and delivered an Advent wreath craft to young children to help them understand the season of Advent and what it means to us.

Since we are no sure how much longer we will be church at distance, the Children's Ministry team is planning another family delivery around Easter! Look for info to come closer to the Easter Season.

VBS will be planned with the theme Rainforest Explorers: Jesus Leads the Way. At this time, we are planning for Virtual but crossing our fingers it may be in person!

I am looking forward to a new year with new opportunities to reach our young children and give them opportunities to feel the love of Jesus in their lives.!

YOUTH MINISTRIES AND OUTREACH 2020

Submitted by Tracy Miller, Youth Minister & Director of Outreach

YOUTH CHRISTIAN FORMATION Our middle school & high school students are studying a variety of Biblical topics using Ministry to Youth Curriculum and meet in a combined class. Ron Duncan and Natalie Grant are our 6th-12th grade teachers. After we shut down in person Sunday worship and Christian Formation classes, Sunday School teachers were wonderful about pre-recording Bible Lessons so they could be posted on our website.

NURSERY– From January through March 2020, Annunciation offered nursery care for infants up to four years of age. Nursery care is available at the 8:30am and 11:00am services each Sunday, during the Christian Education hour and for special services during Advent, Christmas and Lent and special musical and liturgical events throughout the year and employs two adults and two high school teens as Nursery Caregivers.

NEW! During the summer months of 2020, our Nursery underwent a wonderful transformation with new paint, décor, floor mats and additional educational toys.

EYC – Youth Group for 6th-12th Graders

EYC continues to be a strong ministry at Annunciation. Throughout 2020, EYC met in person on campus when we were able, on ZOOM when we were not every Wednesday night of the month from 6:30-8:00pm (ZOOM 7-8pm). Our program on campus starts with dinner and follows with Bible Study & Discussion. We have been tackling relevant Bible subjects that teens can apply to their lives and situations. Our average attendance for EYC is 14-19. EYC will also meet twice a month during June, July & August for “Summer EYC” with great attendance, food, fun and fellowship! Natalie Grant entered her third year of assisting Tracy Miller with EYC, and has become a great mentor to our youth. Brent Thomas, father to Max & Kate Thomas continued to assist us and has been a welcome addition to the adult mentors.

NEW! During times when EYC was not able to meet in person, Youth Minister Tracy Miller delivered Sonic Drinks, EYC “To Go” Treat Boxes & Summer Fun Bags to the homes of middle and high schoolers.

*While we were unable to go on any pre-teen or youth mission trips in 2020, we are looking forward and planning with great faith our **On The Brink, Inside Out and High School Mission Trip to Lake Charles, Louisiana in 2021.***



MONTESSORI EPISCOPAL SCHOOL (MES)

Submitted by Tracey Reinhart, Head of School

MES, a mission of the Church of the Annunciation, opened its doors in 1969. MES was the first Montessori school in Denton County and continues to provide a rich educational experience as the only Christian Montessori school for over 50 years. At the beginning of 2020, MES was poised to have its highest year in enrollment in over 10 years. Despite fierce competition from local Montessori schools and increased opportunities for preschoolers to attend LISD schools and Charter schools, our enrollment continued to grow. With 77 students enrolled in the 2019-2020 school year and a Waiting List for all classrooms, we had a projected tuition of \$560,000. Our positive financial position allowed us to once again look to the future. Plans were made in the budget for the installation of a Sensory Garden and several classroom and playground upgrades. We brushed up our exterior with a new sign and planters. Due to a number of families expecting new additions, we re-aligned our classes to feature a 9-18 months (Toddler 1), 18 months-3 years old (Toddler 2), 3-5 year olds (Preparatory), and 4-6 year olds (Upper Preparatory/Kindergarten) classes.

We continue to be an active part of the community and participated in several events including the Flower Mound Parade of Lights for which we won second place for our float. We continue our partnership with the city of

Lewisville and Keep Lewisville Beautiful in their Bags to Benches project by collecting plastic bags to be turned into benches! Tracey Reinhart continued to partner with Colin Community College and their Montessori program to teach Montessori seminars. We endeavor to build relationships with our families through various social events such as our Wine and Cheese Mingle, Montessori Night, and Family Nights at local restaurants. We held a successful Open House, Book Fair, and Art show in the spring just before COVID ramped up. We had to cancel our Annual Auction in March due to COVID, but eventually held it online in December and thanks to church members and family support, we raised over \$3,400. For the fifth straight year, MES was selected as Best Montessori School in Lewisville for 2020. We were also honored to place in the top three for the fourth year in the Best of Denton County Private Pre-Schools Category.

MES has been the proud recipient of numerous Eagle Scout projects and we feel blessed to continue working with several troops, including Troop 114. This year, we received a new “bus” for our upper playground and a balance beam for our toddler playground from Nathan Brown. In addition, our Sensory garden which was temporarily tabled will also move forward as a new Boy Scout project. We are also grateful for our generous supporters who have helped with donations through North Texas Giving Day and the Annunciation Angel Tree.

During the March Spring Break, we followed LISD’s lead and closed our school due to COVID concerns. I am very proud of our Board of Trustees who made some very difficult decisions during the initial outbreak of COVID from March through the summer and into the fall. I am also grateful for the leadership and guidance from Mother Catherine and Bishop Sumner as we all struggled to find ways to keep our community safe while providing for our family’s needs. MES made the decision to support our families by releasing them from their contracts for the remaining of the 2019-2020 school year beginning in April. The Board also committed to paying ALL staff members for the entire time that the school was closed. We remain one of the only schools in the area to make those commitments. We were very blessed that a number of families chose to continue making payments or made donations to help ensure that the school was in good financial standing and to help take care of our staff’s salaries. In addition, we were able to quickly secure a CARES Act Small Business loan/grant to help lessen the burden.

During our time of closure, our teachers continued to work with students through Zoom and social media. Teachers gave phonics lessons, helped with suggested activities for home learning, continued with Godly Play lessons, read stories, and more. They even conducted birthday parades for every student who missed their annual celebration of life. They remained committed to their families.

After research and an abundance of caution and new health protocols, we re-opened in June, with the first week of summer camp open only to essential workers’ families. As expected, our summer enrollment was low, but did continue to build over the summer.

Fall found us with a lower enrollment, 47 students, due to the continued threat of COVID. We also lost a number of our teachers whose circumstances changed due to COVID. The Board continued to support the decision to open our rooms with lower ratios and stringent protocols. MES families and staff have been diligent and careful to help ensure safety for all. Our enrollment has been slowly building throughout the year with some families coming back and new ones joining us.

In October, we switched Marketing firms and have developed a new marketing strategy that is focused on social media. In addition, after a second year with a Waiting List for our Toddler 2 program, we decided to open a second class in November. This class is already filling quickly. We are excited to announce that as January began, we enrolled an additional 13 students for the school, bringing our current enrollment to 66.

As with most businesses, schools, and homes, 2020-2021 will be a tough year financially. But, with continued guidance from our Treasurer, Dick Gooding, our entire Board led by Cindy Simpson-Scharff, and Mother Catherine, we will be okay. The school never loses sight of the needs of our families and community and is committed to providing the best Christian and Montessori Preschool-Kindergarten education in the area.

We are proud to have Montessori Episcopal School included as a vital part of the Church of the Annunciation and the Lewisville/Flower Mound community. We are grateful to continue in growing God’s children in the Montessori tradition with joyful spirits and hearts.

SERVICE TO OTHERS

NAVAJO MINISTRY - *submitted by Mary Ann DuTeil*

As you may have read in the news, the Navajo nation was severely affected by the Covid-19 pandemic. The situation was exacerbated by the limited access to water, grocery stores and medical facilities. Bishop David Bailey, of Navajoland, determined early in the pandemic that no gatherings were to take place at any of the Episcopal churches and missions until further notice. Therefore, our annual trip for 2020 was cancelled. In lieu of our trip, and in light of their tremendous need, Annunciation sent a donation in June of \$1,000 to St. Christopher's, Bluff, and St. John the Baptizer, Montezuma Creek, to help them meet the desperate needs of their people. Fr. Jonathan also sent \$500 from his Ministry Fund to the Diocese of Navajoland to help in diocesan-wide efforts. Thanks to your incredible generosity, we were also able to send an additional \$1,500 from our Angel Tree collection to St. Christopher's and St. John's. In addition, a member of Annunciation made masks, many people prayed, and Mary Ann DuTeil continued to send contributions through her own efforts with Missioners Sweets. While it was our desire to be with the people of St. Christopher's and St. John's in person, we were very thankful for the opportunity to serve in any way we could.

FELLOWSHIP

OUTRAGEOUSLY MATURE GROUP (OMG) MINISTRY - *submitted by Bonnie Refo*

For 2021 or thereafter, the Committee, will re-visit this Ministry to decide, what our activities will be for the current year.

BOOK CLUB - *submitted by Dianne Aynes*

Annunciation Book Club (ABC) began the year meeting in person; however, due to Covid 19, the group quickly adapted to Zoom meetings in April. We attempted meeting in person in the Church courtyard in October, but due to low attendance and group preference, returned to Zoom for the remainder of the year. Dianne Aynes and Angie Thomas split leading these meetings, and different members provided discussion questions, so to keep the computerized meetings "fresh".

Over the past twelve months, members of the ABC read and discussed the following titles:

January (fiction) – Shepherds Abiding by Jan Karon (great, light read for after the holidays)
February (non-fiction) – Finding Chika by Mitch Albom (he also wrote Tuesdays with Morrie)
March (fiction) – The Inn by James Patterson (was not well-liked by those discussing)
April (non-fiction) – The Five Presidents by Clint Hill (we all loved this and learned a lot!)
May – State of the Onion by Julie Hyzy (part of a series we return to occasionally)
June – My Time with Jackie by Clint Hill (another where we learned a lot)
July (fiction) – The Shell Seekers by Rosamunde Pilcher (a favorite of many in attendance)
August (non-fiction) - Invisible by Stephen L. Carter (not especially well received)
September (fiction) – The Black House by Peter May (surprisingly moving and educational)
October (non-fiction) – Becoming by Michelle Obama (educational; compared to C Hill books)
November (fiction) – Hail to the Chef by Julie Hyzy (next in the series)
December (non-fiction) – The 13th Gift by Joanne Huist Smith (probably the group's favorite for this year!)

Our December meeting also had four members bringing and either reading or summarizing four favorite children's books:

The Christ Child and the Stable Cat by Elizabeth Nissen (Sharon Kohl read)
A Visitor for Bear by Bonnie Becker (Angie Thomas read)
The Legend of the Christmas Tree (Liz Pace read an excerpt and summarized)
Someday is Not a Day of the Week by Denise Brennan-Nelson (Dianne Aynes summarized)

December brought the culmination of our Community Outreach Project for 2020. Throughout the year, we gathered a list of items for twelve men and twelve women at Lewisville Estates and stuffed appropriate pairs of socks (stockings) for the residents. First names were provided by the facility. ABC members Sharon and Marty provided hand-written notes for each resident; notes were attached to the sock sets. Dianne stuffed and delivered items December 3rd. We thoroughly enjoyed this project and look forward to another Community Outreach Project in 2021.

Attendance averaged eight members per meeting. Total membership averaged 18 throughout the course of the year. Adults interested in participating should contact Dianne Aynes (dianneaynes@gmail.com), to be sent the link to the Zoom meetings. Please join us!

As planned at our December meeting, ABC will continue meeting in 2021. Our January 2021 read is Winter Solstice by Rosamonde Pilcher.

WOMEN'S MINISTRIES

STITCH CLUB DENTON - *submitted by Betty Dunn*

Our Stitching Ministry has gone through some changes this year.

We have had a change of name to reflect a wider area of participants...."Stitch Club Denton". We are open to stitchers from all areas, especially since we are now meeting through Zoom.

We hope that in person meeting can be resumed soon, but until then, please feel free to join us on Monday mornings from 10:30 - 1:00. Come and go is ok if you can't stay for the entire time.

To join us on Zoom, contact me at bettydunn@mail.com or 214-663-9961 for the log in info.

We welcome "Stitchers" of all kinds. Needlework, Cross Stitch, Knitters, Sewers...please come check us out.

OUTREACH MINISTRIES

PARISH WIDE OUTREACH & COMMUNITY SERVICE PROJECTS FOR 2020

Submitted by Tracy Miller – Outreach Coordinator

Despite a worldwide COVID-19 pandemic that controlled worship, work, education & lifestyles, 2020 was a HUGE SUCCESS for Outreach Ministries at Annunciation. Listed below is a brief look back at our projects, and how we continued to serve our community!

ONGOING MONTHLY OUTREACH

SALVATION ARMY FIRST SUNDAY LUNCH - We began our 2nd year in this ministry and were able to serve lunch in person at Salvation Army in January and February. When Salvation Army had to shut down their dining room to the public, Annunciation volunteers joined together and figured out how to continue serving lunch each month without missing a beat! We consistently prepared soft chicken tacos, 4 condiments, refried beans & rice, fresh fruit, cookie & bottled water & assembled 60 lunches every month in 2020. THAT IS 720 HOT MEALS! The food is cooked in volunteer's homes & packaged individually, then brought to the Parish Hall for additional assembly & transport to Salvation Army for final packaging & distribution. An enormous "THANK YOU!" to Rob & Lorie Grants, Natalie Grant, Pam & Bill Behrens, Sarah & David Ward, Nancy Thorne, Cindy Tobin, Herb & Sue Barrett, Joanne & Will Teeters, Martha & Dick Gooding, Theresa Orrin & Lindi Gensert for their continued teamwork and faithful service to this vital community ministry!

LAUNDRY LOVE - 2020 marked the start of our THIRD year of Laundry Love, and we were able to serve and fellowship in person until March, along with our FaithNet partners at Flower Mound United Methodist Church.

While we have been unable to meet at StarBrite Laundry to assist guests, we have been dropping off 15 Laundry Love Care Packs at Salvation Army each month that contain \$10/Clear Token scratch off cards (that are used in place of quarters in the washers & dryers), detergent gel pods & softener sheets. Before we adopted the new “Safe Distance” system, we had a rotation of 14 Annunciation volunteers, that included FOUR NEW volunteers! We are very grateful for the service of Cindy Scharff, Traci Cahill, Nancy & Hal Bauer, Lee Dryja, Laura & Kristi Irwin, Natalie Grant, Lucy Fisher, MaryAnn DuTeil & Jerry & Charlene Shook. We look forward to serving in person again!

JANUARY – Our January Outreach Project was the Annual Charlie Moon Chili Cook-Off. We had 11 entries, a great crowd and ***raised \$709.61 (an increase from 2019 of \$94.03!) for the Lewisville Salvation Army.***

FEBRUARY – Random Acts of Kindness – Our Narthex bulletin board was again loaded with ideas, encouraging members and visitors to perform **Random Acts of Kindness** throughout our community.

MARCH – Annunciation was not able to offer a March Outreach Project, due to the shutdown.

APRIL – **FILL THE PANTRY FOOD DRIVE.** Annunciation had our first Drive-By Food Drive, and it was very successful! Much needed pantry items were collected and taken to the Salvation Army Food Pantry, which had been repeatedly overwhelmed by families and individuals in need of the most basic food and hygiene items.

MAY – Annunciation’s May Outreach Project was supporting our Boy Scout Troop 114 in their Drop Off Food Drive that benefitted Christian Community Action and LovePacs.

JUNE - SOLES4SOULS Shoe Drive: Our 7th Year of Soles4Souls was very fruitful. Even though we could not meet in person and drop off shoes before or after services, church members and friends brought their shoes to the donation boxes we placed outside the main church building. We collected 910 pairs of shoes! Net assets include \$44,761 of contributions with donor restrictions as to the purpose for which these funds can be expended (see Note 3 of the financial statements). In addition, the Vestry has designated (set aside) \$309,710 in the General Legacy Endowment Fund and for other purposes (see Note 4 of the financial statements). The remaining cash and investments of \$171,022 is available for general expenditures in 2021 beyond that which will be funded from 2021 income or held in reserve for future needs.

When looking at the Statement of Activities and Changes in Net Assets for the year, I like to think about how our financial activities relate to Annunciation’s mission: “To grow in Love of God and Neighbor.” In the simplest terms, I think about striving to reach that goal through worship, study, and service. And, in many ways our financial activities can be viewed in that same way. Each year, the Vestry adopts a cash operating budget based on anticipated giving and other expected income. That budget then provides a plan for funding our activities related to furthering the mission of the church.

Over the last several years, we have been fortunate enough to have often received more income than anticipated and managed our expenditures in a manner such that we had accumulated an operating surplus. Or, in financial terms an increase in net assets. As we began the year, the Vestry and Clergy decided that we should invest more for the future using some of that accumulated surplus. Thus, we adopted a cash operating budget for 2020 with a deficit (expenditures exceeding income) of \$39,061.38 and designated \$40,000 of the accumulated surplus for facilities improvement in addition to the \$63,595.42 that had previously been designated for this purpose.

The best laid plans can be severely altered when unexpected events occur – the coronavirus pandemic. From a cash operating standpoint, we received \$15,377.15 less in contributions than we had anticipated. On the other hand, we were able to reduce or redirect planned expenditures with a reduction in planned expenditures by \$35,180.99. The net result was that our cash operating deficit was \$20,953.62 rather than our planned deficit of \$39,061.38. Unfortunately, in many ways we were not able to do the things we’d planned to help our future growth. We were able, however, to continue with our planned facilities improvements – new pews, fresh paint, and new carpet.

As we begin 2021, we face some financial challenges. Our anticipated income will be less due to a reduction in pledges. Without in-person worship, our plate contributions will be reduced. To provide for worship, study, and service there is little we can do in the short-term to reduce our level of expenditures.

JULY – We answered the call to serve our community and held a Drive-By Food Drive, held on Sunday, July 12 from 1:00-3:00pm. So many pantry and hygiene items were collected that they filled the bed of a pick up truck. We are continuously grateful for the generosity of our church members.

NEW! We were asked through Salvation Army, who had partnered with the City of Lewisville’s Parks and Recreation Department to provide 65 Sacks lunches each day during the week of July 13-17. These lunches were given out to children and teens participating in a free Summer Day Camp program in Lewisville who would otherwise be “latchkey” or alone during the summer. Lunches included turkey or ham sandwiches, hot dogs, chicken strips and pizza dogs. **A total of 325 lunches were prepared and delivered by Annunciation volunteers.**

NEW! We were able to send a check to Navajoland in the amount of \$1,000.00 in lieu of the summer mission trip.

AUGUST – The August Outreach project was a three-day endeavor that provided Montessori Episcopal School teachers with a Teacher Appreciation breakfast, lunch, and desserts. A huge “Thank You” goes to Dianne Aynes, Susan Fieder, Nancy Thorne, Lucy Fisher, Ginny Biggs and Nancy Bauer for supplying all of the delicious food and beverages!

NEW! Again, Annunciation answered the call to provide sack lunches for a SECOND WEEK for the free Summer Camp program through Salvation Army and the Lewisville Parks and Recreation Department. **Another 325 sack lunches were prepared and delivered by Annunciation Volunteers!**

SEPTEMBER – DRIVE BY PET BLESSINGS were a HUGE success for our September Outreach Project! On Sunday, September 20

OCTOBER – Our October Outreach Project was creating door hangers that were included in every “Church At A Distance” packets. Church members were asked to walk their street or neighborhood and to “pray at a distance” and leave a door hanger as a reminder that someone was praying for them.

NOVEMBER – Our Annual Care Boxes to Police and Fire stations in Lewisville, Flower Mound and Highland was a tremendous success. Through generous donations from church members and MES families, all 18 boxes were filled to the brim with individual, prepacked snacks and supplies for our hard working First Responders and Law Enforcement Officers.

DECEMBER - Despite only having in person worship twice during December, we were able to accomplish our goals and adopt all 35 LISD Angels, get all of the gifts returned to the church, send a check to MES for \$495.00 to assist with COVID related costs, send a check for \$1,500.00 to Navajoland (a \$500 INCREASE from 2019!), and donate 20 sweatshirts, 20 pair of sweatpants and 60 pair of socks to the Lewisville Police Department Jail. It was a great way to end our year of OUTREACH!

MUSIC MINISTRY REPORT

Dr. Elise JeeYoon Choi, Director of Music & Organist

The COVID-19 pandemic impacted many things in our lives in 2020 and it has especially changed how we worship in church. It has forced us to close church buildings, yet we are finding new ways to continue to praise and glorify God with music.

I joined Annunciation as a Director of Music and Organist in September 2020, and it has been such a blessing to be part of the Annunciation family.

ON-LINE WORSHIP

Our church worship service was held in the chapel from mid-March to September. Although we were not able to have a choir due to the space limitation, Jon and Lori Wilson have provided wonderful music every week. Special thanks to their dedication!

CHILDREN & YOUTH CHOIRS

When we re-opened our sanctuary for in-person worship, November 1 (All Saints' Day), few children and youth choir members sang the offertory anthem beautifully.

ADULT CHOIR

In the month of November (in-person worship in the sanctuary), the choir sang at 8:30am worship. On December 24th, they shared the Christmas spirit singing carols during the prelude of the online service. And, we continued to celebrate the birth of our Lord in the church courtyard singing some of our favorite Christmas hymns led by Bob Vaughan, Jon and Lori Wilson and members of choir.

CHORAL SCHOLAR PROGRAM

We welcomed our new scholars: Lauren Gusman (soprano) and Jaewook Lee (tenor). Connor Newman (bass) and Easel Yoo (mezzo soprano) continue to serve as choral scholars. Each of these singers has made a significant contribution to our music program. Special thanks to Jaewook for his beautiful singing "O Holy Night" on Christmas Eve.

INSTRUMENTAL MUSIC

Dr. Allen Buffington has enhanced our worship all year with incredibly moving clarinet solos and collaborations, especially on Thanksgiving Eve and during Christmas season.

STEWARDSHIP MINISTRY REPORT

submitted by Ron Duncan

This year, our stewardship theme is one of Faith Filled Generosity. Even though our challenges were different this past year, the work of the church continued, even remotely, because the call of Jesus for of our Parish and our neighbors is ever present. We started with prayer, took time to listen to Christ and meditate on his message for us and now, we give praise to Him for the pledges that came from our church family. For 2021, we've received, to date, approximately \$386,000.00 in total pledges. Our pledge amounts may change over the year, but each pledge...each gift, provides support for our church our clergy and our community in God's ministry.

I want to thank Mtr. Catherine and Fr. Jonathan for their support and encouragement during this stewardship campaign. I also want to give a special thanks and recognition to the stewardship campaign team, Lorie Grant, Natalie Grant, Margaret Martin, Karen Snyder and Jennifer Williams. Their prayers, ideas, efforts and enthusiasm for serving God during this campaign was such a blessing and the Celebration Sunday "Going the Distance" Raceway theme and Boxed Lunches was one of the most unique, entertaining and remotely engaging events for parishioners.

On behalf of the Stewardship Committee, I want to thank our church family for their prayers, support and pledges during this campaign.

God Bless,

Ron Duncan

FINANCIAL INFORMATION

LEGACY FUND

Submitted by Anne Moon

With the stock market remaining fairly stable and even showing some growth, our Legacy Fund continues to increase. The beginning balance was \$288,528.40 and the balance as of November 30, 2020 was \$310,409.13.

This growth reflects a combination of contributions (\$5,950), income earned (\$5,755.62) and appreciation (\$22,540.02).

The Legacy Fund committee is chaired by Anne Moon and includes Laura Braun and Rich Westdyk. This group meets quarterly to approve the balance of fund and investment types and once a year to determine what amount of funds can be withdrawn. The Vestry determines how to use the funds that are withdrawn.

Based upon our growth in 2019 we were able to approve a withdrawal of \$11,000 that was designated for 2020. The Vestry voted to transfer \$2,000 to support youth mission trips and \$9,000 to our Building Fund to help pay for the new pews. Since the youth mission trips were cancelled in 2020, that money will remain in the youth mission trip restricted fund for 2021.

In addition, the money designated for 2019 was spent this past month to repair the wall supporting the flower bed along College Pkwy (the roots of the Bradford pear trees were pressing it outward), and to add soil and mulch to the bed. We are waiting for word from one of our Boy Scouts regarding adding new shrubs to the bed to complete the project.

The Legacy Fund itself is managed by State Street Global Advisors. In addition to providing an income stream for programs it is also an overall goal to grow the fund through additional contributions, legacy gifts and other donations.

If you have any questions on the fund, please feel free to talk to any of the committee members.

TREASURER'S REPORT

Submitted by Dick Gooding, Assistant Treasurer

Treasurer's Report

Submitted by Dick Gooding, Assistant Treasurer

Year Ended December 31, 2020

Attached to the annual report are the following:

The unaudited financial statements of The Church of the Annunciation, which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

The 2021 Preliminary Cash Operating Budget adopted by the Vestry.

The attached financial statements provide significant information about Annunciation's financial condition as of December 31, 2020. While financial statements with their related footnotes should stand on their own, it helps one not familiar with the way accountants formally present financial statements to have some guidance as to what those statements are telling you.

Annunciation's total net assets decreased \$59,596 in 2020 from \$1,322,384 at the beginning of the year to \$1,262,788 at the end of the year. While there was a decrease in net assets, Annunciation continues to be in solid financial condition with cash in the bank of \$263,497 and investments of \$261,996.

Outstanding liabilities include a Paycheck Protection Program Loan of \$63,925 and normal operating expenses of \$6,002 that are paid in the following month with the amount remaining relatively consistent from month to month. We have met the terms for forgiveness under the terms of the loan and the forgiveness of the liability will be recognized as an increase in net assets in 2021.

FINANCIAL REPORT - ANNUAL AUDIT OF FINANCIAL STATEMENTS, 2020

Submitted by Joanne Teeters, Treasurer

The Diocese of Dallas requires an audit of the financial statements and management practices of every parish to be completed each year. The audit is due annually on September 1, and details the review of the prior year.

To complete the review of 2019, our parish utilized an Audit Committee of parishioners. Although referred to as an audit, the result of this process is not an independent opinion as provided by a Certified Public Accountant. Instead, the Audit Committee provides the opportunity for review of daily operations, management practices, and financial process through a series of financial and management reviews.

The Audit Committee inspection included:

- Review of financial statements and supporting documentation for the year ended December 31, 2019
- Review of various management documents used in the operations of this parish.

The Audit Committee met during the months of July and August, 2020. All Diocese COVID-19 required safety protocols were followed. The final report from the committee was presented to the Vestry for approval on 8/20/2020 and submitted to the Diocese to fulfill the annual expectation.

The Audit Committee reported FINDINGS, made the following recommendations, and that action occur prior to the next Audit.

1. The Episcopal Church of the Annunciation Policy and Procedure Manual be reviewed and updated as needed.
2. The Audit Committee focused on Section IV - Finance and recommended that policies are reviewed and updated to reflect current use of electronic banking practices, third party applications, and daily management practices.

We would like to thank our parishioners, Angie Thomas and Nancy Thorne, who have served on our Audit Committee. They have provided continuity to our process and depth in knowledge from serving multiple years. We experienced office staff turnover during the past year, and Angie and Nancy helped bridge the transition. We truly appreciate their time and effort.

I thank Mtr Catherine and Dick Gooding for the attention to detail as we reviewed and updated policies. I appreciate the positivity and interest of all involved. Thank you!

The Episcopal Church of the Annunciation
Financial Statements
Year Ended December 31, 2020

Contents

Vestry Letter

Statement of Financial Position 1

Statement of Activities and Changes in Net Assets 2

Statement of Cash Flows 3

Notes to Financial Statements 4

To the members of the Episcopal Church of the Annunciation:

The accompanying unaudited financial statements of The Episcopal Church of the Annunciation (the “Church”), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements were prepared in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. These financial statements were not audited, reviewed or compiled by an independent professional accountant.

The Vestry of the Episcopal Church of the Annunciation
Lewisville, Texas
January 11, 2021

The Episcopal Church of the Annunciation
Statement of Financial Position
Year Ended December 31, 2020
(Unaudited)

ASSETS

Current assets		
Cash and cash equivalents	\$	263,497
Investments		261,996
Property and equipment, net		807,222
Total Assets	\$	1,332,715

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued expenses		6,002
Total current liabilities		6,002
Other liabilities		
Loans Payable		63,925
Total other liabilities		63,925
Net assets		
Without donor restrictions		1,218,027
With donor restrictions		44,761
Total net assets		1,262,788
Total Liabilities and Net Assets	\$	1,332,715

The accompanying notes are an integral part of these financial statements.

The Episcopal Church of the Annunciation
Statement of Activities and Changes in Net Assets
Year Ended December 31, 2020
(Unaudited)

Changes in net assets without donor restrictions

Revenues

Contributions	\$ 459,136
School use fee	50,000
Diosean Support of Assisting Clergy	19,500
Interest income	12,073
Other	5,583
	546,292

Total revenues without donor restrictions

Net assets released from restrictions (Note 3)

Satisfaction of program restrictions	20,222
	20,222

Total net assets released from restrictions

Total revenues and support without donor restrictions	566,514
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Expenses

Ministry and mission expenses	27,186
Diocesan assessment	46,611
Operations expenses	124,711
Salaries, wages and other personnel expenses	358,301
Depreciation expense	74,611
	631,420

Total Expenses

Decrease in net assets without donor restrictions	-64,906
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Changes in net assets with donor restrictions

Contributions	25,532
Net assets released from restrictions (Note 3)	20,222
	5,310

Increase in net assets with donor restrictions

Change in total net assets	-59,596
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Net assets at beginning of year	1,322,384
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Net assets at end of year	\$ 1,262,788
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The accompanying notes are an integral part of these financial statements.

The Episcopal Church of the Annunciation
Statement of Cash Flows
Year Ended December 31, 2020
(Unaudited)

Cash Flows from Operating Activities

Increase (decrease) in total net assets	\$	(59,596)
Adjustments to reconcile net assets to net cash provided (used) by operations:		
Depreciation expense		74,611
Changes in operating assets and liabilities:		
Accounts payable and accrued expenses		3,059
Pre-paid pledges		(1,030)
Net cash provided (used) by operating activities		17,044

Cash Flows from Investing Activities:

Payroll Protection Program Loan		63,925
Purchase of property and equipment		(95,531)
Purchase/sale of investments		(5,950)
Net cash provided (used) by investing activities		(37,556)

Net cash increase (decrease) for period (20,512)

Beginning cash and cash equivalents		284,009
Ending cash and cash equivalents	\$	263,497

The accompanying notes are an integral part of these financial statements.

The Episcopal Church of the Annunciation

Financial Statement Footnotes

Year Ended December 31, 2020

(Unaudited)

1. Organization and Nature of Operations

The Episcopal Church of the Annunciation (the "Church"), which is located at 602 North Old Orchard Lane, Lewisville, TX 75077, held its first worship service as a mission congregation on Easter Day, April 1961. Since then, the Parish has grown to over 500 members, building a Parish Hall, the Montessori Episcopal School, and a sanctuary to serve the local community. The mission of the Church is "To Grow in Love of God and Neighbor". The Church is supported primarily through contributions from its congregation.

2. Summary of Significant Accounting Policies

The summary of significant accounting policies of the Church is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Church's management, who is responsible for the fairness and objectivity embodied in the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The financial statements of the Church are reported on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when the obligation is incurred.

Financial Statement Presentation

These financial statements of the Church are presented in accordance with FASB ASC 958 which requires the Church to report its financial position and activities using two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Accordingly, net assets and changes therein are classified as follows:

Net Assets without Donor Restrictions:

Net assets not subject to donor-imposed stipulations.

Net Assets with Donor Restrictions:

Net assets subject to donor-imposed stipulations that may or will be met by actions of the Church and/or the passage of time.

Financial Statement Presentation (continued)

Net assets without donor restrictions represent the portion of expendable funds that are available for support of the Church's operations. Revenues are reported as increases in net assets without restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without restrictions. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Contributions of assets other than cash are recorded at their estimated fair value.

The Episcopal Church of the Annunciation
Financial Statement Footnotes
Year Ended December 31, 2020
(Unaudited)

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in the preparation of these financial statements include the assumption in recording depreciation. It is at least reasonably possible that the significant estimates used will change within the next year.

Cash Equivalents

The Church considers all highly liquid investments with original maturities of ninety days or less to be cash equivalents. At fiscal year end, the Church held no cash equivalents.

Property and Equipment and Depreciation

Fixed assets are stated at cost or fair market value at the date the item is donated, less accumulated depreciation. Major expenditures over \$1,000, except for computer equipment, and those, which substantially increase useful lives, are capitalized.

Maintenance, repairs and replacements, which do not improve or extend the lives of the respective assets, are charged to operations when incurred. When furniture or equipment is sold or otherwise disposed of, the asset and related accumulated depreciation is removed, and gain or loss is included in operations.

Depreciation has been calculated using the straight-line method based on the estimated useful lives of the assets as follows:

Building and improvements 5-40 years

Furniture and equipment 5-10 years

Federal Income Taxes

The Church is a not-for-profit corporation that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

**The Episcopal Church of the Annunciation
Financial Statement Footnotes
Year Ended December 31, 2020
(Unaudited)**

3. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes:

Subject to expenditure for specified purpose:

Altar	2,660
Flowers	2,829
Music	3,195
Navajoland	5,455
Youth	3,551
Mission Trips - Youth	2,115
Daughters of the King	2,189
Gad Abouts	3,376
OMG	1,166
Other Designated Purposes	<u>18,225</u>
Total net assets with donor restrictions	<u>44,761</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

Ministries and Missions	12,956
Operations Expenses	7,266
Furniture and Equipment	13,438

**The Episcopal Church of the Annunciation
Financial Statement Footnotes
Year Ended December 31, 2020
(Unaudited)**

4. Liquidity

The following reflects The Episcopal Church of the Annunciation's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Amounts not available include amounts set aside for long-term investing in the quasi-endowment that could be drawn upon if the Vestry approves that action.

Financial assets, at year end:	
Cash and cash equivalents	\$ 263,497
Investments	<u>261,996</u>
	525,493
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with time or purpose restrictions	44,761
Board (Vestry) designations:	
Quasi-endowment fund, General Legacy Endowment	262,546
Amounts set aside for other purposes	47,164
	<hr/>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 171,022</u>

5. Property, Plant, and Equipment

Land	40,000	The following is a summary of property, plant, and equipment as of December 31, 2020:
Buildings and Improvements	1,730,602	
Furniture and Equipment	<u>646,953</u>	
Gross Property and Equipment	2,377,553	
Less: Accumulated Depreciation	<u>1,570,531</u>	
Property and Equipment, Net	<u>807,022</u>	

Investment in Property, Plant and Equipment was \$95,409 and depreciation expense was \$74,611 for the year ended December 31, 2020.

**The Episcopal Church of the Annunciation
Financial Statement Footnotes
Year Ended December 31, 2020
(Unaudited)**

6. Concentration of Credit Risk

Funds deposited in banks are federally insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2020, the Church maintains its cash in various accounts at amounts which are below the federally insured limit.

7. Date of Management's Review

Subsequent events were evaluated through January 11, 2021 the financial statement issuance date.

The Episcopal Church of the Annunciation

Preliminary 2021 Budget

	<u>2020 YE</u>	<u>2020</u>	<u>2021</u>
	<u>Actuals</u>	<u>Annual Budget</u>	<u>Annual Budget</u>
Ordinary Income/Expense			
Income			
401010 · Budgeted Pledge Receipts	401,274.77	405,000.00	400,000.00
401020 · Regular Non-Pledge	44,727.89	50,000.00	50,000.00
401030 · Non-Regular Plate	2,825.81	9,000.00	5,000.00
401040 · Holiday Offering	1,883.00	4,000.00	3,000.00
401050 · School Use Fee	50,000.04	50,000.00	50,000.00
401070 · Clergy Support Grant	19,500.00	19,500.00	8,125.00
401080 · Interest Income	1,073.10	1,200.00	1,200.00
401090 · Other Income	<u>1,582.57</u>	<u>500.00</u>	<u>500.00</u>
Total Income	<u>522,867.18</u>	<u>539,200.00</u>	<u>517,825.00</u>
Gross Profit	522,867.18	539,200.00	517,825.00
Expense			
Programs			
Christian Formation			
510020 · Youth	82.98	750.00	750.00
510010 · Children	218.11	750.00	750.00
510030 · Adult	<u>118.34</u>	<u>750.00</u>	<u>750.00</u>
Total Christian Formation	419.43	2,250.00	2,250.00
Children			
510040 · Children's Chapel	159.53	100.00	100.00
510050 · Materials & Supplies	165.61	500.00	500.00
510060 · VBS	<u>325.14</u>	<u>1,000.00</u>	<u>1,000.00</u>
Total Children	650.28	1,600.00	1,600.00
Youth			
510070 · Fellowship & Activities	1,172.17	1,500.00	1,500.00
510080 · Community Service Projects	<u>0.00</u>	<u>2,100.00</u>	<u>2,100.00</u>
Total Youth	1,172.17	3,600.00	3,600.00
Music			
510090 · Music Supplies	808.12	500.00	500.00
510100 · Choir Scholarships	<u>3,760.00</u>	<u>4,580.00</u>	<u>4,580.00</u>
Total Music	4,568.12	5,080.00	5,080.00
Congregation Development			
510110 · Missions and Ministries	822.25	2,540.00	2,540.00
510120 · Newcomers	<u>180.90</u>	<u>500.00</u>	<u>500.00</u>
Total Congregation Development	1,003.15	3,040.00	3,040.00
Community Programs			
510130 · Parish Life	1,566.66	1,400.00	1,400.00
510150 · Outreach	<u>4,320.47</u>	<u>4,000.00</u>	<u>4,000.00</u>
Total Community Programs	5,887.13	5,400.00	5,400.00
Other Program Expense			
510160 · Nursery Supplies	653.05	100.00	100.00
510170 · Books & Periodicals	<u>201.99</u>	<u>500.00</u>	<u>500.00</u>
Total Other Program Expense	<u>855.04</u>	<u>600.00</u>	<u>600.00</u>
Total Programs	14,230.18	21,570.00	21,570.00

The Episcopal Church of the Annunciation

Preliminary 2021 Budget

Operations

530010 · Diocesan Assessment	51,400.62	56,009.00	47,300.00
Utilities			
530050 · Electric	20,931.60	25,000.00	25,000.00
530060 · Gas	2,742.47	4,000.00	4,000.00
530070 · Water & Sewer	5,283.79	4,000.00	4,000.00
530080 · Trash	1,108.08	1,200.00	1,200.00
530090 · Telephone	<u>2,209.11</u>	<u>2,400.00</u>	<u>2,400.00</u>
Total Utilities	32,275.05	36,600.00	36,600.00
Maintenance			
530105 · Janitorial	4,971.99	9,900.00	9,900.00
530100 · Building & Property	2,638.14	4,000.00	4,000.00
530110 · Grounds	11,979.18	11,000.01	11,000.01
530120 · HVAC	7,111.50	5,000.00	5,000.00
530130 · MES Facilities	1,733.75	3,600.00	3,600.00
530140 · Piano/Organ	<u>1,023.50</u>	<u>1,500.00</u>	<u>1,500.00</u>
Total Maintenance	29,458.06	35,000.01	35,000.01
Insurance			
530150 · Property Insurance	23,966.00	24,000.00	24,000.00
530160 · Worker's Compensation	<u>804.72</u>	<u>1,800.00</u>	<u>1,800.00</u>
Total Insurance	24,770.72	25,800.00	25,800.00
Office Expense			
530180 · Bulletin/Newsletter	522.48	2,400.00	2,400.00
530190 · Copier	13,263.86	12,000.00	12,000.00
530200 · Postage	1,195.88	1,000.00	1,000.00
530210 · Office Supplies	2,970.41	3,600.00	3,600.00
530220 · Bank Charges	2,419.46	1,000.00	2,100.00
530250 · Computers	<u>1,064.18</u>	<u>2,500.00</u>	<u>2,500.00</u>
Total Office Expense	21,436.27	22,500.00	23,600.00
Other Operations			
530280 · Hospitality & Coffee Supplies	936.41	2,400.00	2,400.00
530290 · Altar Supplies	1,195.90	1,200.00	1,200.00
530300 · Seasonal Supplies	639.79	1,000.00	1,000.00
530310 · Stewardship	822.35	3,000.00	3,000.00
530320 · Convention Expense	0.00	350.00	350.00
530330 · Bookkeeping & Professional Fees	3,468.87	2,500.00	3,500.00
530340 · Advertising	298.45	500.00	500.00
530350 · Web Site	1,714.71	1,500.00	1,500.00
530360 · Audio Visual	1,524.33	250.00	1,000.00
530370 · License/Permits	424.58	400.00	400.00
530380 · Small Equipment Purchase		500.00	500.00
530390 · Paper/Disposable Products	188.85	600.00	600.00
530400 · Custodial Supplies	305.87	600.00	600.00
530500 · Other Operating Expense	<u>429.02</u>	<u>500.00</u>	<u>500.00</u>
Total Other Operations	11,949.13	15,300.00	17,050.00
Total Operations	171,289.85	191,209.01	185,350.01

The Episcopal Church of the Annunciation

Preliminary 2021 Budget

Personnel			
Salary/Housing			
Ordained Ministerial Staff			
Rector			
550110 · Rector Stipend	51,000.00	51,000.00	51,000.00
550120 · Rector Housing	<u>39,999.84</u>	<u>40,000.00</u>	<u>40,000.00</u>
Total Rector	90,999.84	91,000.00	91,000.00
Assistant Clergy			
550210 · Assistant Clergy Stipend	28,233.40	31,000.00	31,000.00
550220 · Assistant Clergy Housing	<u>19,766.60</u>	<u>17,000.00</u>	<u>17,000.00</u>
Total Assistant Clergy	48,000.00	48,000.00	48,000.00
550310 · Supplemental Clergy	<u>258.29</u>	<u>2,000.00</u>	<u>750.00</u>
Total Ordained Ministerial Staff	139,258.13	141,000.00	139,750.00
Other Ministerial Staff			
550410 · C/Y/L Coordinator	46,000.08	46,000.00	46,000.00
550510 · Organist	23,333.26	27,500.00	30,000.00
550520 · Supplemental Musicians	<u>1,500.00</u>	<u>1,200.00</u>	<u>1,200.00</u>
Total Other Ministerial Staff	70,833.34	74,700.00	77,200.00
Staff			
550610 · Parish Administrator	42,589.56	41,000.00	40,000.00
550630 · Sexton	7,265.40	7,280.00	7,280.00
550640 · Nursery	2,077.58	3,000.00	3,000.00
550650 · Other	<u>12,875.50</u>	<u>12,856.00</u>	<u>12,856.00</u>
Total Staff	64,808.04	64,136.00	63,136.00
Total Salary/Housing	274,899.51	279,836.00	280,086.00
Benefits			
Ministreal Staff			
550710 · Pension, Clergy	28,470.00	25,020.00	25,020.00
550720 · Health, Clergy	27,206.57	29,863.71	29,863.71
550730 · Dental, Clergy	1,017.61	1,110.12	1,110.12
550740 · Life, Clergy	<u>1,188.00</u>	<u>1,490.40</u>	<u>1,490.40</u>
Total Ministreal Staff	57,882.18	57,484.23	57,484.23
Support Staff			
550810 · Pension, Staff	7,614.99	7,830.00	7,830.00
550820 · Health, Staff	293.90	0.00	0.00
550840 · Life, Staff	216.70	633.60	633.60
550850 · Disability, Staff	<u>8,125.59</u>	<u>768.00</u>	<u>768.00</u>
Total Support Staff	66,007.77	9,231.60	9,231.60
Total Benefits		66,715.83	66,715.83
Other Personnel			
550910 · Payroll Tax Expense	10,170.16	10,620.95	10,620.95
550920 · Professional Education - Rector		750.00	750.00
550930 · Professional Education - Staff	1,100.62	1,500.00	1,500.00
550940 · Mileage/Tolls	877.30	1,000.00	1,000.00
550950 · Phone & Data Plans	3,750.00	4,200.00	4,200.00
550960 · Pre-Employment Fees	266.95	100.00	100.00
550980 · Professional Expenses	<u>1,228.46</u>	<u>1,500.00</u>	<u>1,500.00</u>
Total Other Personnel	17,393.49	19,670.95	19,670.95
Total Personnel	358,300.77	366,222.78	366,472.78
Total Expense	543,820.80	579,001.79	573,392.79
Net Ordinary Income	-20,953.62	-39,801.79	-55,567.79
Net Income	-20,953.62	-39,801.79	-55,567.79

Does not include impact of Paycheck Protection Plan (PPP) loan forgiveness of \$63,925.

